



**DR. RAJKUMAR ACADEMY  
BENGALURU**

AN INITIATIVE BY DR. RAJKUMAR FAMILY

# WEEKLY NEWS COMPILATION

A CRISP AND COMPREHENSIVE CURRENT AFFAIRS CAPSULE

**JANUARY WEEK 5**

26-01-2026 TO 31-01-2026

**ECONOMIC  
SURVEY**

**PREDICTS**

**BRIGHT  
INDIA**

**PADMA AWARDS  
2026**

**INDIA AND EU  
FINALISE FTA**

**INDIA'S LABOUR  
CODES**

**YETTINAHOLE:  
CAG FLAGS  
IRREGULARITIES**

**❖ Nation honours 131 personalities with Padma awards**

**Context: The Centre announced Padma honours for 2026, with five Padma Vibhushan, 13 Padma Bhushan, and 113 Padma Shri awards. The recipients include eight personalities from Kerala, 11 from West Bengal, and 13 from Tamil Nadu, all poll-bound States.**

- A former Kerala Chief Minister and Communist stalwart, the late V.S. Achuthanandan, and the late actor Dharmendra have been posthumously named for the Padma Vibhushan, the country's second highest civilian award. Former Supreme Court judge K.T. Thomas and educationist P. Narayanan, both from Kerala, and violinist N. Rajam are the other three to get the Padma Vibhushan.

**Field of honour**

The Padma honours for 2026 announced by the Centre include **5 Padma Vibhushan, 13 Padma Bhushan, and 113 Padma Shri awards**, covering personalities from all corners of the country in over 100 unique fields

<b>PADMA VIBHUSHAN</b>	 Dharmendra Singh Deol Art (Posthumous)	 K.T. Thomas Public Affairs	 N. Rajam Art	 P. Narayanan Literature and Education	 V.S. Achuthanandan Public Affairs (Posthumous)
	<b>PADMA BHUSHAN</b>				
	1. Alka Yagnik	5. Nori Dattatreyaudu	8. Shatavadhani R. Ganesh	11. V. K. Malhotra (Posthumous)	
	2. Bhagat Singh Koshyari	6. Piyush Pandey (posthumous)	9. Shibu Soren (Posthumous)	12. Vellappally Natesan	
	3. K.R. Palaniswamy	7. S.K.M. Maeilanandhan	10. Uday Kotak	13. Vijay Amritraj	
4. Mammooty					

- A former Jharkhand Chief Minister and tribal leader, the late Shibu Soren, has been named for the Padma Bhushan posthumously.

**Diverse disciplines**

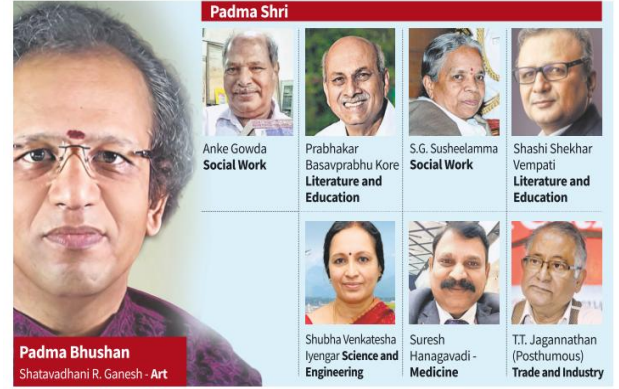
- Actor Mammooty, singer Alka Yagnik, banker Uday Kotak, and tennis legend Vijay Amritraj are among the 13 selected for the Padma Bhushan.
- Prime Minister Narendra Modi congratulated all the awardees for their contribution to diverse fields.
- “Congratulations to all the Padma Awardees for their outstanding contributions to our nation. Their excellence, dedication, and service enrich the fabric of our society,” he said in a post on X.
- The Padma awards are given in disciplines such as social work, public affairs, science and engineering, trade and industry, medicine, literature and education, sports, civil service, among others. While the Padma Vibhushan is awarded for exceptional and distinguished service, Padma Bhushan is for distinguished service of high order, and Padma Shri for distinguished service in any field.

**❖ Eight from Karnataka honoured with Padma awards**

**Context: They are from an array of fields, from Art to Trade and Industry; three of the awardees are in the category of ‘Unsung heroes’.**

- Shatavadhani R. Ganesh and former BJP Rajya Sabha member Prabhakar B. Kore are among the eight personