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Govt. taking steps to make exams transparent: Murmu

Sandeep Phukan
NEW DELHI

President Droupadi Murmu on Friday hailed students as the “architects of India’s future,” declaring the youth its “most valuable asset,” given that 65% of the population is under the age of 35.

In her address to the nation on the eve of 80th Independence Day, she said the government was undertaking comprehensive reforms to make public examinations transparent, secure and trustworthy, and to completely curb paper leaks and the use of unfair means.

“Public examinations become gateways to opportunities for our students,” Ms. Murmu said, stressing that the government and society had a shared responsibility to safeguard the present and future of young Indians.



President Droupadi Murmu addressing the nation on the eve of 80th Independence Day, in New Delhi on Friday. ANI

Her remarks assume significance against the backdrop of recent student-led protests demanding systemic reforms.

The country’s expanding start-up ecosystem, she said, reflected the talent and dedication of its youth. Major global enterprises were impressed by the talent of Indian youth and entrusted them with leadership roles, she added.

Ms. Murmu stressed the

importance of the physical and mental well-being of young people, saying families and society had a collective responsibility to motivate and support them. Sports, she said, had emerged as an important vehicle for youth development and nation-building, with the Khelo India programme building an ecosystem from the grassroots to the national level.

National security fea-

tured prominently in the address. Praising the “unmatched valour” of the armed forces, she cited Operation Sindoor as an example of India’s ability to conduct precision counter-terror operations. It had sent a “clear and firm message” to terrorists and their supporters that they would face the consequences of their actions.

She described the suspension of the Indus Waters Treaty as a “decisive step” in national interest, particularly that of farmers. On internal security, she termed the progress towards making India “Naxal-free” a major achievement.

On foreign policy, she reiterated India’s commitment to peace, dialogue and cooperation, rooted in the principle of *Vasudhaiva Kutumbakam* (the world is one family). India would continue to seek greater re-

presentation for the Global South in the United Nations and other multilateral institutions, she added.

Women empowerment

The President cited welfare and financial-inclusion milestones, saying more than 25 crore people had been lifted out of poverty.

Women’s empowerment remained another key theme, with the President referring to the Nari Shakti Vandan Adhiniyam to provide one-third reservation for women in the Lok Sabha and State Assemblies and make Indian democracy more inclusive, the target of creating three crore new *lakhpati didis*, women flying combat aircraft and ‘drone didis’ in the agriculture sector.

On sustainable development, she said India had achieved many Sustainable Development Goals ahead of the 2030 deadline.

- **Key Terms and Explanations**

- **Demographic Dividend:** A phase in a nation's socioeconomic trajectory where the proportion of the working-age population (15–59 years) significantly exceeds the dependent population (children and the elderly). For example, with over 65% of its population under 35, India holds a strategic window to accelerate economic output, innovation, and savings, provided education and skilling keep pace.
- **Public Examination Integrity and Institutional Trust:** The structural and technological reliability of competitive recruitment and entrance assessments. It ensures that selection processes remain immune to organized malpractice, digital compromises, and paper leaks, thereby preserving meritocracy and public confidence in state machinery.
- **Nari Shakti Vandan Adhiniyam (106th Constitutional Amendment Act):** A constitutional milestone reserving one-third (33%) of all seats for women in the Lok Sabha, the State Legislative Assemblies, and the Legislative Assembly of the National Capital Territory of Delhi, designed to transition governance from women's welfare to women-led development.
- **Lakhpati Didi and Drone Didi Ecosystems:** Grassroots economic initiatives empowering rural women through Self-Help Groups (SHGs). While *Lakhpati Didi* aims to enable sustainable household earnings of over ₹1 lakh annually through diversified micro-enterprises, *Drone Didi* integrates rural women into high-tech precision agriculture via drone-flying certifications for crop monitoring and fertilizer spraying.
- **Vasudhaiva Kutumbakam & Global South Advocacy:** An ancient civilizational ethos translated into contemporary foreign policy. It balances sovereign national interest with ethical multilateralism, positioning India as a bridging power that articulates the developmental, climate, and financial priorities of developing nations across multilateral forums.
- **Strategic Hydro-Diplomacy:** The recalibration of international transboundary river-sharing mechanisms to balance regional cooperation with sovereign security requirements and domestic food-water security imperatives.

- **Main Arguments and Substantive Parts**

- **Demographic Asset vs. Demographic Risk:** India's youthful demographic profile is its greatest strategic asset, yet its actualization depends entirely on fair, transparent, and robust institutional systems. When recruitment and educational gates are compromised by administrative lapses, demographic capital risks turning into socioeconomic disillusionment.
- **Institutional Sanctity as a Pillar of the Social Contract:** Clean and secure public examinations are not merely operational logistics; they represent the foundation of the state's social contract with its youth. Systemic anti-leak reforms, digital tracking, and stringent legal accountability are essential to restore procedural justice and safeguard merit.
- **Holistic Well-being Beyond Classroom Learning:** True nation-building requires nurturing physical vitality, sports ecosystems from grassroots to elite levels, mental health support systems, and dynamic startup incubation. This holistic view shifts focus from degree accumulation to dynamic human capability development.
- **Internal Security as an Enabler of Development:** Sustained economic growth cannot occur in an environment of domestic instability. Decisive counter-terror doctrines and the near-eradication of Left-Wing Extremism (Naxalism) serve as foundational prerequisites for delivering schools, roads, and administrative justice to historically marginalized zones.
- **Transition to Women-Led Governance:** Gender empowerment has evolved beyond basic financial safety nets into formal political power and high-technology adoption, exemplified by legislative seat reservations, female combat aviators, and rural agritech enterprises.
- **Moral Realism in Foreign Affairs:** Indian diplomacy combines ethical universalism with firm national realism. While championing the Global South's institutional representation, the state simultaneously asserts strategic autonomy on sovereign resource security and border integrity.

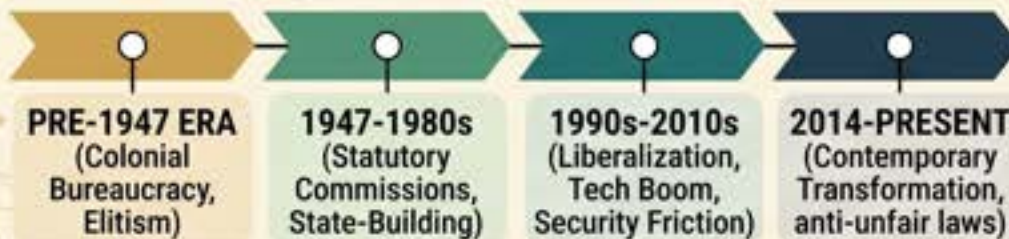
- **Historical Evolution of the Issue**
 - **Pre-Independence Foundations:** Colonial administrative architecture focused on systemic control rather than mass human capability building. Public appointments were exclusionary, women remained outside constitutional governance, and resource policies served imperial rather than developmental needs.
 - **Post-Independence State-Building (1947–1980s):** The newly independent republic created constitutional bodies like the UPSC and State Public Service Commissions to institutionalize equal opportunity under Articles 14 and 16. Transboundary river treaties were formulated, while early five-year plans laid the foundations for higher education and fundamental security infrastructure.
 - **Liberalization, Decentralization, and Security Friction (1990s–2010s):** Economic liberalization opened market avenues and the IT startup boom, even as competitive exams witnessed intense pressure and commercialization. Concurrently, Left-Wing Extremism expanded across the central tribal belt, and the 73rd/74th Constitutional Amendments introduced 33% reservation for women in local self-governments, setting the stage for national-level political parity.
 - **Contemporary Transformation and Institutional Hardening (2014–Present):** A decisive paradigm shift toward digitizing public selection frameworks, enacting dedicated anti-unfair-means statutes, rolling out national sports ecosystems, and securing near-elimination of Naxalite corridors. This era is marked by formalizing women-led development and asserting proactive hydro-security and Global South leadership.
- **Way Forward**
 - **End-to-End Technological Hardening of Testing Frameworks:** Deploy sovereign, tamper-proof technological pipelines featuring end-to-end digital encryption, blockchain-based question bank tracking, and AI-enabled anomaly detection across testing centers. Establish unified, independent oversight boards to audit the digital and logistics operations of all national and state-level testing agencies.
 - **Diversification of Youth Employment Pathways:** Reduce hyper-dependency on government vacancies by aggressively supporting manufacturing corridors, modern services, and early-stage startup incubation. Educational curricula must integrate practical vocational skilling and industrial apprenticeships to align the demographic dividend with 21st-century market demands.
 - **Institutionalizing Mental Health and Holistic Development:** Create accessible, de-stigmatized physical and mental health ecosystems within schools and universities. Expand programs like Khelo India to build district-level multi-sport complexes, transforming sports into a viable, mainstream career avenue.
 - **Deepening Women-Led Agritech and Market Linkages:** Scale programs like *Drone Didi* and *Lakhpatti Didi* from pilot schemes to full-fledged rural economic drivers. Ensure that women-led SHGs secure direct forward market linkages, credit access, processing infrastructure, and intellectual property protection for their rural products.
 - **Consolidating Internal Security Through Inclusive Development:** Transition security stabilization in former Left-Wing Extremism heartlands into sustainable development programs. Expand infrastructure, digital connectivity, land titling under the Forest Rights Act, and mother-tongue schooling to permanently eliminate the root causes of civil unrest.



STRATEGIC ANALYSIS FOR A TRANSFORMED INDIA: OPPORTUNITIES & CHALLENGES



HISTORICAL EVOLUTION



LINKAGES TO NCERTs & UPSC CSE SYLLABUS



India helps China evade tariffs: U.S. report

White House report identifies over 40 countries through which Chinese traders route goods to U.S.

It has named 'Pune-Gujarat-Chennai' belt as one of the areas 'enabling' China to evade U.S. tariffs

In these countries, illegal transshipment risk is embedded within legitimate trade flows, it says

T.C.A. Sharad Raghavan
WASHINGTON

India is once again in U.S. crosshairs, this time for allegedly allowing China to evade U.S. tariffs by routing its exports through the country. The latest allegations are part of a new White House report called 'The Great Transshipment Scam'.

In particular, the U.S. has named "the Pune-Gujarat-Chennai belt" as one of the areas "enabling" China to evade tariffs to the detriment of supply chains in the U.S.

This comes at a time when the U.S. has already imposed a 10% tariff on India for not doing enough to stop the import of goods made with forced labour, and is in the process of enacting legislation that would see tariffs of up to 100% imposed on India for

its import of Russian oil.

An ongoing investigation by the U.S. Trade Representative (USTR) related to excess capacity could see further tariffs on top of all this.

The U.S. had in 2018 levied tariffs ranging from 7.5% to 100% on goods from China under Section 301 of the Trade Act of 1974 for unfair trade and tech practices. On July 24, 2026, it added a further 12.5% tariff for forced-labour compliance gaps.

'Different origin'

"After their imposition, Chinese exporters increasingly routed goods through third countries," the White House report noted. "Products that previously moved directly from China to the U.S. were shipped through jurisdictions where limited assembly, finishing, repackaging, re-

Tariff maze

The White House report comes at a time when the U.S. has imposed a 10% tariff on India over forced-labour concerns



labelling, or documentation changes could create the appearance of a different national origin."

The report has identified more than 40 countries associated with "elevated illegal transshipment risk", with India among the top "enablers" of China's evasion of tariffs. "The Pune-Gujarat-Chennai production belt absorbs pumps and compressors... affecting industrial supply chains in Cincinnati, Day-

■ The report alleges India is among 40 countries helping China evade U.S. tariffs

■ India is among the top-tier 'enablers' named, along with Mexico, Canada, Japan, South Korea, and the European Union

■ The report has not yet specified any punitive actions the U.S. could take based on these findings

■ The report goes on to explain that tariff arbitrage lies at the heart of this transshipment arrangement

■ The tariff difference in arbitrage simultaneously becomes a loss of revenue for the U.S. government and a profit for the exporter, it adds

■ It says assembly factories are designed for tariff evasion and tariff avoidance rather than true manufacturing

ton, and Columbus," it said.

"The [40-odd] countries that comprise China's Shadow Transshipment Network include many of America's largest trading partners," the report said.

"China's biggest enablers range from Mexico and Canada on U.S. land borders to the European Union, India, Japan, and South Korea."

The report classifies the 40-odd countries into

three tiers based on how big a transgressor the U.S. feels they are.

The top tier comprises "countries and trading blocs that account for large absolute volumes of China-linked goods while maintaining diversified industrial bases and major U.S.-bound export platforms".

The report added that in these economies, illegal transshipment risk is embedded within broad legitimate trade flows. This Tier

Citing an analysis, the report says Mexico, India and Vietnam produced an estimated \$28 billion in lost tariff revenue

1 includes Canada, the European Union, India, Israel, Japan, Mexico, South Korea, and Taiwan.

Working of the 'scam'

The report goes on to explain that tariff arbitrage lies at the heart of this transshipment arrangement. When a Chinese product that faces a high U.S. tariff is routed through a country with a lower tariff rate, that difference simultaneously becomes a loss of revenue for the U.S. government and a profit for the exporter.

"Such tariff arbitrage creates the financial en-

gine behind the Great Transshipment Scam," the report added. "The savings are more than sufficient to finance the capital equipment, logistics infrastructure, light assembly plants, repackaging operations, and 'screwdriver factories' needed to support the scam across Southeast Asia, Mexico, India, and Eastern Europe."

It added that such assembly factories are designed for tariff evasion and tariff avoidance rather than true manufacturing.

"The Office of Trade and Economic Analysis (OTEA) estimates that approximately \$67 billion in U.S.-bound goods were transshipped from China through the top hubs - Mexico, India, and Vietnam - in 2025, producing an estimated \$28 billion in lost tariff revenue," the report said.

- **Key Terms and Explanations**

- **Trade Transshipment:** The logistical movement of goods from an originating country through an intermediate third-party nation before reaching their ultimate destination. While transshipment is a standard logistical practice for cargo consolidation, it turns illicit when used deliberately to disguise a product's true country of origin and evade customs duties.
- **Tariff Arbitrage:** The economic exploitation of tariff rate differentials between trading jurisdictions. When Country A imposes steep duties on imports from Country B, an exporter in Country B may route products through Country C (which enjoys lower duties with Country A), turning the duty difference into private margin while depriving the importing government of customs revenue.
- **Screwdriver Factories (Minimal Assembly):** Industrial operations characterized by superficial processing, such as packaging, labeling, simple sorting, or minor screw-tightening, without contributing substantial technical or capital-intensive value. These units exist primarily to secure a local origin certificate rather than build genuine industrial capability.
- **Rules of Origin (RoO) and Substantial Transformation:** International customs criteria used to determine the national source of a product. Under standard international trade law, for a good to claim origin in an intermediate country, it must undergo "substantial transformation"—often measured by a specific percentage of domestic value addition (typically 30% to 45%) or a change in the Harmonized System (HS) tariff classification heading.
- **Trade Deflection vs. Trade Diversion:** Trade deflection occurs when goods bypass high tariffs by re-routing through low-tariff third nations. In contrast, trade diversion is a structural shift where an importing country replaces a low-cost, non-member supplier with a higher-cost supplier from within a Free Trade Agreement (FTA) due to preferential tariff access.
- **Section 301 of the US Trade Act of 1974:** A statutory provision authorizing the United States Executive Branch to enforce trade agreements and take retaliatory actions—including unilateral tariffs—against foreign trade practices deemed unfair, discriminatory, or burdensome to American commerce.

- **Main Arguments and Substantive Parts**

- The intersection of geopolitical friction, industrial supply chains, and international trade compliance forms the core of contemporary trade defense mechanisms.
- **Proliferation of Shadow Transshipment Networks:** Major manufacturing powers facing high bilateral tariffs frequently establish indirect distribution routes. Intermediate industrial corridors—such as India's western and southern manufacturing clusters—are identified in trade reports as nodes where intermediate capital goods (e.g., pumps, compressors, and industrial sub-assemblies) are imported, minimally altered, and re-exported under altered origin credentials.
- **The Incentive Structure of Tariff Evasion:** The divergence between high protective tariffs (ranging from 25% to over 100% on specific product classes) and baseline Most-Favoured-Nation (MFN) tariffs creates an economic incentive for trade arbitrage. This dynamic creates shadow revenue streams large enough to finance secondary assembly hubs and logistics re-routing infrastructure across transit economies.
- **Erosion of Legitimate Trade and Domestic Industries:** Unchecked transshipment can distort domestic industrial policy. While it creates short-term logistics activity in intermediate hubs, it undermines domestic component manufacturing by substituting locally manufactured parts with cheap, imported foreign intermediates that merely undergo packaging or basic finishing.
- **Counterarguments and Industrial Realities:** Developing economies emphasize that modern manufacturing is inherently fragmented across Global Value Chains (GVCs). Sourcing raw materials or sub-components from competitive manufacturing hubs is an established global practice. Overly aggressive circumvention rules risk penalizing legitimate value-addition, burdening compliant domestic exporters with excessive certification costs, and disrupting established supply chains.

- **Historical Evolution of the Issue**

- **Pre-Independence to Post-Independence (1947–1990):** The colonial era utilized *Imperial Preference* systems to channel trade exclusively through imperial networks, suppressing indigenous value addition. Post-1947, India adopted an import-substitution industrialization model characterized by high tariff walls and strict quantitative import controls under the License Raj, keeping foreign transshipment risks minimal due to closed borders.
- **Post-1991 Liberalization and the WTO Framework (1995–2017):** The economic reforms of 1991 and India's accession to the World Trade Organization (WTO) in 1995 integrated the country into multilateral trading systems. As global tariffs fell, multinational corporations fragmented their production cycles across Asia. Intermediate products routinely crossed multiple national borders for sequential value addition, establishing the modern architecture of Global Value Chains.
- **The Advent of Geoeconomic Friction (2018–Present):** The unilateral invocation of Section 301 tariffs by the United States against major trading partners disrupted established supply chains. Concurrently, western nations initiated "friend-shoring" and "de-risking" strategies. As tariff differentials widened, trade deflection grew, prompting customs enforcement agencies worldwide to tighten Rules of Origin audits, scrutinize third-party routing, and link customs compliance with labor standards and domestic value-addition thresholds.

- **Way Forward**

- **Rigorous Domestic Enforcement of Rules of Origin:** Strengthen customs oversight under administrative mechanisms like the *Customs (Administration of Rules of Origin under Trade Agreements) Rules (CAROTAR)*. Indian customs authorities should deploy blockchain-enabled digital supply chain tracing to verify authentic domestic value-addition thresholds (e.g., minimum 35% local value addition) before issuing Certificates of Origin.
- **Transition from Assembly to Deep Industrial Value Addition:** Calibrate domestic manufacturing incentives—such as the Production Linked Incentive (PLI) schemes—to prioritize high-tier component manufacturing over simple semi-knocked-down (SKD) and completely-knocked-down (CKD) assembly. This eliminates the vulnerability associated with "screwdriver facilities" and builds domestic backward linkages.
- **Bilateral Customs Verification and Dialogue:** Utilize formal bilateral channels, such as the India-US Trade Policy Forum (TPF) and the Commercial Dialogue, to establish joint customs-audit mechanisms. Preemptively sharing supply-chain transparency audits and origin-verification data helps defuse unilateral trade actions and avoid broad secondary tariffs.
- **Strengthening Multilateral Norms at the WTO:** Collaborate with emerging economies to push for a standardized, transparent multilateral framework for non-preferential Rules of Origin. Revitalizing the WTO dispute settlement body ensures that circumvention allegations are investigated through standardized multilateral due process rather than unilateral trade measures.

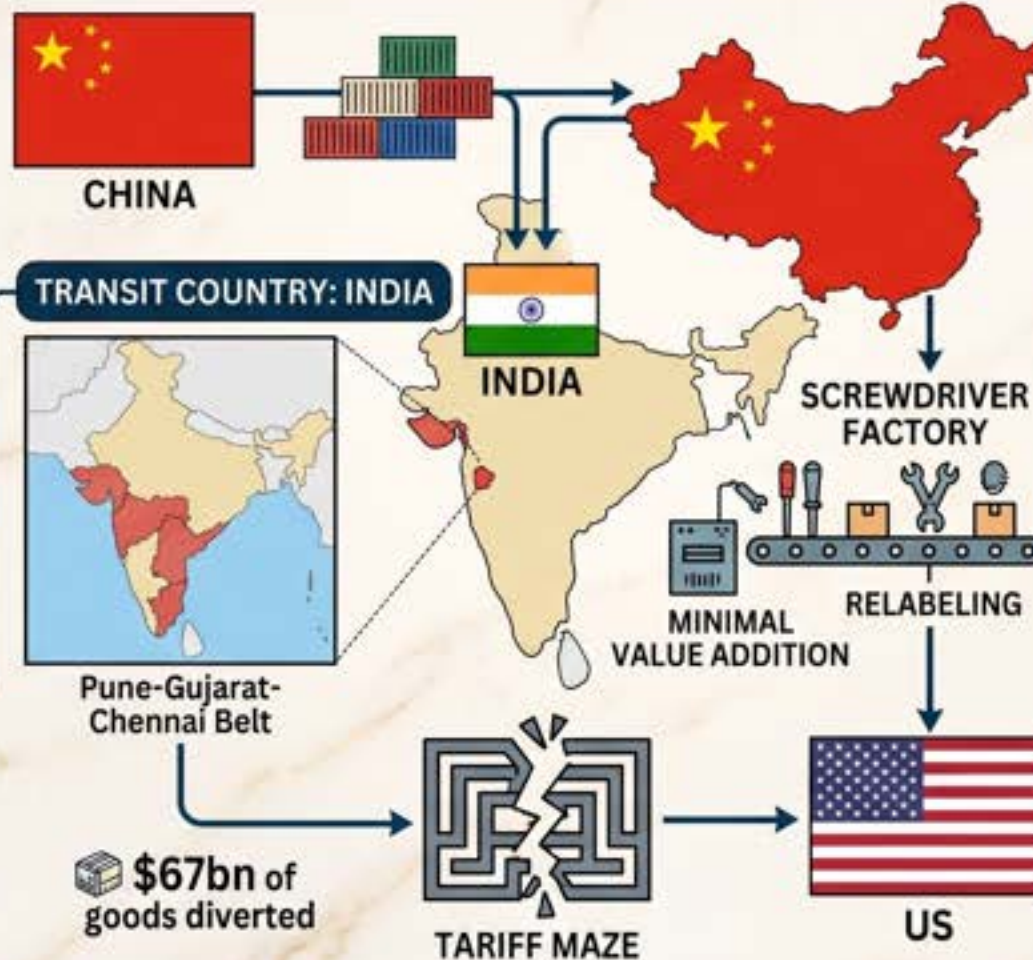
THE TARIFF ARBITRAGE MECHANISM

1. Contact of goods diverted transship from China
2. Process of gonicial addition in the UsM manals
3. Determhe fond goods cutiner forward depends
4. Damage runs containers complectrabing

WAY FORWARD: BALANCED STRATEGIES

1. Strengthen Rules of Origin (CAROTAR)
2. Deepen Domestic Manufacturing (PLI)
3. Bilateral Dialogue (Trade Policy Forum)
4. WTO Reforms

DECRYPTING THE 'GREAT TRANSSHIPMENT SCAM': INDIA'S ECONOMIC-GEOPOLITICAL CHALLENGE.



MULTIDIMENSIONAL IMPACTS: A UPSC/APSC PERSPECTIVE



ECONOMIC

- \$28bn lost revenue
- Croromntment
- GVC risk



LEGAL

- Rules of Origin Violations
- CAROTAR scrutiny



POLITICAL

- India under scrutiny
- Forced labor corporate integrity



INTERNATIONAL

- Geopolitical fragmentation
- US extra-territorial laws

SYLLABUS LINKAGES (UPSC & APSC)

GS 2

IR, Global Policies

Essay

GS 3

Economy, GVCs, PLI

Essay

GS 4

International Ethics

PYQ Themes

CJI criticises BCI's interference in 'dialogue' between him and students

Right to profession cannot be threatened for expressing dissent, says Chief Justice on plea seeking urgent hearing on BCI directive to stop enrolment of NALSARs 2026 batch SC bars coercive actions by Council against the students, seeks affidavit

Krishnadas Rajagopal
NEW DELHI

Chief Justice of India Surya Kant on Friday questioned the motives behind an aborted move by the Bar Council of India to stop the professional enrolment of the National Academy of Legal Studies and Research (NALSAR) batch of 2026, terming it an unwarranted interference in the ongoing "dialogue" between him and the students who do not want him as the chief guest for their convocation ceremony.

"Who is the Bar Council of India (BCI) to come between the students and me? The Bar Council of India has no business here... It is a dialogue between the students and me. Why is the BCI unnecessarily interfering?" asked Chief Justice Kant, heading a three-judge Bench, during a hearing against the BCI's actions.

The court barred the BCI from taking any coercive actions against NALSAR students and staff and gave the Council two weeks to explain its directives.

The students had written to the law university's administration, expressing their antipathy towards in-



cluding the Chief Justice. Their objection had followed nationwide outrage over the CJI's oral remarks referring to certain individuals as "parasites" and "cockroaches". The students had also found offensive the top judge's disinclination to view videos of police brutality against students protesting the NEET-UG paper leaks in Delhi.

On Thursday, BCI chairperson Manan Kumar Mishra, who is a BJP MP and senior advocate, wrote to the NALSAR Vice-Chancellor seeking a report identifying the persons behind the "campaign" against the CJI. The same letter prohibited State Bar Councils from enrolling any "2026-passed out student" from NALSAR.

The letter was quickly dropped in the face of intense public criticism. A second BCI communication,

issued within just two hours of the first one, declared the "vast majority" of NALSAR students "innocent", but retained the direction to NALSAR to inquire and submit a report on the people behind the protest. NALSAR had released a statement that it would have to look into the constitutionality of such an inquiry. The BCI eventually withdrew its letters entirely on Friday.

'Chilling effect'

However, the withdrawal of the letters did not stop the Supreme Court from condemning the BCI. Chief Justice Kant said the fundamental right to a profession cannot be threatened for expressing dissent.

"I was involved in student activities and campaigns too," the Chief Justice said.

The court was hearing

an oral mentioning by senior advocate K. Parameshwar, appearing for two former NALSAR students, seeking an urgent hearing and judicial action against the BCI.

"By launching into a fishing expedition and seeking to set up a case of wrongdoing from a genuine expression of grievance by students on a matter internal to the university, the BCI letters create a chilling effect on the freedom of speech, expression, and association among students. Legal education creates the space for questioning and courageous expression of one's ideas," Mr. Parameshwar submitted.

The court barred the BCI from taking coercive actions against NALSAR students, faculty, and administrators on the basis of the incidents mentioned in the BCI letters. The court gave the BCI two weeks to file an affidavit explaining its actions.

The petition said neither the Advocates Act, 1961, nor the BCI's Rules of Legal Education permit the BCI to regulate students' conduct or direct universities to "inquire" against them. The BCI's powers extended only to advocates and for prescribing standards of le-

gal education, it said. "The BCI has no jurisdiction over the admission of persons as advocates on the rolls of the State Bar Councils," the petition said.

BCI overreach

Mr. Parameshwar submitted that the BCI letters virtually attempted to add "expression of dissent" as a ground for disqualification for enrolment as an advocate. A person can be stopped from enrolment only in cases of conviction for offences involving moral turpitude or under the Untouchability (Offences) Act, 1955, or in case of dismissal from government service on a charge involving moral turpitude, he said.

The petition compared the current overreach of the BCI to an earlier episode when it had tried to bar anyone above 45 years of age from enrolling as an advocate. The Supreme Court had struck down the rule introduced by the BCI in a 1995 judgment in *Indian Council of Legal Aid & Advice v. Bar Council of India*.

Mr. Parameshwar said even the modification and ultimate withdrawal of the letters would not undo the "chilling effect" caused by the actions of the BCI.

- **Key Terms and Explanations**
 - **Bar Council of India (BCI):** A statutory body established under Section 4 of the Advocates Act, 1961. It functions as the apex regulatory authority for the legal profession and legal education in India, setting standards for professional conduct, etiquette, and syllabi of law universities.
 - **Advocates Act, 1961:** The umbrella legislation governing the legal sector in India. It establishes State Bar Councils and the Bar Council of India, delineating the criteria for enrolment, rights of practice, and disciplinary mechanisms against professional misconduct.
 - **Right to Practice a Profession (Article 19(1)(g)):** A Fundamental Right guaranteed to all Indian citizens to practice any profession or carry on any occupation, trade, or business, subject only to reasonable restrictions imposed by the state under Article 19(6) in the interests of the general public.
 - **Freedom of Speech and Expression (Article 19(1)(a)):** The constitutional guarantee ensuring citizens can freely voice opinions, criticisms, and dissent, bounded only by the eight exhaustively enumerated reasonable restrictions under Article 19(2).
 - **Chilling Effect Doctrine:** A legal concept where vague, punitive, or disproportionate regulatory actions deter individuals from exercising their legitimate fundamental rights (particularly free speech) out of fear of future sanctions or denial of professional opportunities.
 - **Doctrine of Ultra Vires:** An administrative law principle declaring any action taken by a statutory or public body void if it exceeds the explicit scope, powers, or jurisdiction conferred by its governing parent statute.
 - **Disqualification Under Section 24A of Advocates Act:** Statutory grounds that bar a person from being admitted as an advocate, strictly limited to convictions for offences involving moral turpitude, offences under the Protection of Civil Rights Act, 1955, or dismissal from government service on charges of moral turpitude.
- **Main Arguments and Substantive Issues**
 - The core of this controversy lies at the intersection of student dissent, regulatory jurisdiction, and constitutional safeguards:
 - **Weaponization of Professional Gatekeeping:** Denying or threatening to withhold professional enrolment as a punitive measure against university-level student dissent constitutes an arbitrary exercise of statutory authority.
 - **Statutory Boundaries of the Advocates Act, 1961:** The Bar Council of India's mandate is restricted to maintaining standards of the existing bar and approving university curricula. It does not extend to policing internal student governance, disciplining university administrations, or adding extra-statutory grounds for disqualifying graduating law students.
 - **The Chilling Effect on Future Legal Minds:** Using the threat of career deprivation to penalize non-violent institutional pushback suppresses critical thinking and creates an environment of conformity within professional education.
 - **Protection of Open Judicial-Public Dialogue:** Constructive engagement and intellectual friction between the judiciary and legal academia are essential elements of democratic accountability, which cannot be paternalistically mediated or suppressed by intermediary regulatory bodies.
 - **Precedential Boundaries (*Indian Council of Legal Aid & Advice v. BCI, 1995*):** The Supreme Court has repeatedly affirmed that the BCI cannot introduce arbitrary barriers to entry—such as age bars or non-statutory behavioral screenings—that undermine the right to a livelihood and fair entry into the bar.

- **Historical Evolution of Legal Profession Regulation**

- The regulation of the Indian legal profession has evolved from colonial surveillance to statutory self-governance, alongside periodic institutional frictions over regulatory reach:

- **Pre-Independence Era (1879–1923):** Under the Legal Practitioners Act of 1879, legal practitioners were heavily regulated by the British High Courts. The legal fraternity played a central role in the anti-colonial freedom struggle, prompting the colonial state to institute the Sir Edward Chamier Committee (1923), which proposed the Indian Bar Councils Act, 1926, granting initial, albeit limited, autonomy to provincial bars.
- **Post-Independence Consolidation (1953–1961):** The All India Bar Committee (1953), chaired by Justice S.R. Das, recommended a unified all-India bar and an autonomous national statutory body. This led to the enactment of the Advocates Act, 1961, which abolished the classification of pleaders, mukhtars, and barristers in favor of a single class of "Advocates," creating the Bar Council of India and State Bar Councils.
- **Rise of the National Law University (NLU) Movement (1986–Present):** The establishment of NLSIU Bangalore in 1986 and NALSAR Hyderabad in 1998 transformed legal education into five-year integrated professional programs. These institutions fostered a culture of constitutional rights advocacy, empirical research, and student-led institutional critique.
- **Judicial Demarcation of BCI Powers (1990s–2020s):** In *Indian Council of Legal Aid and Advice v. BCI (1995)*, the Supreme Court struck down the BCI's rule debarring persons aged 45 and above from enrolling as advocates as *ultra vires* Section 24 of the 1961 Act. Later rulings, including *Ex-Capt. Harish Uppal v. Union of India (2003)* and *Bar Council of India v. Bonnie Foi Law College (2023)*, reiterated that while the BCI can ensure pre-enrolment quality through exams like the All India Bar Examination (AIBE), it cannot create arbitrary entry barriers.

- **Way Forward**

- A sustainable resolution requires structural reforms that balance professional standards with academic autonomy and constitutional safeguards:
- **Structural Separation of BCI Functions:** Implement the recommendations of the Law Commission of India (Report No. 266) to separate the BCI's regulatory role over professional conduct from the accreditation and oversight of academic legal education.
- **Codification of Enrolment Disqualifications:** Reaffirm that the grounds for denying enrolment under Section 24A of the Advocates Act are exhaustive. Establish clear administrative guidelines preventing State Bar Councils from exercising arbitrary, extra-statutory discretion.
- **Protection of Academic Autonomy:** Establish a clear regulatory boundary preventing professional councils from intervening in the internal disciplinary matters and student governance of autonomous universities.
- **Independent Grievance and Ombudsperson Mechanisms:** Institutionalize ombudsperson offices within national law universities to mediate student-administration disputes internally, preventing unnecessary escalations to external regulatory or judicial bodies.
- **Cultivating Deliberative Institutional Cultures:** Foster institutional norms that welcome critical academic dialogue and non-violent dissent as essential elements of legal training, reinforcing constitutional values throughout professional education.



ANALYSIS: TENSION BETWEEN PROFESSIONAL REGULATORY AUTHORITIES AND ACADEMIC FREEDOM

KEY TERMS & EXPLANATIONS



BCI



Advocates Act



Art 19(1)(g)
Right to Profession



Art 19(1)(a)
Free Speech



Chilling Effect
Doctrine



Doctrine of
Ultra Vires

HISTORICAL EVOLUTION

Pre-Independence
to Enrolment
& Indian Council
(19-11998)

NLU
Movement
Indian Council
(1975)

Judicial
Demarcation
Indian Council survey
Geesanal (1995)

Key precedents
to the Statements
- Indian Council
(1995)

NLU
Movement
Indian Council
(1995)

Judicial
Demarcation
New Precedents of
Indian Council (1995)

MAIN ARGUMENTS & SUBSTANTIVE ISSUES



**Weaponization
of Gatekeeping**
• Enrolment denial
of gatekeeping

**Statutory
Boundaries**
• Limited powers
to limited powers



**REGULATORY
OVERREACH
(BCI)**
• Enrolment Denial
• Intrusive Inquiry
• Ultra Vires

TENSION
(Restrained by SC)

**FUNDAMENTAL
FREEDOMS
(STUDENTS)**
• Free Speech
• Right to Profession
• Academic Autonomy



Statutory Boundaries
• Limited powers
• Limited powers of
autonomous segment

Protection of Dialogue
• Open discussions
From the comments to
open discussion



NCERT & UPSC CSE SYLLABUS

Class / Chapter	Terms	Condensed Example PYQs
Class I: Class 2 (Ecological chapters)	GS-4	Prelims 2021: Unguided discretion Mains 2019: Autonomy vs. Regulators
Class II: Class 8 environmental (Chapter)	Essay	Prelims 2021: Autonomy vs. Regulators Mains 2019: Autonomy vs. Regulators
Class III: Ultratilemodatoms (Chapter)	Optionals	Mains 2019: Autonomy vs. Regulators Mains 2019: Autonomy vs. Regulators

MULTIDIMENSIONAL ANALYSIS MATRIX



Social

• Social
separators
interlocking
on the
authorities

• Book
professional
towers
comment
referenced
government
curves



Political

• Leading,
political,
city oap,
political,
Regulatory
authorities

• Right
professors
on outcasts
governments
Act



Legal

• Legal
legislary
oconomys
document
community

• Material
Academic
Autonomy,
dalog
Academic
Autonomy



Ethical

• Ethical
decisions
and econm
to commer
and proctes

• Protection
academic
cultures
mechanisms



International

• International
respect
of the
international
economic

• Economic
of of
incursions,
internations
and
economics



Economic

• Currency
comression
and
economic
of health
curnenes

• Economic
of an
oolitvating
governory
economic

WAY FORWARD

- Structural Separation of BCI Functions (Law Comm Report 266)
- Codification of Enrolment Disqualifications (Sec 24A)
- Protection of Academic Autonomy
- Independent Grievance Mechanisms
- Cultivating Deliberative Cultures



House panel concerned over slow rate of digitisation of manuscripts

Sreeparna Chakrabarty
NEW DELHI

A parliamentary panel has flagged the slow rate of digitisation of manuscripts under the flagship Gyan Bharatam Mission launched last year. It has said that the targets set by the mission are attainable only if “force multipliers” such as citizen participation at national scale and machine assistance are utilised.

Gyan Bharatam is a flagship initiative of the Ministry of Culture aimed at the identification, documentation, conservation, digitisation, preservation, and promotion of India's vast manuscript heritage. It was formally launched by Prime Minister Narendra Modi on September 11, 2025, but had been announced earlier that year



The Gyan Bharatam Mission aims to create a dedicated digital platform to share India's heritage across the globe. FILE PHOTO

during the Union Budget 2025-26. The mission mandate is to preserve and establish a dedicated digital platform to share India's manuscript heritage across the globe, named the National Digital Repository.

The mission had set a target of digitisation of one crore manuscripts by 2030. However, according

to the report of the Parliamentary Standing Committee on Transport, Tourism and Culture, tabled in the Rajya Sabha earlier this week, only 7.5 lakh texts have been digitised so far.

“The government has stated the ambition of digitising one crore manuscripts within five years, and the evidence before

the committee recorded a target of 20 lakh by 31 March 2027,” the report titled “From Manuscript to Mission: Preserving, Mapping and Sustaining India's Cultural Heritage in the Age of Artificial Intelligence” said.

The report further said that while the current pace, computed from the Ministry's successive official statements, has been around 33,000 manuscripts each month, the target stood at one and a half lakh manuscripts.

“The targets are attainable precisely if, and only if, force multipliers are brought to bear... Citizen participation at national scale, capture standards that avoid rework, and machine assistance directed at the narrowest bottlenecks are those multipliers,” it said.

- **Key Terms and Conceptual Framework**
 - **Manuscript:** A handwritten composition recorded on fragile, organic, or traditional surfaces such as palm leaves (*tala-patra*), birch bark (*bhurja-patra*), handmade paper, silk, or metal sheets. To be officially recognized under heritage preservation frameworks, these records are generally at least seventy-five years old and possess distinct historical, aesthetic, or intellectual value.
 - **Gyan Bharatam Mission:** A comprehensive national initiative steered by the Ministry of Culture to systematically identify, survey, catalogue, conserve, and digitize India's estimated one crore manuscripts, ensuring long-term preservation and global research access through a unified ecosystem.
 - **National Digital Repository:** A secure, open-access, centralized digital infrastructure built to store high-resolution facsimile scans, standardized metadata, paleographic transcriptions, and vernacular translations of preserved texts.
 - **Archival Capture Standards:** Scientifically calibrated technical specifications for digitization—spanning optical resolution, color depth (e.g., 24-bit RGB TIFFs), lighting conditions, and non-destructive handling protocols—designed to produce high-fidelity masters and eliminate costly rescanning.
 - **Force Multipliers in Cultural Heritage:** Modern technological and collaborative tools—such as Artificial Intelligence (AI), Machine Learning (ML), Optical Character Recognition (OCR), and broad-scale citizen crowdsourcing—that accelerate traditional archiving workflows without a linear increase in manual labor or financial expenditure.
- **Core Thesis and Substantive Issues**
 - Preserving India's documentary heritage represents a vital effort to safeguard the world's largest repository of ancient and medieval intellectual traditions. However, the operational reality of executing this civilizational archive reveals a significant implementation deficit that demands institutional re-engineering.
 - **Pace vs. Target Asymmetry:** The stated national ambition targets digitizing 1 crore manuscripts by 2030, with an interim benchmark of 20 lakh texts by March 2027. Yet, cumulative achievements stand at approximately 7.5 lakh texts. The current pace of roughly 33,000 manuscripts per month falls far short of the required rate of 1,50,000 per month.
 - **Fragmented Custodianship:** Unlike monolithic state archives, millions of rare Indic manuscripts are scattered across family collections, monastic institutions (*mathas, satras, and viharas*), rural temple trusts, and private libraries. This dispersed ownership requires active trust-building and decentralized logistics rather than a rigid top-down administrative approach.
 - **The Paleographic Bottleneck:** The structural deficit of scholars trained in ancient scripts—such as Sharada, Grantha, Brahmi, Modi, Newari, and old regional variants—creates a severe backlog in cataloguing, decipherment, and quality assurance.
 - **Absence of Standardized Workflows:** Variations in scanning quality across regional partner centers frequently cause metadata corruption, data loss, and costly rework. This highlights the need for uniform national preservation standards.
 - **Integration of Next-Gen Technologies:** Manual transcription cannot bridge the arithmetic deficit on its own. Archival bodies must integrate Handwritten Text Recognition (HTR), computer vision for automatic image restoration, and natural language processing (NLP) to process texts at scale.

- **Historical Evolution of Manuscript Preservation in India**
 - **Ancient to Medieval Era:** Manuscript conservation was historically integrated into educational and sacred institutions. Mahaviharas like Nalanda, Vikramashila, and Valabhi maintained vast multi-storied libraries (*Dharmaganja*). Regional royal courts established dedicated *pothikhannas* and royal scriptoria, such as the Saraswathi Mahal Library founded under the Nayakas and expanded by the Maratha ruler Serfoji II in Thanjavur.
 - **Colonial Period (Late 18th to Mid-20th Century):** The establishment of the Asiatic Society of Bengal (1784) by William Jones marked a shift toward systematic collection, cataloguing, and translation driven by Orientalist inquiry and colonial governance. Major initiatives like the survey of the Colin Mackenzie Collection took place alongside the physical extraction and transfer of thousands of vital manuscripts to European repositories (e.g., the India Office Library).
 - **Early Post-Independence Phase:** Archival mandates were managed through institutions such as the National Archives of India (NAI), the Indira Gandhi National Centre for the Arts (IGNCA), and regional state archives. However, efforts remained fragmented, underfunded, and largely confined to physical microfilming.
 - **National Mission for Manuscripts (NMM, 2003):** Established under the Ministry of Culture with the mandate of "*Samrakshana, Samvardhana, Prakashana*", NMM launched the *Kriti Sampada* electronic database, identifying millions of texts and establishing Manuscript Resource Centres (MRCs) across India.
 - **The Modern Paradigm (Gyan Bharatam Era):** Recognizing that physical cataloguing alone cannot prevent degradation or ensure wide access, the state transitioned toward a mission-mode, cloud-based framework focused on AI-assisted transcription, digital public infrastructure, and democratic access.
- **Comprehensive Way Forward**
 - **Deploy AI-Driven Indic OCR and HTR Workflows:** Form institutional partnerships with initiatives like Bhashini and premier research centers (such as the IITs and IISc) to build deep-learning models capable of recognizing handwritten Indic ligatures, automated character segmenting, and paleographical decipherment.
 - **Enforce Strict Archival Capture Standards:** Establish uniform digital capture guidelines (aligned with international ISO and FADGI preservation standards) across all state nodes and empaneled agencies to prevent quality errors and rescanning backlogs.
 - **Implement a Community-First "Scan-and-Return" Model:** Partner with private custodians, *mathas*, and rural libraries by offering free on-site digitization and physical conservation without taking away their ownership. This builds trust and uncovers hidden collections.
 - **Train a Specialized Cadre in Paleography:** Launch funded Post-Graduate Diplomas and Fellowships in Epigraphy, Paleography, and Digital Humanities through Central Universities to build a skilled workforce for verification and translation.
 - **Scale Up Citizen Science and Crowdsourcing Platforms:** Build a national crowdsourcing portal where trained volunteers, university students, and language enthusiasts can review OCR outputs, annotate metadata, and help index texts under expert moderation.
 - **Establish a Statutory National Manuscript Authority:** Pass a comprehensive National Manuscripts Bill to establish an autonomous statutory body with dedicated funding, executive authority, and a clear mandate to coordinate preservation across federal and state lines.

UPSC & APSC ANALYSIS: THE GYAN BHARATAM MISSION & MANUSCRIPT DIGITIZATION

Comprehensive Insights for Aspirants

PARLIAMENTARY PANEL CONCERNS

Slow pace of digitization under **GYAN BHARATAM** Mission flagged.



Concerns over targets for identification, documentation, and global repository sharing.

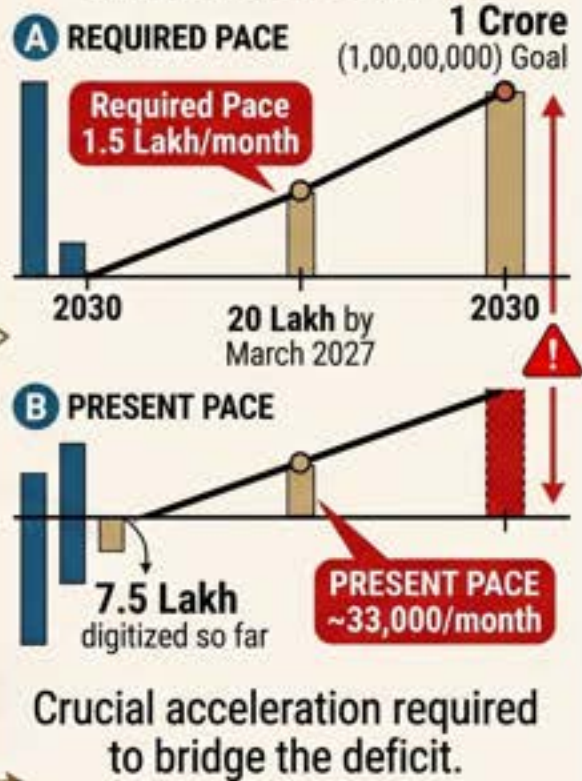
MISSION OVERVIEW & OBJECTIVES

MINISTRY OF CULTURE

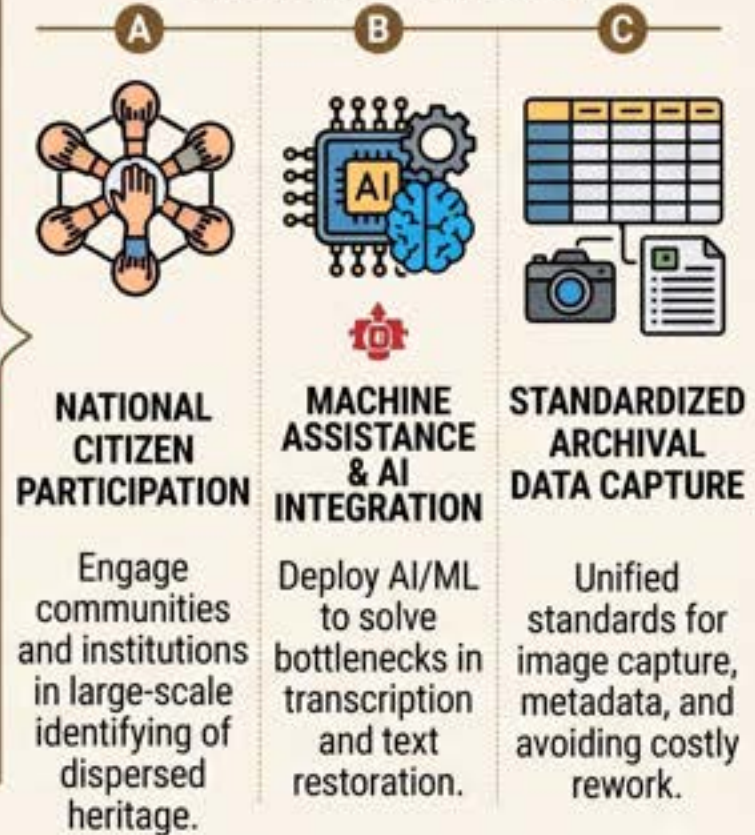


Aims: Create National Digital Repository; Share heritage globally; 5-Year Goal of One Crore Texts.

TARGET VS. PROGRESS: THE CRITICAL GAP



KEY RECOMMENDATIONS: "FORCE MULTIPLIERS"



PM praises resilience of those affected by Partition

Modi lauds their contribution to nation's progress; BJP posts AI-generated video of Nehru and Jinnah; Nitin Nabin says Congress and Nehru-Gandhi family responsible for the country's division

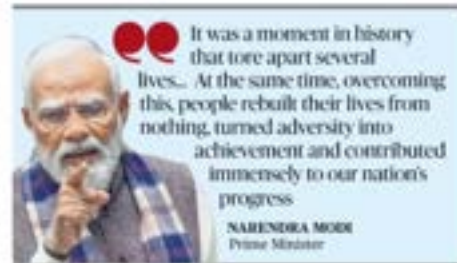
The Hindu Bureau
NEW DELHI

Prime Minister Narendra Modi on Friday paid tribute to people affected by Partition, saying they had overcome adversity to rebuild their lives and contributed immensely to the country's progress.

"Today we mark #PartitionHorrorRemembranceDay. We recall the courage of all those who were impacted by Partition. It was a moment in history that tore apart several lives... families were uprooted, loved ones were lost and immense suffering was endured," Mr. Modi said in a post on X.

"At the same time, overcoming this, people rebuilt their lives from nothing, turned adversity into achievement and contributed immensely to our nation's progress. Their life journeys remind us of the strength of the human spirit. May this day deepen our resolve to preserve harmony and brotherhood in our nation and collectively work towards building a Viksit Bharat," he said.

The Bharatiya Janata Party's X handle, mean-



while, posted an AI-generated video for Partition Horrors Remembrance Day, depicting former Prime Minister Jawaharlal Nehru and Pakistan founder Muhammad Ali Jinnah shaking hands.

Addressing an event in Gurugram, BJP president Nitin Nabin noted that over 1.5 crore families were displaced and over 30 lakh people lost their lives during Partition.

He held the Congress and the Nehru-Gandhi family responsible for the country's division.

'A bloody chapter'

"Those who had dreamed of political power for themselves attained power, but millions of Indians who had dreamed of freedom were forced to witness a bloody chapter. Those

who, in one way or another, advanced the transfer of power believing that they saw an opportunity and their future in Partition, secured their own future while putting the future of millions of Indians at stake," he said.

On August 16, 1946, he said, a "bloody chapter was written on the streets of Kolkata in the form of 'Direct Action Day', which plunged the entire country into the flames of communal violence".

Describing Mr. Modi's observance of the day as an effort to learn from history and make the new generation aware of Partition, the BJP chief said that, in the past, some people had attempted to bury the dark chapter in order to conceal their own truths.

"Those who divided the country solely for political power have still not changed their mindset; they divided the country then and are working to divide society today, with no change in their methods or policies," he said, alleging that the Congress had never publicly apologised to the families who suffered.

'Congress hypocrisy'

"The Congress that fought for Independence could never have laid the foundation for the Partition of the country... A few individuals laid the foundation for Partition, after which the Congress of that time was effectively buried forever," said Mr. Nabin.

He said that those who viewed the situation solely through the lens of political power imposed restrictions and "never recognised the spirit of service demonstrated by the Rashtriya Swayamsevak Sangh (RSS) through its workers at that time".

Mr. Nabin slammed Congress leaders, saying those responsible for the horrors of Partition were now speaking of uniting India while welcoming those who called for the country's disintegration.

- **Key Terms and Concepts**

- **Partition Horrors Remembrance Day (Vibhajan Vibhishika Smriti Diwas):** Observed annually on August 14 to commemorate the immense human suffering, displacement, and loss of life during the 1947 Partition, while honoring the resilience of uprooted families in post-independence nation-building.
- **Two-Nation Theory:** The ideological proposition advanced by the All-India Muslim League, asserting that Hindus and Muslims represent two distinct nations with irreconcilable cultural, social, and political interests, necessitating separate sovereign homelands.
- **Direct Action Day (August 16, 1946):** A call for nationwide strikes and mobilization by the Muslim League to press for Pakistan, which triggered the "Great Calcutta Killings" and catalyzed a chain reaction of communal massacres across Noakhali, Bihar, and Punjab.
- **Radcliffe Line:** The hurriedly drawn boundary demarcated by the Boundary Commissions headed by Sir Cyril Radcliffe in 1947, dividing British Indian provinces of Punjab and Bengal based on contiguous religious majorities.
- **Evacuee Property Framework:** Legal and institutional mechanisms established post-1947 to manage, maintain, and redistribute properties left behind by emigrants to Pakistan to incoming refugees through bodies like the Rehabilitation Finance Administration.
- **Collective Memory vs. Historical Amnesia:** The sociological dynamic between preserving public consciousness of historical trauma to prevent recurrence versus the selective forgetting of atrocities to preserve fragile social cohesion.

- **Core Arguments and Conceptual Foundations**

- The historical discourse surrounding the 1947 Partition centers on the tension between acknowledging deep-seated collective trauma and sustaining secular, democratic stability in a pluralistic society.
 - **Memorialization of Trauma and Resilience:** Public commemoration shifts the historical spotlight from high-table diplomatic negotiations to the subaltern experience—the resilience of over 15 million displaced individuals who rebuilt their lives and propelled India's socio-economic growth.
 - **The Debate on Historical Inevitability:** One perspective views Partition as the culmination of long-term colonial divide-and-rule tactics combined with political impatience, while another school of thought interprets it as a pragmatic compromise chosen by national leaders to avert an all-out civil war and political paralysis.
 - **Accountability versus Reconciliation:** Political debates frequently interrogate the compromises made by the pre-independence leadership. In contrast, academic historians emphasize systemic structural collapses, institutional failures, and rapid communal polarization as the primary drivers of the tragedy.
 - **Preventing Modern Sectarianism:** Remembering the catastrophic human cost of communal polarization serves as an institutional reminder against identity-based division, reinforcing the constitutional mandate of fraternity (*Bandhutva*) enshrined in the Preamble.

- **Historical Evolution: From Colonial Strategy to Memorialization**

- **Colonial Institutionalization of Identity (1905–1935):** The 1905 Partition of Bengal and the Morley-Minto Reforms of 1909 introduced separate electorates, hardening religious identities into formal political categories. The Communal Award of 1932 further fragmented the anti-colonial struggle.
- **The Escalation Phase (1940–1946):** The Muslim League's 1940 Lahore Resolution formalized the territorial demand for Pakistan. The failure of the Cripps Mission (1942), the Simla Conference (1945), and the Cabinet Mission Plan (1946) exhausted options for a united, decentralized confederation.
- **The Climax and Bloodshed (1946–1947):** Direct Action Day in August 1946 initiated widespread communal violence. The Mountbatten Plan of June 3, 1947, advanced the transfer of power, leaving the boundary demarcation to be revealed only after independence, which intensified panic, violence, and chaotic mass migration.
- **Post-Independence Rehabilitation and Memory (1947–Present):** Massive refugee resettlement altered the urban and agricultural landscapes of Delhi, Punjab, West Bengal, and Assam. While early state policy prioritized secular state-building and forward-looking economic planning over state-led memorialization, modern state initiatives have institutionalized the remembrance of Partition trauma.

- **Way Forward**

- **Pedagogy of Empathetic History:** Modern education should balance political history with subaltern and oral histories of Partition, emphasizing shared humanity, communal solidarity during crises, and the resilience of everyday citizens over divisive narratives.
- **Digital Archives of Oral History:** Establish state-supported, open-access national archives to record and preserve testimonies of the surviving generation of Partition witnesses, modeling initiatives like the 1947 Partition Archive.
- **Strengthening Constitutional Fraternity:** Use the historical lessons of 1947 to deepen inter-community dialogue, reinforce institutional safeguards against communal polarization, and protect the foundational constitutional value of fraternity (*Bandhutva*).
- **Comprehensive National Refugee Policy:** Transition from ad-hoc administrative frameworks to a well-defined statutory refugee and asylum policy that clearly articulates humanitarian duties while safeguarding national security interests.
- **Constructive Regional Engagement:** Leverage shared cultural heritage, literature, and memory across South Asia to foster track-two diplomacy, people-to-people exchanges, and peaceful regional coexistence.

KEY TERMS & CONCEPTS

14
Partition Horrors Remembrance Day (Aug 14)

Two-Nation Theory

Aug 16 1946
Direct Action Day (Aug 16, 1946)

Radcliffe Line

Evacuee Property Framework

Collective Memory vs. Historical Amnesia

CORE ARGUMENTS & FOUNDATIONS

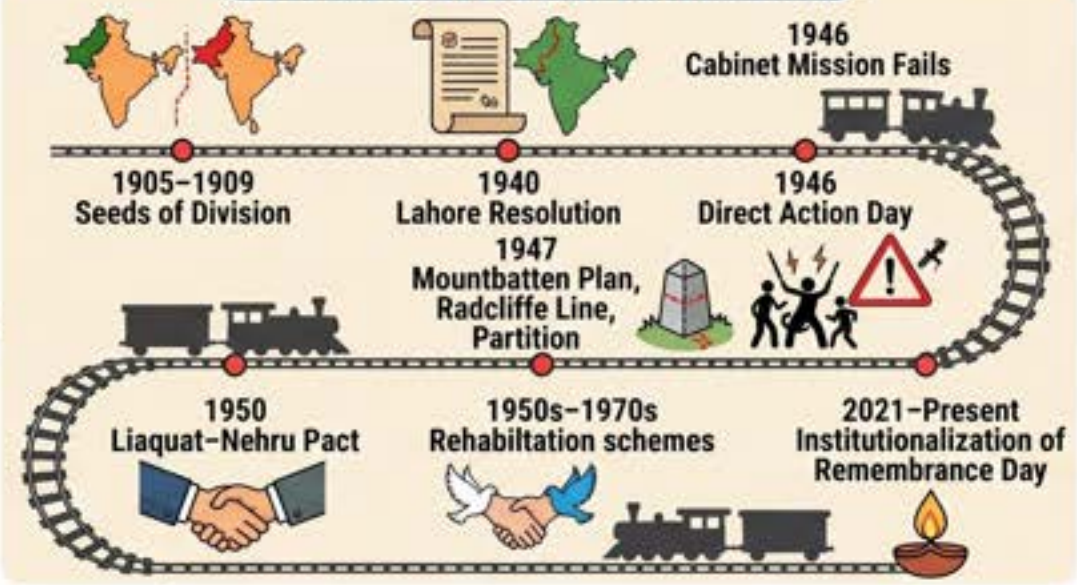


NCERT TEXTBOOKS LINKAGES

- Class 12 History Themes
- Class 12 Pol Sci Politics
- Class 11 Pol Sci Theory
- Class 10 History India & Contemporary World

UNDERSTANDING THE 1947 PARTITION: A COMPREHENSIVE ANALYSIS

HISTORICAL EVOLUTION (TIMELINE)



LOGICAL & PHILOSOPHICAL UNDERPINNINGS



WAY FORWARD

- Class 12 History Themes
- Class 12 Pol Sci Politics
- Class 11 Pol Sci Theory
- Class 10 History India & Contemporary World
- Empathetic History
- Digital Archives
- Constitutional Fraternity
- Refugee Policy
- Regional Engagement

MULTIDIMENSIONAL ANALYSIS

SOCIAL

- Displacement
- Gender trauma
- Broken *tehzeeb*

POLITICAL

- Unitary bias in federalism
- Competing narratives

LEGAL & CONSTITUTIONAL

- Citizenship
- Evacuee Property Act

ETHICAL

- Leadership responsibility
- Refugee asylum

INTERNATIONAL & STRATEGIC

- Geopolitical rivalry
- Kashmir dispute
- World map tension

ECONOMIC

- Severed regional economies
- Broken mills

LINKAGES & WAY FORWARD

UPSC CSE & APSC SYLLABUS LINKAGES

GS Paper 1

- Modern Indian History
- Post-Independence
- Social Issues

GS Paper 2

- Constitutional Foundations
- Citizenship
- International Relations

GS Paper 4

- Ethical Governance
- Values
- Trauma

Optionals & Essay

- History
- PSIR
- Sociology
- Essays

Island administration looking at data centre project on Nicobar

Abhinav Lakshman

NEW DELHI

The Andaman and Nicobar administration has floated an expression of interest (EoI) inviting feasibility proposals for the establishment of a private-sector-led “Green AI/ Data Centre Vertical” in the islands.

The move comes amid opposition from local tribal communities to a proposed ₹91,000-crore mega infrastructure project on the Great Nicobar Island (GNI).

As per the EoI, the potential areas identified for the project are the Huthbay Sea Area and Netaji Nagar Sea Area on Little Andaman, and the Campbell Bay, Anderson Bay, Vijay Nagar Bay, and Gandhi Nagar Bay Sea areas on the Great Nicobar Island.

The August 10 EoI comes even as the administration is holding meetings with local tribal communities on the GNI over finalis-



The Campbell Bay in Great Nicobar island is one of the potential areas identified for the data centre project. AFP

ing the draft master plan of the project, which includes a transshipment port and airport. The draft plan was first released to the public earlier this year.

The sea areas identified for the data centre project are along bays that have been marked for development of one of two wildlife corridors (Gandhi Nagar Bay), agriculture, biodiversity tourism, and fish and poultry (Anderson Bay), coastal and business tou-

rist activities (Vijay Nagar Bay), and residential pockets, institutional and administrative buildings (Campbell Bay) under the draft master plan.

Locals unaware

Officials in the administration involved in preparing the draft master plan told *The Hindu* that they are not aware of any discussions about accommodating such a data centre project as part of the GNI

development. Members of the Tribal Council of Great and Little Nicobar who met with the Nicobar administration on Thursday to discuss the draft master plan further said they had been given no information about a data centre project. “We only met them for 15 minutes, and they asked us how much buffer area we needed near Rajiv Nagar and New Chingenh settlements. We told them that we need to survey the areas and see, even as the officials said provisions are being made for 30 metre to 100 metre buffer areas around these settlements,” a council member said.

In the EoI, the island administration has noted that the feasibility proposals may include solutions for “renewable energy-powered data centre operations” that use “freshwater-free” cooling solutions such as “seawater-based or other innovative cooling systems”.

- **Key Terms and Explanations**
 - **Green Data Centre and Green AI:** High-performance computing and server storage facilities designed to operate with a near-zero carbon footprint. Unlike conventional data centers that consume vast amounts of grid power and municipal freshwater for cooling, green facilities utilize 100% renewable energy (solar, wind, or tidal) and advanced thermal management, such as seawater heat exchangers or immersion cooling, to optimize Power Usage Effectiveness (PUE).
 - **Particularly Vulnerable Tribal Groups (PVTGs):** A distinct sub-classification among Scheduled Tribes identified by the Dhebar Commission (1973) based on declining or stagnant populations, pre-agricultural technology, economic backwardness, and low literacy. In the Andaman and Nicobar Islands, groups like the **Shompen** (a PVTG) and the **Nicobarese** enjoy statutory protections over their ancestral lands.
 - **Expression of Interest (Eoi):** A formal, preliminary procurement document issued by a public authority to gauge market interest, technological feasibility, and commercial capabilities from private or public entities before formulating a detailed tender or Request for Proposal (RFP).
 - **Seawater-Based / Freshwater-Free Cooling:** A thermodynamic heat-exchange system that circulates deep ocean or coastal seawater through closed- or open-loop heat exchangers to dissipate the extreme thermal loads generated by computational racks, eliminating the need to consume scarce potable groundwater or island freshwater reserves.
 - **Ecological Wildlife Corridors:** Contiguous or stepped geographical tracts that connect fragmented habitats, allowing the uninhibited movement, migration, and gene flow of wildlife—such as the endemic Nicobar megapode and saltwater crocodiles—between isolated forest pockets.
 - **Coastal Regulation Zone (CRZ) & Island Protection Zone (IPZ):** Statutory conservation zones notified under the Environment (Protection) Act, 1986, which restrict and regulate commercial, industrial, and infrastructural developments within coastal stretches to preserve fragile marine and littoral ecosystems.
- **Main Arguments and Substantive Issues**
 - The push to establish private-sector-led "Green AI" and data centre verticals in the Andaman and Nicobar archipelago reflects an effort to turn the islands into a regional digital hub. However, this infrastructural vision intersects with intense ecological sensitivities and constitutional protections for indigenous communities.
 - **Geo-Digital Convergence:** Leveraging the high-speed connectivity unlocked by the Chennai-Andaman and Nicobar Islands (CANI) submarine optical fiber cable to monetize strategic geography, positioning the island chain as an Indo-Pacific digital node adjacent to vital international maritime corridors.
 - **Green Computing Imperative:** Mitigating the intense power-and-water footprint of advanced Artificial Intelligence by mandating renewable energy operations and freshwater-free, seawater-based cooling solutions in the project design.
 - **Spatial Overlap with Ecological Zones:** The identified locations across Great Nicobar (Campbell Bay, Anderson Bay, Vijay Nagar Bay, Gandhi Nagar Bay) and Little Andaman (Hutbay, Netaji Nagar) directly overlap with demarcated wildlife corridors, coastal tourism pockets, and prime biodiversity habitats.
 - **Procedural Deficits in Tribal Consultations:** The introduction of auxiliary mega-projects without thorough, prior disclosure to the Tribal Council of Great and Little Nicobar strains participatory governance, reducing consultations to brief discussions on narrow buffer zones (30–100 meters) around indigenous settlements like Rajiv Nagar and New Chingeh.
 - **Cumulative Stress on Insular Carrying Capacity:** Layering data infrastructure onto the overarching ₹91,000-crore Great Nicobar Holistic Development Project (which includes an International Container Transshipment Port, international airport, power plants, and a greenfield township) compounds structural pressures on fragile, closed-loop island ecosystems.

- **Historical Evolution of Island Policy and Development**
 - **Colonial Period (Pre-1947):** The British administration treated the Andaman and Nicobar Islands primarily as a strategic penal settlement (Cellular Jail) and maritime outpost. The indigenous interior tribes (Great Andamanese, Jarawa, Sentinelese, Onge, Shompen, and Nicobarese) remained largely isolated from mainland economic exploitation.
 - **Post-Independence Consolidation & Resettlement (1950s–1970s):** The Union Government initiated strategic resettlement schemes for displaced families from East Pakistan and ex-servicemen across Great Nicobar. The **Andaman and Nicobar Islands (Protection of Aboriginal Tribes) Regulation (ANPATR), 1956** was enacted to create protected tribal reserves and prohibit unauthorized entry and commercial exploitation.
 - **Ecological Recognition and Biosphere Demarcation (1989–2013):** The **Great Nicobar Biosphere Reserve** was declared in 1989 to protect endemic flora and fauna. In 2013, it was formally incorporated into UNESCO's World Network of Biosphere Reserves, establishing international recognition of its ecological significance.
 - **The Digital and Strategic Pivot (2018–2020):** In 2020, the **CANI Submarine Optical Fibre Cable Project** was commissioned, delivering high-speed broadband to Port Blair and seven other islands. This digital bridge spurred policy interest in transforming the territory from a purely defensive outpost into a commercial and technological node.
 - **Holistic Development and Modern Industrial Push (2020–Present):** NITI Aayog spearheaded the ₹91,000-crore **Great Nicobar Island (GNI) Holistic Development Project**, proposing a transshipment mega-port, airport, and township. The recent policy initiative to build Green AI data centers expands this capital-intensive model to high-tech digital computing.
- **Way Forward and Policy Recommendations**
 - **Institutionalize Free, Prior, and Informed Consent (FPIC):** Consultations with the Tribal Councils of Great and Little Nicobar must be substantive, transparent, and linguistically accessible. Project blue-prints, buffer-zone demarcations, and socio-economic changes must be shared well in advance rather than in brief, administrative briefings.
 - **Comprehensive Cumulative Impact Assessment (CIA):** Transition from isolated project-level appraisals to a unified, multi-sectoral Carrying Capacity Assessment. This assessment must model the combined environmental footprint of the transshipment port, airport, residential township, power plants, and proposed data centers on island water balances, seismicity, and endemic fauna.
 - **Strict Demarcation of Inviolate Zones:** Demarcate and notify strict "no-go" biological corridors (especially around Gandhi Nagar Bay and Galathea Bay) to protect nesting sites for Leatherback turtles and habitats of the Nicobar megapode, legally barring them from commercial data infrastructure.
 - **High-Standard Ecological Benchmarking for Tech Infrastructure:** Require data center operators to deploy closed-loop, environmentally verified cooling systems. These systems must undergo independent monitoring to prevent thermal pollution in surrounding marine waters, coupled with mandatory, dedicated microgrid renewable power generation.
 - **Prioritize Brownfield & Mainland Coastal Hubs:** Re-evaluate spatial planning by directing hyperscale computational and data workloads to less ecologically sensitive mainland coastal zones connected to subsea cables (e.g., Chennai, Visakhapatnam), reserving island digital infrastructure primarily for local administrative, defense, and connectivity requirements.

GREAT NICOBAR ISLAND: DEVELOPMENT, TRIBAL RIGHTS & ECOLOGICAL IMPERATIVES

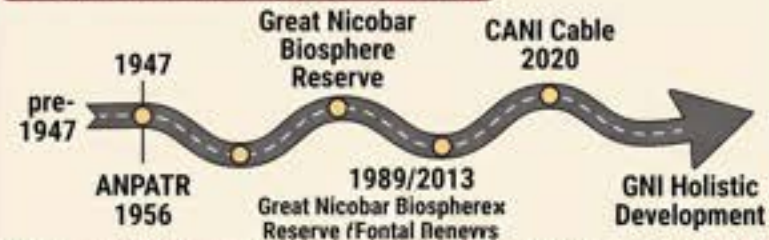
1. KEY TERMS & CONCEPTS



2. MAIN ARGUMENTS: A TUG-OF-WAR



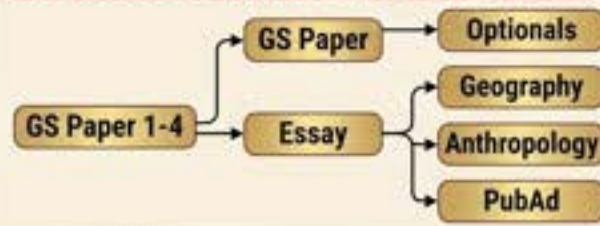
3. HISTORICAL EVOLUTION



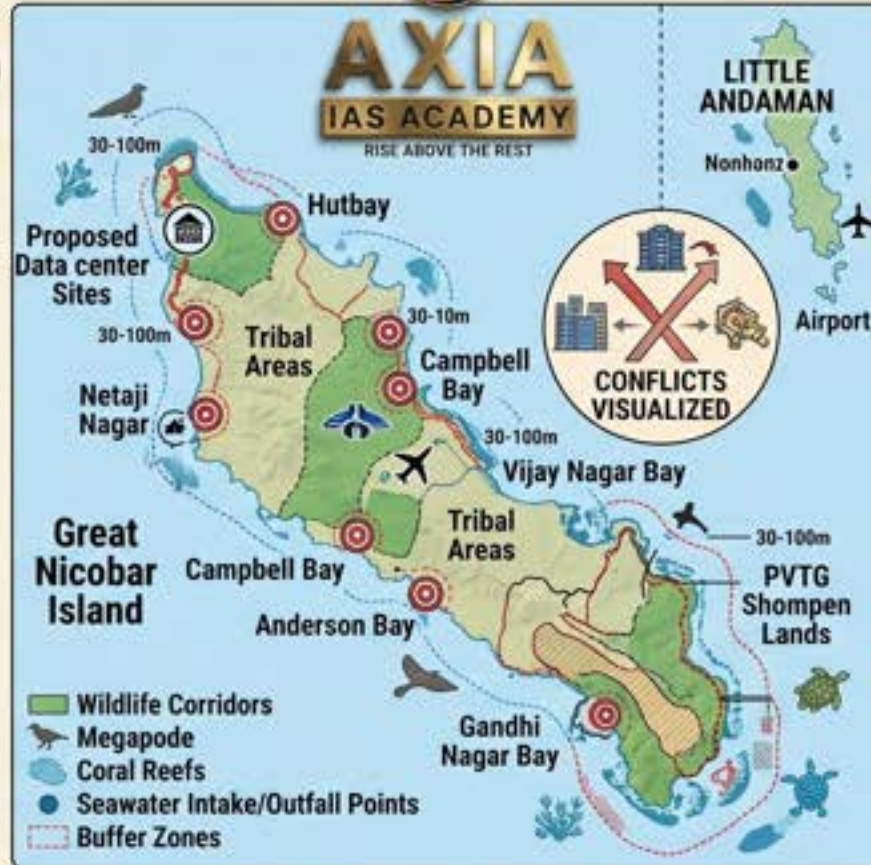
6. LINKAGES WITH NCERTS



7. LINKAGES WITH UPSC SYLLABUS



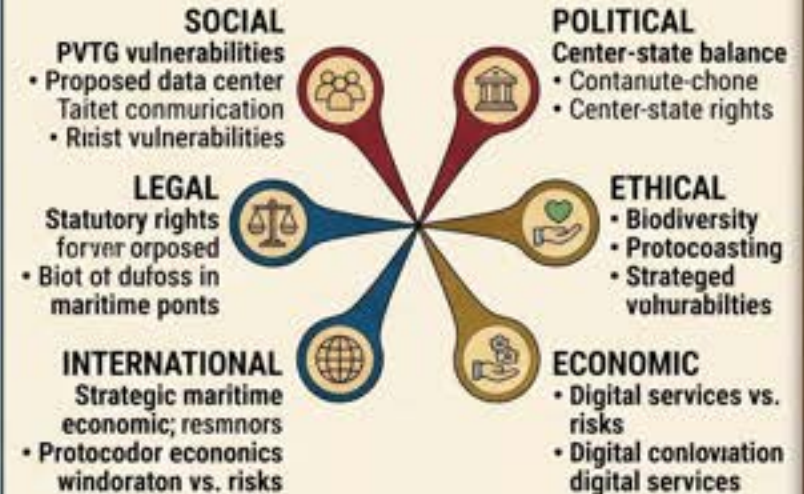
A Comprehensive UPSC CSE Analysis



4. PHILOSOPHICAL FOUNDATIONS

Utilitarianism national interest secure Indo-Pacific	Kantian Deontology respect for PVTG agency
Rawlsian Equity intergenerational justice	Precautionary Principle Ecological caution

5. MULTIDIMENSIONAL ANALYSIS



8. WAY FORWARD: A ROADMAP

- ✓ Substantive Tribal Consent (FPIC)
- ✓ Cumulative Impact Assessment
- ✓ Brownfield Digital Hubs
- ✓ Strict 'No-Go' Protected Zones

9. PREVIOUS YEARS' QUESTIONS (PYQs)

PRELIMS (e.g., 2018, 2014, 2019 PVTGs)	MAINS (e.g., GS-3 EIA, Socio-Economic Impact)
• PVTGs vulnerabilities • Tribal Content Sites • Strict 'No-Go' Protected Zones	• Prelims for Socio-Economic Impact • GS3 EIA, Socio-Economic Impact

Lower oil prices, not Iran's nuclear programme, now top priority: U.S.

'Goal number one is to keep oil and gas cheap for Americans; and then obviously goal number two is ensure that Iran never gets a nuclear weapon,' says Vice President J.D. Vance; the U.S. is set to announce new 'economic punishment' for Iran soon

Agence France-Presse
WASHINGTON

The top U.S. priority now in the Iran war is no longer its nuclear programme but to bring gasoline prices down for American consumers, the Vice-President said on Thursday, with the Treasury Secretary adding that new economic punishment to wear down Tehran is imminent.

The comments by Vice President J.D. Vance and Treasury Secretary Scott Bessent illustrate the powerful leverage Tehran has gained by shutting down the Strait of Hormuz.

Preventing Iran from obtaining a nuclear weapon – consistently touted by President Donald Trump as his main reason for the war – now takes a back seat to getting oil flowing again freely through the strait, Mr. Vance said on Fox News.



Fuel prices are seen listed as motorists make their way during the evening commute in Monterey Park, California, on Thursday. AFP

His comments underscored the stark reality that the war now centres on control of the Strait of Hormuz, the critical fuel supply conduit that was open before Mr. Trump started the war along with Israel in late February.

Iran has all but shut it down in retaliation and thus found a crucial bargaining chip against Mr. Trump as he struggles to find a way out of the war

and shies away from resuming large-scale attacks.

The 80-year-old President's approval rating is plummeting, the war is unpopular among Americans and midterm elections are approaching in November.

Republicans fear Mr. Trump and the war, which has caused gasoline prices to soar, will cost them their control of Congress.

"I know that oil is down today and it's way down

from the highs in the early days of the conflict," Mr. Vance said on Fox News. "That's goal number one – keep oil and gas cheap for Americans all over our country. And then obviously goal number two is ensure that Iran never gets a nuclear weapon." He has been among the members of the administration most sceptical of the offensive launched against Iran in late February.

Cautious approach

These remarks, however, appear to confirm the more cautious approach now favoured by the U.S. President, which involves maintaining strong economic pressure on Iran by blockading its ports and preventing it from selling oil. Heralding more economic punishment, Bessent threatened to subject Iran to economic isolation "like the world has never seen before". He said new

measures are expected next week. Only days ago Mr. Trump had said an agreement to reopen the strait was imminent.

"We are low-keying it," Mr. Trump said Sunday. "We are only semi-negotiating with them. We are just watching Iran with its huge inflation and the fact they have no money," Mr. Trump said.

The U.S. military reportedly burned through stockpiles of costly high-tech missiles and other weapons in the months since the war started at a cost of billions and is now reportedly running low, limiting Mr. Trump's options for resuming attacks on Iran.

"Sometimes we're focused on the energy piece of it because we want Americans to be able to afford the price of oil and gas. Sometimes we're obviously focused on the military... on the nuclear program," Mr. Vance also said.

Key Terms and Conceptual Explanations

- **Strategic Maritime Chokepoint:** A narrow, heavily trafficked international waterway connecting two larger bodies of water, where maritime traffic is concentrated and vulnerable to disruption.
- **Energy Security and Price Inelasticity:** The uninterrupted availability of energy sources at an affordable price without catastrophic economic fallout.
- **Asymmetric Coercive Leverage:** A strategic doctrine where a conventionally weaker power exploits unique geographical, non-conventional, or systemic vulnerabilities to counter the overwhelming military and economic superiority of a stronger power.
- **Secondary Sanctions and Economic Isolation:** Unilateral extraterritorial measures that penalize third-party nations and foreign commercial entities for trading with a targeted state.
- **Non-Proliferation vs. Nuclear Deterrence:** The institutional tension between the international non-proliferation regime—which seeks to prevent the expansion of nuclear weapons capabilities—and a state's sovereign pursuit of nuclear latency or deterrence as an existential shield against foreign-induced regime change.

Core Thematic Breakdown and Substantive Arguments

- **Primacy of Domestic Economic Pressures over Long-Term Geopolitical Objectives:**
 - When foreign military and diplomatic engagements cause severe domestic inflation, electoral democracies face acute domestic blowback. The immediate imperative of lowering domestic fuel prices routinely forces a reprioritization of foreign policy objectives, superseding long-term strategic commitments such as non-proliferation.
- **The Geopolitical Weaponization of Maritime Chokepoints:**
 - Conventional military interventions in resource-rich regions carry the intrinsic risk of supply chain retaliation. Disruption of critical maritime routes like the Strait of Hormuz demonstrates how regional powers can construct an asymmetric defensive shield, imposing worldwide stagflationary costs to force adversaries to scale back kinetic operations.
- **Depletion of Conventional Military Capabilities and High War Costs:**
 - Sustained military standoffs consume finite stockpiles of advanced, high-cost precision-guided munitions and air defense interceptors. The rapid burn rate of strategic defense assets without decisive political outcomes limits a great power's ability to maintain an open-ended military offensive.
- **The Limits and Economic Blowback of Coercive Sanctions:**
 - Comprehensive economic punishment and naval blockades aim to wear down an adversary's domestic fiscal stability. However, when applied to a major hydrocarbon producer, these measures can trigger global supply deficits that disproportionately harm net-energy-importing partner economies.

- **Historical Evolution of the Conflict**
- **Pre-1979 (The "Twin Pillars" Strategy):**
 - Under the US "Twin Pillars" policy, imperial Iran and Saudi Arabia functioned as the primary Western-aligned guarantors of Persian Gulf stability, securing uninterrupted oil flows to global markets.
- **1979 Islamic Revolution and the Tanker War (1980–1988):**
 - The overthrow of the Pahlavi monarchy transformed Iran into an anti-imperialist theocracy. During the Iran-Iraq War, the Persian Gulf became a theater of naval conflict ("The Tanker War"), where commercial oil tankers were systematically targeted, prompting international naval escorts and direct US-Iran naval clashes (Operation Praying Mantis, 1988).
- **Post-Cold War Containment and the Clandestine Nuclear Revelations (1990s–2002):**
 - The US adopted a policy of "Dual Containment" against Iran and Iraq. In 2002, the exposure of undeclared nuclear enrichment facilities at Natanz and Arak placed Iranian nuclear non-proliferation at the center of international security concerns.
- **The Joint Comprehensive Plan of Action (JCPOA, 2015):**
 - Multilateral diplomacy between Iran and the P5+1 culminated in the Vienna agreement, placing verifiable caps on Iran's uranium enrichment levels and centrifuges in exchange for phased relief from multilateral and UN sanctions.
- **Unilateral Withdrawal, "Maximum Pressure," and the Current Dynamic (2018–Present):**
 - The unilateral US exit from the JCPOA in 2018 triggered a cycle of "Maximum Pressure" sanctions, countered by Iranian resumption of high-grade enrichment and calibrated maritime disruptions in the Persian Gulf, reinforcing the structural link between energy flows and nuclear statecraft.
- **Strategic Way Forward**
- **Strengthening National Energy Resilience (For India and Net Importers):**
 - Expand underground Strategic Petroleum Reserves (SPR) beyond current holding capacities (such as Padur, Mangaluru, and Visakhapatnam) to guarantee an emergency buffer of at least 90 days of domestic consumption.
 - Diversify crude oil import sources across geographical regions—including West Africa, North America, Latin America, and the Mediterranean—to minimize reliance on any single maritime chokepoint.
 - Accelerate the transition toward renewable energy, green hydrogen, and domestic biofuels (such as the Global Biofuels Alliance) to systematically reduce the economy's structural exposure to international crude price volatility.
- **Multilateral Protection of Maritime Sea Lines of Communication (SLOCs):**
 - Institutionalize non-partisan international naval security frameworks under UN auspices to safeguard commercial navigation through international straits, drawing lessons from initiatives like India's *Operation Sankalp*.
 - Maintain strict compliance with international maritime treaties (UNCLOS) regarding innocent and transit passage, discouraging unilateral blockades of vital commercial straits.
- **De-coupling Economic Warfare from Critical Energy Logistics:**
 - Establish multilateral protocols that insulate global energy and essential commodity supply chains from unilateral sanctions, preventing widespread price shocks in developing and low-income economies.
- **Reviving Constructive Multilateral Non-Proliferation Diplomacy:**
 - Re-engage institutional diplomatic channels (such as the IAEA Safeguards Framework) to separate regional commercial transit from broader non-proliferation and enrichment negotiations.



GEOPOLITICAL ANALYSIS: THE U.S.-IRAN STANDOFF & THE STRAIT OF HORMUZ CHOKEPOINT

1. KEY GEOPOLITICAL CONCEPTS



Strategic Maritime Chokepoint

Strategic: Maritime Chokepoint (Hormuz illustration, called energy mints at defined and maritional chokepoint.



Energy Security

Tanker + energy tor and more instorium / energiv + Lightbulb



Asymmetric Coercive Leverage

Small boat vs anti-ship mines vs Large ship missiles



Secondary Sanctions

Dollar slong bloctions dorback and nustoner dumantation's secondary being blocked.



3. HISTORICAL EVOLUTION OF CONFLICT



Pre-1979
Twin Pillars



1979
Revolution



1980-88
Tanker War

2002
Clandestine Program Reveal

2002
Clandestine Program Reveal



2015
JCPOA



2018
Withdrawal/
Max Pressure

Present Day

CONFLICT MECHANICS IN THE CHOKEPOINT



SHIFTING U.S. PRIORITIES & BARGAINING CHIP

PRIORITY 1: Domestic Oil Prices

(Keep prices low for Americans)

– Superseding –

PRIORITY 2: Iran Nuclear Program

(Non-Proliferation)

Vance's quote to hemoromo," morder 'Iran,' vand said.
Domestic Inflationary Pressures Force Policy Reversal.



A BALANCED WAY FORWARD (INDIA'S PERSPECTIVE)

1. Expand Strategic Petroleum Reserves (SPR).
2. Diversify Crude Import Sources.
3. Accelerate Green Energy Transition (e.g., GBA).
4. Enhance Multilateral Protection of SLOCs.
5. Decouple Economics from Energy Flows.

5. MULTIDIMENSIONAL ANALYSIS



SOCIAL

Ripple Effect on Cost of Living



POLITICAL

Domestic Backlash / Elections



LEGAL

UNCLOS / Freedom of Navigation



ETHICAL

Sanction Humanitarian Cost



INTERNATIONAL

Regional Instability / Strained Alliances



ECONOMIC

Imported Inflation / CAD Pressure

UPSC CSE / APSC SYLLABUS & PYQ CONNECTION

GS2 IR, US-Iran, Chokepoints (Paper)

GS3 Economy, Energy Security, Strategic Reserves, Sanctions, Devien, and Tamition (Paper Link)

PYQ Themes Summarized: West Asia Dynamics Dynamics, Maritime Law, Energy Transition

NCERT Relevant Chapters (Class 11/12)
Relevant Chapters (Class 112)
Relevant Crapor

DRAFT SHANTI ACT RULES RELEASED

Foreign nuclear technology must have its design certified in country-of-origin

Pratyush Deep

New Delhi, August 14

FOREIGN NUCLEAR technology sourced for a nuclear power plant or reactor must have its design certified or approved by the regulatory body in its country of origin and must already be operational there or in another foreign country, according to the draft rules of the Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Act, released by the Department of Atomic Energy on Friday.

"The technology intended to be imported or acquired domestically does not adversely affect the interest of India, does not constitute an unreasonable risk to public health and safety and is in conformity with the national policies framed under the Act," the rules read.

The rules define "the country of origin" as those countries which are self-reliant in nuclear reactor design and supply chain ecosystem whose regulatory approvals are trusted

globally. As per the rules, technology providers shall ensure availability of design support and all necessary permissions and supporting documents from original technology developer unless there has been a complete transfer of technology.

"Provided also that the person sourcing the technology shall ensure that all related Intellectual Property Rights vests with the technology developer," it added.

The draft rules provide for a single composite licence for building, owning, operating and decommissioning a nuclear power plant or reactor.

The rules also recognise captive nuclear power, including its use by energy intensive industries such as aluminium and cement, as well as data centres, semiconductor manufacturing and AI applications.

A key provision is the proposed "in-principle approval", which the licensing authority may grant after admitting an application where the applicant has not yet selected a site or re-



Technology providers shall ensure availability of design support and all necessary permissions and supporting documents from original technology developer, rules say. REUTERS

actor technology. The draft defines it as a "statement of support to proceed towards applying for formal licence", subject to specified conditions. "Upon receipt of a valid 'in-principle approval', the applicant may proceed with negotiation with reactor technology vendors and for acquiring the land and other necessary infrastructure," the draft rules state.

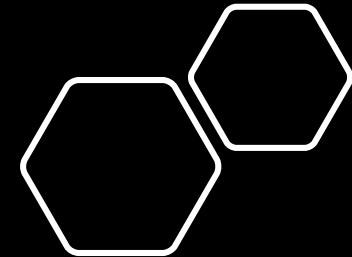
The approval, however, would not amount to a final licence. The draft also provides that an in-principle approval can be revoked if there is a supervening public interest or if material facts emerge indicating that the applicant is owned, controlled or dominated by entities considered inimical to defence and national security or public health and safety. It can

also be revoked if obtained through misrepresentation or suppression of material facts.

On nuclear liability, operators would be required to maintain insurance or financial security for nuclear damage, with the financial security remaining in place until spent fuel is removed from the relevant storage pool. The draft also provides for a Nuclear Liability Fund, to be funded through a levy on operators. For specified government-owned installations, the Central Government would assume liability under the conditions set out in the rules. The draft rules lay out the regulatory framework for a wider nuclear power ecosystem, including private participation, captive nuclear generation, foreign reactor technology, licensing, safety oversight and nuclear liability.

The Department of Atomic Energy has invited comments and suggestions on the draft rules, with September 4, 2026 as the last date for submission.

FULL REPORT ON
WWW.INDIANEXPRESS.COM



- **Key Terms and Conceptual Frameworks**

- **SHANTI Regulatory Framework (Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India):** A modern regulatory and legislative framework formulated by the Department of Atomic Energy (DAE) designed to overhaul India's civil nuclear architecture, facilitate private capital participation, streamline licensing, and integrate next-generation nuclear applications into national industrial policy.
- **Country-of-Origin Design Certification:** A safety and compliance mandate stipulating that foreign nuclear reactor designs imported into India must possess valid regulatory clearance and proven operational experience in their home jurisdiction. This prevents the deployment of unproven or experimental prototypes on domestic soil.
- **Single Composite Licence:** A regulatory mechanism that unifies multiple sequential approvals—site clearance, construction, commercial operation, and eventual decommissioning—into an integrated single-window permit, drastically reducing project gestation periods and capital idling.
- **In-Principle Approval:** An early-stage statutory clearance granted by the nuclear licensing authority before site finalization or reactor vendor selection. It empowers project developers to initiate land acquisition, environmental assessments, and commercial negotiations while reserving the state's power to revoke clearance on national security grounds.
- **Captive Nuclear Power:** Dedicated, decentralized nuclear generation units established by heavy energy-consuming industries (e.g., green steel, aluminium smelting, semiconductor fabrication, and large-scale artificial intelligence data centers) to secure uninterrupted, low-carbon baseload power.
- **Civil Nuclear Liability and Financial Security Pool:** A statutory liability regime that mandates operators to maintain structured insurance coverage or financial reserves throughout the reactor life cycle, extending until spent fuel is fully extracted and stabilized, thereby ensuring swift compensation in the event of an industrial mishap.

- **Main Arguments and Substantive Core**

- **De-Risking Foreign Technology Induction:** Mandatory design certification from trusted foreign regulatory bodies ensures India acquires mature, commercially proven technology, protecting domestic public safety while insulating the energy sector from experimental engineering failures.
- **Catalysing Private and Captive Energy Participation:** Expanding the nuclear perimeter beyond state monopolies like the Nuclear Power Corporation of India Limited (NPCIL) allows high-drain industries (such as AI compute clusters and metallurgy) to establish captive nuclear installations, directly addressing India's clean baseload deficit.
- **Accelerating Project Turnaround via Procedural Consolidation:** The shift from fragmented, milestone-based bureaucratic clearances to a single composite licence resolves historical execution bottlenecks, significantly lowering the Weighted Average Cost of Capital (WACC) for nuclear infrastructure.
- **Balancing Investor Predictability with Strategic Sovereignty:** Granting revocable in-principle approvals enables developers to invest early in land acquisition and vendor negotiations, while embedding strict national security covenants to block adverse ownership from hostile foreign entities.
- **Refining the Nuclear Liability Architecture:** Establishing structured Nuclear Liability Funds and demanding continuous financial security until spent fuel is safely pooled reconciles domestic safety obligations with international supplier standards, unblocking long-stalled foreign technology partnerships.

- **Historical Evolution of India's Nuclear Architecture**

- **The Foundational Era (1948–1954):** Under the visionary leadership of Dr. Homi J. Bhabha, India enacted the Atomic Energy Act of 1948 and established the Department of Atomic Energy (DAE) in 1954. The cornerstone was the Three-Stage Nuclear Power Programme, deliberately tailored to exploit modest domestic uranium reserves and harness massive coastal thorium deposits:
 - *Stage 1:* Pressurised Heavy Water Reactors (PHWRs) utilizing natural uranium as fuel and heavy water (D_2O) as moderator/coolant, yielding plutonium-239 (^{239}Pu) as a byproduct.
 - *Stage 2:* Fast Breeder Reactors (FBRs) utilizing plutonium-239 and uranium-238 to breed more fissile material (^{239}Pu or ^{233}U from thorium blankets).
 - *Stage 3:* Advanced Heavy Water Reactors (AHWRs) powered by thorium-232-uranium-233 fuel cycles to ensure multi-century energy self-reliance.
- **The Era of Technology Denial (1974–2000):** Following India's peaceful nuclear explosion (Pokhran-I) in 1974, the international community formed the Nuclear Suppliers Group (NSG), placing India under strict technological embargoes. India responded with indigenous breakthroughs, developing standardized 220 MWe, 540 MWe, and 700 MWe PHWRs through local industrial supply chains.
- **Reintegration into Global Civil Nuclear Commerce (2005–2008):** The historic Indo-US Civil Nuclear Agreement (123 Agreement) and the subsequent 2008 NSG waiver ended India's atomic isolation. India separated its civil and military facilities, placing designated civil reactors under International Atomic Energy Agency (IAEA) safeguards to access foreign fuel and technology.
- **The Liability Impasse and Modern Market Reforms (2010–Present):** The Civil Liability for Nuclear Damage Act (CLNDA) 2010—specifically Section 17(b) concerning supplier liability—created hesitation among major international reactor manufacturers (e.g., Westinghouse, EDF, Rosatom). Recent legislative and policy modernizations have focused on joint ventures between state-run enterprises, expanding the India Nuclear Insurance Pool, and opening the door to private captive deployment, Small Modular Reactors (SMRs), and composite licensing mechanisms.

- **Way Forward and Policy Prescriptions**

- **Confer Statutory Autonomy on the Regulatory Body:** Enact legislation to grant the Atomic Energy Regulatory Board (AERB) full statutory independence from the Department of Atomic Energy, aligning domestic regulatory oversight with international best practices.
- **Accelerate Small Modular Reactor (SMR) Standardization:** Develop standardized, factory-manufactured SMR designs to shorten construction lead times, lower initial capital requirements, and facilitate plug-and-play captive deployment across industrial corridors.
- **Operationalize Scalable Risk-Pooling Structures:** Strengthen the India Nuclear Insurance Pool (INIP) to provide clear liability coverage for suppliers and operators, establishing legal certainty while protecting the public interest.
- **Fast-Track Stage Two and Stage Three Fuel Cycle R&D:** Expedite the commercial operation of the Prototype Fast Breeder Reactor (PFBR) at Kalpakkam to build the bridge toward commercial thorium-based Advanced Heavy Water Reactors (AHWRs).
- **Institutionalize Proactive Public Engagement and Regional Value-Sharing:** Establish structured community benefit funds in host regions—investing in local healthcare, education, and roads—to foster local economic partnerships and secure enduring social acceptance.



AXIA
IAS ACADEMY

Matrix (Multi-dimensional Impact)

Social

- Demystifying Risk & Transparent Communication
- Community Value-Sharing & Rehabilitation



Political

- Balancing Federal Siting Dynamics (Union List I, Entry 6)
- Vetting for National Security



Legal

- Statutory AERB Independence & Modern Regulatory Oversight
- Alignment with International Liability (CSC)



Ethical

- Precautionary Principle in Tech Governance
- Long-Term Waste Stewardship & Intergenerational Equity



International

- Strategic Technology Diplomacy & Bilateral Partnerships
- Global Supply Chain Integration (NSG Compliance)



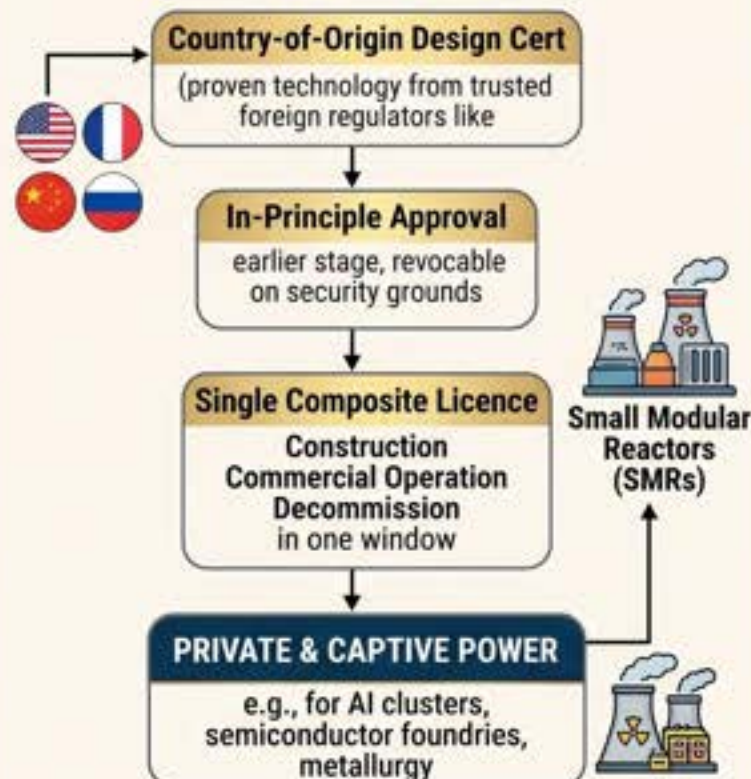
Economic

- De-risking Foreign Tech Imports
- Captive SMRs for Industrial Decarbonization & Avoiding Carbon Tariffs



THE SHANTI ACT REGULATORY FRAMEWORK

(Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India)



Context & Learning

Evolution Timeline



Key Learnings & Philosophy

- Precautionary Principle
- Intergenerational Justice
- Polluter Pays Principle
- Intennolury Principle
- Intergenerational Justice
- Polluter Pays Principle

Way Forward

- Priority points for policymakers: Autonomous AERB
- SMR Standardization
- INIP Risk Pooling, Fuel Cycle R&D, Community Engagement

Practice & Syllabus Integration

PYQ Analysis (Prelims Focus)

- SMR capabilities, e.g. movable capability, estaptations
- 123 Agreement implications, improvent management
- IAEA safeguards, e.g., persnent implications, IAEA safeguards

Syllabus Linkages (Mains & Optionals)

GS Paper	Essay	Ethics	Optionals
GS Papers 1	Group years	Group years	PubAd
GS Papers 2			PSIR
GS Papers 3			
GS Papers 4			
GS Papers 5	Group for years	Group for years	Geography
Group group			

India heading for historic solar installation numbers this year

AMBITIOUS PUSH. It plans to add a record 50 gigawatts capacity, driven by the government's ALMM mandate

Rishi Ranjan Kala
New Delhi

India is on course to add a record 50 gigawatts (GW) of solar power capacity in the 2026 calendar year, largely aided by the ALMM mandate for solar PV cells and the phased removal of waivers for inter-state transmission charges.

The country is set to commission more solar capacity in 2026 than in any year in its installation history, even as the policy driving that surge simultaneously creates a supply crunch that will push system prices significantly higher, research and consultancy firm Wood Mackenzie said.

"India added 34 GWdc (gigawatts-direct current) of solar capacity in H1 2026, 38 per cent above H1 2025 levels, as developers raced to commission projects ahead of the June deadline for the approved list of models and manufacturers-II (ALMM-II). Full-year additions are forecast to exceed 50 GWdc, surpassing the previous record of 49 GWdc set in 2025," it added.

Sureet Singh, Research Analyst at Wood Mackenzie, noted that India's ALMM-II mandate is a bold step towards building a fully-integrated domestic solar supply



TARIFF ADJUSTMENT. The accelerated build-out was driven by the phased removal of waivers for transmission charges

chain, but cell manufacturing capacity has simply not kept pace with modules.

The near-term cost impact is unavoidable, and developers will need to navigate a difficult transition period before prices stabilise.

CONCENTRATED PUSH

The 34 GWdc added in H1 2026 reflects a concentrated push by developers to complete projects before ALMM-II took effect, requiring the use of modules produced from domestically manufactured cells in government-supported projects.

The accelerated build-out was further driven by the phased removal of waivers for inter-state transmission charges, which fell from 75 per cent to 50 per cent for projects commissioned from

July 2026 onwards and are set to be phased out entirely after July 2028.

Momentum is expected to slow in H2 2026 as cell capacity constraints and rising module prices weigh on project development.

However, ALMM-II waivers granted for net metering and open access projects until December 31, 2026 could provide upside to that figure.

The Ministry of New & Renewable Energy (MNRE) also agreed in July 2026 to waive the mandate for projects approaching completion, requiring applicants to have submitted applications by 23 July 2026.

IMPORT DEPENDENCY

Wood Mackenzie pointed out that ALMM-II has reduced India's direct cell im-

ports from China. However, sourcing has pivoted toward Southeast Asia, with Indonesian cell imports nearly tripling in early 2026.

In the first five months of 2026, India imported 5 GW of wafers and 20 GW of cells, with wafer imports climbing 86 per cent year-on-year to support domestic cell production, it pointed out.

CUSTOMS DUTY

India has imposed a 20 per cent basic customs duty on imported cells and modules, and in September 2025 the DGTR recommended additional anti-dumping duties of up to 30 per cent on Chinese-origin solar cells and modules, pending a final decision from the Central government, making Indonesian-origin supply an increasingly attractive alternative, though circumvention scrutiny may follow given the pattern of Chinese cell re-routing observed in other markets, Wood Mackenzie said.

"Any delay to the 14 GW of new cell manufacturing capacity currently under construction risks deepening import reliance and driving prices beyond current estimates. 130 GW of additional cell capacity is expected to come online by 2029, requiring a compound annual growth rate of 49 per cent

from the 2026 full-build baseline of 88 GW," it added.

ELEVATED PRICES

Even as new cell capacity comes online, Wood Mackenzie expects insufficient utilisation to keep supply short of demand in 2027.

"Cell production is projected to reach 29 GW next year, still falling 21 GW short of the average annual module demand of 50 GW. As a result, system prices are forecast to decline by just 3 per cent between Q4 2026 and Q4 2027," it anticipated.

Mathew Thomas, Researcher at Wood Mackenzie, said that prices are expected to stabilise through 2029 as additional cell capacity comes online, but the transition will require policy consistency and timely execution by manufacturers.

"The rollout of ALMM-II (solar cells) may follow ALMM-I's (Solar modules) pattern of multiple exemptions, though the impact should be more contained given greater preparedness among suppliers, developers and policymakers," he added.

The MNRE's plan to implement ALMM-III in June 2028, extending the mandate to solar wafers, signals that India's domestic content ambitions are far from complete, Thomas said.

- **Key Terms and Conceptual Framework**
 - **Approved List of Models and Manufacturers (ALMM):** A regulatory non-tariff mechanism administered by the Ministry of New and Renewable Energy (MNRE). It mandates that only certified solar photovoltaic (PV) models and manufacturers listed by the government can be deployed in government-backed projects, subsidized schemes, and open-access installations. While ALMM Phase-I pertains strictly to solar modules, ALMM Phase-II extends this domestic content mandate to solar cells, and proposed future phases target upstream wafers and ingots.
 - **Inter-State Transmission System (ISTS) Charges:** Transmission fees levied by grid operators for wheeling electricity across state borders. The Central Government introduced phased waivers on these charges to incentivize early investments in solar and wind farms located in resource-rich regions (e.g., Rajasthan, Gujarat) feeding power to high-demand industrial states. The progressive tapering of this waiver creates strong financial incentives for developers to commission plants before strict cutoff dates.
 - **Solar PV Value Chain (Upstream to Downstream):** The industrial sequence required to produce a functional solar park:
 - Quartz / Silica → Polysilicon → Ingots → Wafers → Solar Cells → Solar Modules
 - India historically built extensive downstream capacity (module assembly) while remaining structurally reliant on imports for intermediate and upstream inputs (cells, wafers, polysilicon).
 - **Basic Customs Duty (BCD) & Anti-Dumping Duty (ADD):** Tariff instruments deployed under trade remediation laws to shield emerging domestic manufacturers from artificially low-priced foreign imports (predominantly from East and Southeast Asia). BCD acts as a baseline border tax, whereas ADD is recommended by the Directorate General of Trade Remedies (DGTR) to neutralize predatory pricing that injures domestic industry.
 - **Gigawatt Direct Current (GWdc) vs. Gigawatt Alternating Current (GWac):** Solar panels generate power in Direct Current (GWdc), which is converted via inverters into Alternating Current (GWac) for grid transmission. Capacity measured in GWdc reflects the total peak rating of the installed photovoltaic panels prior to conversion and grid integration losses.
- **Main Arguments and Substantive Dimensions**
 - **Front-Loaded Installation Acceleration:** The solar sector experiences pronounced installation spurts driven primarily by regulatory inflection points. Developers aggressively fast-track utility-scale and commercial projects to beat deadlines associated with ALMM-II cell-sourcing mandates and the progressive phase-out of ISTS charge waivers (which taper from complete exemptions down to zero).
 - **Upstream Industrial Asymmetry:** A severe structural imbalance persists across the domestic supply chain. While India has expanded its solar module assembly capacity, indigenous fabrication of high-efficiency solar cells and silicon wafers has not kept pace. This mismatch creates an acute domestic cell deficit relative to annual module deployment targets.
 - **Near-Term Cost Pressures vs. Project Economics:** Restricting imported inputs before domestic manufacturing reaches critical economies of scale inflates capital expenditure (CapEx) for project developers. The resulting domestic cell scarcity elevates system prices, creating near-term cost friction that temporary exemptions (such as for open-access and net-metering segments) attempt to cushion.
 - **Supply Chain Geopolitics and Trade Diversion:** Direct trade interventions targeting dominant manufacturing hubs (such as China) trigger supply-chain re-routing through third-party corridors in Southeast Asia. This phenomenon challenges trade enforcement, prompting greater regulatory scrutiny over origin rules, circumvention, and the true domestic value addition of imported components.
 - **Policy Calibration Challenge:** Policymakers face a delicate trade-off: maintaining rigid localization timelines to build sovereign manufacturing capacity, versus granting targeted timeline extensions to prevent stalled installations from slowing down national decarbonization targets.

- **Historical Evolution of the Policy Landscape**
 - **Institutional Foundation (1981–2003):** Following the global oil shocks of the 1970s, India established the Commission for Additional Sources of Energy (CASE) in 1981, followed by a dedicated ministry (now MNRE). The landmark Electricity Act of 2003 established the legal foundation for renewable integration by introducing Renewable Purchase Obligations (RPO) and open-access provisions.
 - **National Solar Mission & Trade Disputes (2010–2019):** The Jawaharlal Nehru National Solar Mission (JNNSM), launched in 2010 with an initial 20 GW target by 2022 (later revised to 100 GW in 2015), relied on early Domestic Content Requirements (DCR). However, WTO dispute panels ruled against these mandatory local-sourcing provisions under GATT Article III (National Treatment), forcing India to pivot toward non-discriminatory procurement, tariff walls (Safeguard Duties), and competitive reverse auctions.
 - **Strategic Self-Reliance and Industrial Protection (2020–Present):** To overcome extreme import reliance, the government introduced the Production Linked Incentive (PLI) scheme for high-efficiency solar PV modules, imposed Basic Customs Duties (BCD), and established the ALMM framework. Policy has progressively shifted from downstream module protection (ALMM-I) to intermediate cell indigenization (ALMM-II) and upstream wafer manufacturing (ALMM-III).
- **Way Forward and Strategic Policy Solutions**
 - **Deepen PLI Focus on Upstream Value-Chain Links:** Future tranches of the Production Linked Incentive (PLI) scheme should disproportionately subsidize the most capital-intensive upstream segments—polysilicon refining and ingot/wafer manufacturing—rather than downstream module assembly, eliminating structural dependency at its origin.
 - **Dynamic and Predictable Regulatory Calendars:** Align ALMM compliance cutoffs with verified, commercially operational domestic cell capacities. Providing a clear 3-to-5 year predictable glide path prevents artificial market shocks, project commissioning delays, and speculative pricing spikes.
 - **Comprehensive Trade and Origin Tracking:** Strengthen Directorate General of Trade Remedies (DGTR) oversight by employing digital supply-chain tracking and stringent value-addition benchmarks. This prevents trade circumvention via third-party jurisdictions while maintaining transparent trade remediation.
 - **Targeted R&D into Next-Generation PV Architectures:** Establish joint industry-academia research consortia (under the National Research Foundation framework) to develop and commercialize next-generation technologies—such as Heterojunction Technology (HJT), Tunnel Oxide Passivated Contact (TOPCon), and Perovskite tandem cells—allowing India to leapfrog legacy crystalline silicon manufacturing.
 - **Grid Modernization and Storage Integration:** Accelerate investments in Battery Energy Storage Systems (BESS) and Pumped Storage Hydropower Projects (PSP) alongside ISTS green energy corridors, ensuring the grid can absorb high-volume intermittent solar generation without curtailment.
 - **Financial and Contractual Stabilization for DISCOMs:** Ensure state regulators swiftly process "Change in Law" tariff adjustments and institutionalize automated pass-through mechanisms, safeguarding project viability and ensuring sustained private sector investments.



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DRIVERS OF THE RECORD PUSH

ALMM Phase-II (Solar Cells)



Mandate for (Solar Cells)
Mandate for government projects.

Phased Removal of ISTS Waivers



Waiver sunsets create commissioning deadlines.

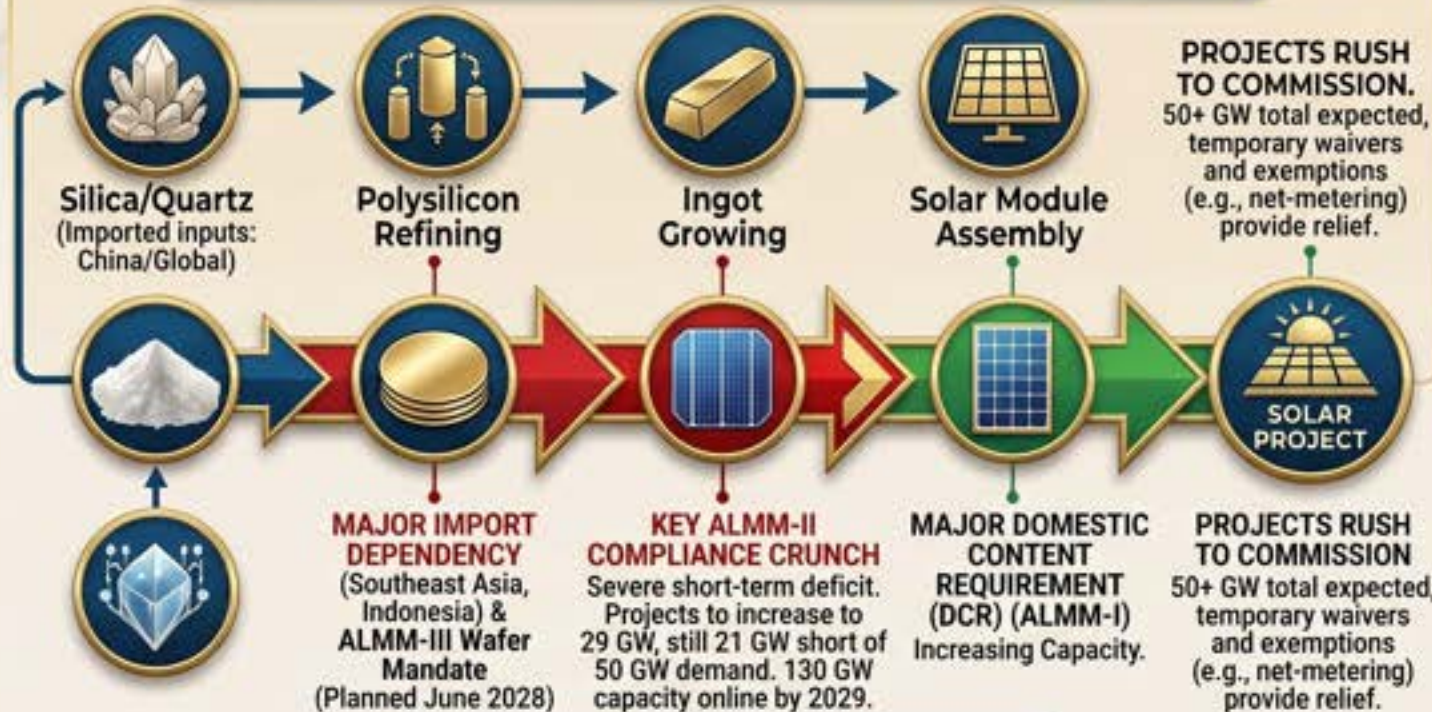
Concentrated Push (H1 2026)



Developers racing against deadlines.

ANALYSIS: INDIA'S HISTORIC SOLAR SURGE & THE SUPPLY-CHAIN PARADOX

THE SOLAR PV VALUE CHAIN & INDIA'S POSITION



FUTURE PATH & GEOPOLITICS

2026
Cell increase

2028
ALMM-III Wafers mandate

2029
130 GW cell capacity



Policy Calibration:
Rapid Decarbonization vs. Building Domestic Industry.

IMPACT ON PRICES, SUPPLY, & TRADE

Cell Production Deficit (GW_{dc}) in 2027



System Prices Forecast

Forecast to decline by just 3% (Q4 2026-Q4 2027) due to supply crunch. Prices expected to stabilize through 2029.

Trade Measures

Basic Customs Duty (BCD)
20% on cells & modules.

Anti-Dumping Duties (ADD)
Up to 30% recommended on Chinese solar

Geopolitical Pivot

Via Indonesia:
Risk of Chinese cell re-routing & circumvention scrutiny.

With \$52 billion in, RBI to shut concessional swap FCNR(B) window a month early on Aug 31

Our Bureau
Mumbai

The RBI has decided to pull the plug on the limited period concessional swap facility it is offering banks to attract Foreign Currency Non-Resident (Bank), or FCNR(B), deposits following the robust accretion of \$52.30 billion between June 8 and August 13.

The central bank said that the concessional swap facility will now be available for FCNR(B) deposits of 3-5 years maturity mobilised till August 31, against the earlier deadline of September 30, 2026. Correspondingly, the swaps under this facility, FCNR(B) deposits, may be availed of by banks with the RBI till September 11 against October 16, 2026, earlier.

The move to pre-close the concessional swap facility is likely to set-off a rush among



CLOSING SOON. After August 31, banks are likely to revert to old interest rates of about 3 per cent on FCNR(B) deposits REUTERS

NRIs to deploy funds in FCNR(B) deposits so as not to miss out on the opportunity to earn higher interest rates of 6-7.5 per cent.

After August 31, banks are likely to revert to old interest rates of about 3 per cent on these deposits. Bankers estimate that banks may mobilise another \$15 billion under FCNR(B) deposits in the next two fortnights, taking the total inflows to about \$67 billion by August-end.

GOOD RESPONSE

The RBI, in a statement, said that based on the encour-

aging response for FCNR(B) deposits and the resultant forex inflows, it had been decided that the swap facility for FCNR(B) deposits will be available only for deposits mobilised till August 31.

The scheme for external commercial borrowings (ECBs) and overseas foreign currency borrowings will continue to be open till December 31, as hitherto.

On the move to pre-close FCNR(B) deposits, Madan Sabnavis, Chief Economist, Bank of Baroda, said probably the RBI was targeting a certain quantum of inflows

and may have achieved it.

V Rama Chandra Reddy, Head-Treasury, Karur Vysya Bank, said the early closure of the FCNR(B) window looks more like calibration than a course correction.

"With inflows already crossing \$52 billion, the RBI appears to have achieved the mobilisation objective and is now shifting from attracting flows to managing their liquidity and balance-sheet impact," he said.

An economist with a private sector bank said since the FCNR(B) flows had been very encouraging, the RBI may be encountering a "we don't require so much" situation.

Further, the more this swap takes place, there'll be so much of rupee liquidity also entering the system. So, \$52 billion of FCNR(B) deposits will mean ₹5 lakh crore liquidity getting released into banking system.

- **Key Terms and Concepts**

- **Foreign Currency Non-Resident (Bank) [FCNR(B)] Deposits:** Foreign currency-denominated term deposits held by Non-Resident Indians (NRIs) in Indian scheduled commercial banks. Unlike standard rupee accounts, the depositor faces zero foreign exchange risk because both principal and interest are repaid in the original foreign currency (such as USD, GBP, EUR, or JPY).
- **Concessional Forex Swap Facility:** A specialized swap window provided by the central bank. Commercial banks swap foreign currency mobilized through deposits with the central bank for domestic currency at the spot rate, while simultaneously entering a forward contract to repurchase foreign exchange at a subsidized forward premium rate. This lower hedging cost enables banks to offer competitive interest rates to overseas depositors.
- **Rupee Liquidity Injection and Sterilization:** When a central bank purchases foreign currency from commercial lenders through a swap, it releases an equivalent amount of base money into the domestic banking system. If this creates an excessive liquidity surplus, the central bank undertakes sterilization operations (such as Open Market Operations or reverse repo auctions) to absorb the excess cash and preserve domestic price stability.
- **External Commercial Borrowings (ECBs):** Commercial loan instruments utilized by eligible resident entities to raise capital from non-resident lenders. These instruments carry regulated parameters regarding minimum maturity, permitted end-use, and all-in-cost ceilings.
- **Capital Account Convertibility:** The freedom to convert local financial assets into foreign financial assets and vice versa at market-determined exchange rates. India maintains a calibrated, managed capital account regime while keeping its current account fully convertible.

- **Core Macroeconomic Dynamics and Policy Rationale**

- The central bank's decision to conclude its concessional foreign currency swap window ahead of schedule reflects an active calibration of external reserve accumulation against domestic monetary stability.
- **Counter-Cyclical Forex Mobilization:** The facility was deployed as a targeted measure to attract foreign currency inflows, defend the rupee against global headwinds, and bolster official foreign exchange reserves. Mobilizing more than \$52 billion within a two-month window fulfilled this external buffer objective.
- **Mitigating Domestic Liquidity Overhang:** Swapping over \$52 billion into Indian Rupees injects approximately ₹4.5 to ₹5 lakh crore of high-powered base money into the domestic banking system. Leaving this window open indefinitely risks generating a systemic liquidity surplus that can depress short-term money market rates below the policy repo rate and complicate inflation management.
- **Balancing Cost and Forward Liabilities:** Providing concessional swap rates entails a fiscal and balance-sheet cost for the central bank. Prematurely terminating the window curbs unnecessary speculative yields and limits future foreign exchange delivery obligations on the central bank's forward book.
- **Preserving Diversified Inflow Channels:** While the high-cost, subsidized retail deposit window was closed early, longer-term productive channels—such as External Commercial Borrowings and overseas foreign currency borrowings—remain open to support corporate capital expenditure without distorting the domestic yield curve.

- **Historical Evolution of India's External Capital Account**

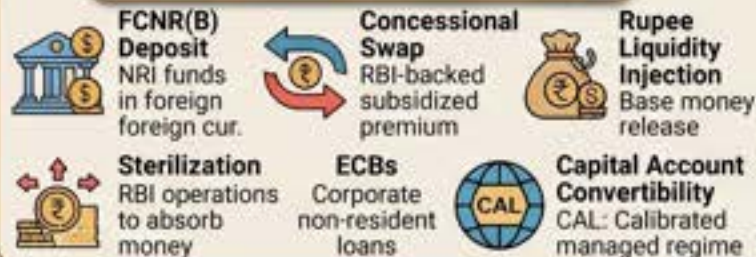
- **Pre-1991 Framework (The Control Regime):** Under the Foreign Exchange Regulation Act (FERA), 1973, cross-border capital transactions were strictly controlled. Foreign exchange was treated as a scarce national resource. The reliance on short-term external debt and non-concessional commercial loans culminated in the 1991 Balance of Payments crisis, where foreign exchange reserves dropped to barely three weeks of import cover.
- **The Post-1991 Structural Transition:** Following the recommendations of the High-Level Committee on Balance of Payments (chaired by Dr. C. Rangarajan, 1993), India dismantled FERA, enacted the Foreign Exchange Management Act (FEMA), 1999, and transitioned to a market-determined exchange rate system (LBSM). NRI deposit schemes were restructured to ensure that banks, rather than the sovereign, bore exchange rate risks.
- **The 2013 "Taper Tantrum" Blueprint:** When the US Federal Reserve hinted at unwinding quantitative easing in 2013, the Indian Rupee depreciated sharply. Under Governor Raghuram Rajan, the Reserve Bank introduced a landmark concessional FCNR(B) swap window, mobilizing \$34 billion. This intervention stabilized the currency and established forex swaps as a proven crisis-management mechanism.
- **Modern Adaptive Reserve Management (Present Day):** The central bank uses dynamic, data-driven interventions. Special swap windows are opened counter-cyclically during foreign exchange distress and closed once reserve targets are met, preventing permanent structural distortions in the domestic banking system.

- **Strategic Way Forward**

- **Coordinated Domestic Liquidity Sterilization:** The central bank should utilize market-based instruments—such as the Standing Deposit Facility (SDF), longer-tenor Variable Rate Reverse Repo (VRRR) auctions, and Market Stabilization Scheme (MSS) bonds—to absorb surplus rupee liquidity and keep the overnight call rate aligned with the repo rate.
- **Forward Maturity Profile Management:** Foreign exchange swaps maturing across the 3-to-5-year horizon should be actively laddered and managed in the forward market to prevent sudden foreign currency drains when the contracts expire.
- **Expanding Local Currency Trade Invoicing:** Rather than relying entirely on foreign-currency-denominated deposits during external shocks, India should continue expanding its Special Rupee Vostro Account (SRVA) framework and bilateral local currency settlement mechanisms to reduce structural demand for foreign currency.
- **Prudent Capital Account Roadmap:** Advance capital account convertibility in line with the recommendations of the S.S. Tarapore Committees, maintaining clear macroeconomic prerequisites such as fiscal consolidation, low non-performing assets (NPAs), and stable inflation targets.



KEY TERMS & CONCEPTS



HISTORICAL EVOLUTION



POLICY RATIONALE & DYNAMICS

- Counter-Cyclical Forex Mobilization**
 - Defending Rupee in foreign curve to remove kinks in sovereign managements
 - Defending Rupee forex mobilizations
 - Mitigating Domestic Liquidity Overhang**
 - Inflation management inflation
 - Managing net foreign assets and frozen liquidity reserve
 - Balancing Cost and Liabilities**
 - Limited forward obligations
 - Balancing to resources equities and reasons unutilized
 - Preserving Diversified Inflow Channels**
 - Keeping ECBs open to reserve inflation and liquidity inflation channels management

MULTIDIMENSIONAL IMPACT



NCERT & UPSC CSE SYLLABUS LINKAGES

Class 12 Macro	Chapter 3, 6
Class 11 IED	Chapter 3
GS Papers 3, 2	2, Ethics
Optional	An relevant Optional subjects

STRATEGIC WAY FORWARD

- ### Policy Roadmap
- **Liquidity Sterilization (SDF, VRRR)**
Sterilization for preventing net liquidation
 - **Forward Book Management**
Forwarding local Management of SDF
 - **Expanding Local Currency Invoicing**
Expanding local currency Invoicing lead
 - **gradual Capital Account Convertibility**
gradual capital account convertibility

Centre notifies 40 questions for second phase of Census 2027

Census 2027, the first since 1931 to enumerate caste, will collect parents' details, bank account, Aadhaar, passport, and voter ID information; Phase 2 of the exercise to begin on Monday in Ladakh, parts of J&K, Uttarakhand, and Himachal Pradesh

Vijaita Singh
NEW DELHI

The Union government on Friday notified 40 questions, which include one asking respondents to record their "caste", for the population enumeration exercise as part of the second phase of Census 2027. This is the first time that caste will be enumerated in Independent India, other than that of the Scheduled Tribes (STs) and Scheduled Castes (SCs).

The Census 2027 schedule will have 13 new questions or data fields that were not part of the Census 2011 questionnaire, which had 29 questions.

The questions that have been added for the first time are – spouse's name, nationality, father's particulars and mother's particulars, digital literacy, permanent residential address, place of COVID-19 vaccination, number of bank accounts, passport number, driving licence availability and mobile phone number, and Aadhaar and voter ID numbers, if available.



Door-to-door: Trained field staff collect household data during the Census enumeration drive. N. RAJESH

Question number 10 on the Census schedule reads "Scheduled Caste (SC)/ Scheduled Tribe (ST)/ Caste." Officials said that the enumerator will record the caste as declared by the respondent as it is an open column. As reported by *The Hindu* on July 6, the rehearsal, or the "pre-test" for the population enumeration phase, was conducted from July 1 to 20 in 16 States and Union Territories, where respondents, other than those in the reserved categories, recorded their castes in an "open column", or the enumera-

tor noted a resident's caste as declared by them.

Responding to *The Hindu's* report, Congress general secretary Jairam Ramesh said on X: "It had been widely expected that the caste Q will be asked with a pre-prepared State-wise list as had been done in the Bihar and Telangana caste surveys with the response being just ticked appropriately. This has, unfortunately, not happened raising serious doubts on intent."

The open column methodology had resulted in the 2011 Socio Economic

Caste Census (SECC) returning over 46 lakh different "caste names", largely owing to the difference in what people understand by caste. The BJP-led government has maintained over the last decade that the 2011 SECC caste data were unreliable because of "errors" in data collection. The total number of castes during the 1931 Census was 4,147. The SECC was conducted as a survey and out of the purview of the Census Act, 1948 and had no statutory backing. The SECC data were never released by the government.

Mritunjay Kumar Narayan, the Registrar-General and Census Commissioner of India (RG&CC), notified the questions that census officials will be authorised to ask during Census 2027, expanding the scope of data collection to include details such as Aadhaar, mobile number, voter IDs, bank accounts and COVID-19 vaccination information, wherever available.

The notification, issued by the Ministry of Home Affairs under the Census

Act, authorises census officers to collect information through the household schedule from every person residing in their assigned areas.

The second phase of Census begins in Ladakh and snow-bound areas of Jammu and Kashmir, Uttarakhand and Himachal Pradesh on Monday, much before the rest of the country, where the exercise will take place in February 2027. An option for self-enumeration will be available from August 17-31, before the start of house-to-house population enumeration, the notification said. It added that the reference date for population count for these areas would be 12 a.m., October 1. The reference date for the rest of the country is 12 a.m., March 1, 2027.

The Census exercise is done in two phases – the Housing and House Listing Operations and Population Enumeration. The HLO phase, due to end on September 30, has been completed in most States except West Bengal, Assam and Manipur.

- **Key Terms and Concepts**

- **Decennial Census:** The statutory, nationwide headcount mandated under the **Census Act, 1948** and governed by Entry 69 of the Union List (Seventh Schedule). It serves as the primary benchmark for administrative delimitation, fiscal devolution via Finance Commissions, and targeted socio-economic planning.
- **Caste Enumeration vs. Socio-Economic Caste Census (SECC):** Decennial population enumeration under the Census Act carries statutory confidentiality and legal backing. In contrast, the SECC (conducted in 2011) was an open administrative survey aimed at identifying beneficiaries for welfare schemes, lacking the rigorous statistical validation and legal insulation of the decennial census.
- **Open Column Methodology:** A data collection technique where enumerators record the respondent's exact self-declared caste/sub-caste verbatim, without forcing selection from a predefined dropdown list. While it prevents state-imposed misclassification, it creates immense data processing challenges due to phonetic variations, local sub-castes, and clan/gotra self-identification.
- **Registrar General and Census Commissioner of India (RGCCI):** An office under the **Ministry of Home Affairs (MHA)** responsible for planning, executing, and analyzing the decennial Census and the civil registration system (Births and Deaths) across India.
- **Two-Phase Census Architecture:**
 - *Phase 1: House Listing and Housing Operations (HLO):* Captures structural, amenity, and asset-related data of households.
 - *Phase 2: Population Enumeration (PE):* Collects granular demographic, socio-cultural, economic, and individual identity markers across the population.
- **Digital Census & Self-Enumeration:** The transition from paper-based schedules to mobile applications and secure web portals, enabling citizens to self-declare household data within a designated window prior to field visits by enumerators.

- **Main Arguments and Substantive Dimensions**

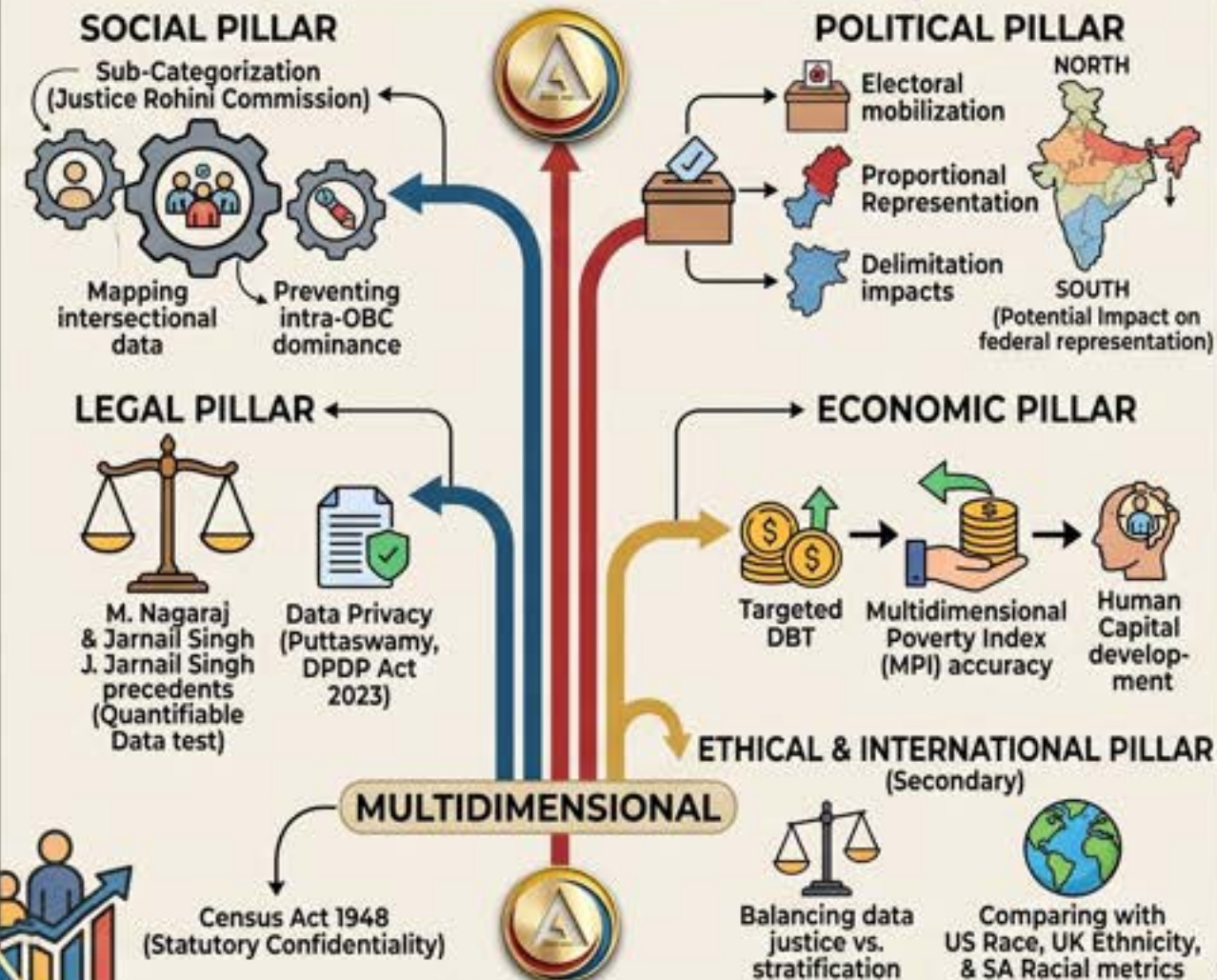
- The modern demographic enumeration framework integrates socio-cultural stratification, personal identification markers, and administrative accountability into a single synchronized digital exercise.
- **Comprehensive Caste Mapping after Nine Decades:** The inclusion of an explicit caste field for all citizens—beyond the historical mandate limited to Scheduled Castes (SCs) and Scheduled Tribes (STs) under Articles 341 and 342—marks the first universal caste count since 1931. This provides empirical clarity on the socio-economic status of Other Backward Classes (OBCs) and general category sub-groups.
- **Methodological Debate (Open Entry vs. Standardized Lists):** The reliance on an open column format respects self-identification and accommodates complex local social realities. However, critics argue that without pre-coded, state-validated caste schedules (as used in recent state-level surveys), the process risks generating millions of unclassifiable synonyms, local titles, and gotra names, replicating the statistical paralysis of the 2011 SECC.
- **Data Deepening vs. Privacy Constraints:** Expanding the questionnaire to include 40 distinct parameters—such as parentage details, passport, Aadhaar, voter ID, bank account counts, digital literacy, and vaccination geography—transforms the demographic census into a multi-layered citizen registry. This sharpens policy targeting and Direct Benefit Transfer (DBT) leakage prevention, but also triggers concerns regarding surveillance, state profiling, and purpose limitation under the *Puttaswamy* data protection framework.
- **Administrative and Phased Logistics:** Managing asynchronous timelines—deploying early enumeration for geographically snowbound, vulnerable zones (Ladakh, Jammu & Kashmir, Himachal Pradesh, Uttarakhand) ahead of the plains—demonstrates administrative adaptability across diverse topographies.

- **Historical Evolution of Caste and Population Enumeration**

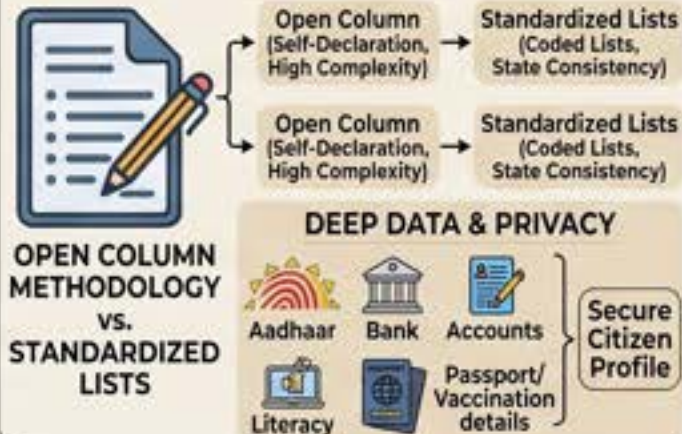
- **Colonial Census (1872–1931):** Early British census operations systematically categorized and formalized caste identities. Under Herbert Risley (1901), census schedules classified castes based on "social precedence in native estimation," which fixed previously fluid social boundaries. The 1931 census under J.H. Hutton served as the last comprehensive caste inventory, enumerating 4,147 distinct caste groups.
 - **Post-Independence Deliberate Omission (1951–2001):** The independent Indian state chose to drop general caste enumeration, recording only Scheduled Castes and Scheduled Tribes to fulfill constitutional mandates (Articles 341 and 342). The goal was to build a casteless, modern civic identity while avoiding social fragmentation.
 - **Post-Mandal Imperative and SECC 2011:** The implementation of the Mandal Commission recommendations (1990) exposed an empirical gap: national OBC reservations were grounded in 1931 demographic projections. In response, the 2011 SECC collected non-statutory caste data. However, the resulting 46 lakh distinct caste/sub-caste entries suffered from spelling anomalies and regional variations, preventing the release of raw caste classifications.
 - **Contemporary State Initiatives to Statutory Integration:** Frustrated by data deficits, states like Bihar and Telangana conducted their own dedicated caste surveys. The integration of caste into the central decennial census framework brings this enumeration back under statutory authority.
-
- **Strategic Way Forward**
 - **Deploying Natural Language Processing (NLP) for Data Normalization:** To prevent the data classification issues of the 2011 SECC, the Office of the Registrar General should use machine-learning NLP models. These can standardize phonetic variants, colloquial titles, and sub-caste synonyms against state and central lists in real time.
 - **Harmonization with State-Level Backward Classes Schedules:** Establish institutional coordination between the Central Registrar General, the National Commission for Backward Classes (NCBC), and State Backward Classes Commissions. This ensures localized caste identities are systematically mapped to official state lists, respecting the **105th Constitutional Amendment Act, 2021**.
 - **Strict Adherence to Data Privacy Standards:** Apply cryptographic anonymization and differential privacy techniques to sensitive parameters (Aadhaar, passport, banking details) collected during population enumeration. This upholds Section 15 of the Census Act, 1948 and the provisions of the DPDP Act, 2023.
 - **Pre-Release Independent Statistical Audits:** Form an autonomous advisory body of sociologists, demographers, and data scientists to audit raw enumeration outputs. This will resolve classification anomalies and ensure the data meets high standards of statistical integrity before public release.
 - **Evidence-Based Policy Reforms:** Use verified caste and socio-economic findings to calibrate welfare distribution, update creamy-layer income thresholds, and guide rational sub-categorization, ensuring affirmative action benefits reach the most vulnerable.
-

DECODING THE UNIVERSAL CASTE CENSUS: AN INTEGRATED ANALYSIS FOR UPSC & APSC

MULTIDIMENSIONAL ANALYSIS HUB



METHODOLOGICAL VISUALIZER



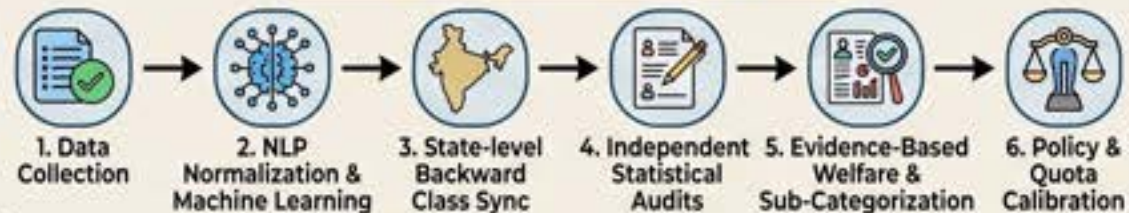
APSC / NORTH EAST CONTEXT PANEL

- APSC GS Paper analysis on NE Socio-Cultural dynamics
 - Sixth Schedule considerations
 - Regional demographic mapping on North-Cultural
- 

Decennial Census

Decennial Census (Statutory, CONFIDENTIAL) vs. **SECC** (Non-Statutory Survey, ADMINISTRATIVE)

WAY FORWARD FLOWCHART



LINKAGES & SYLLABUS GRID





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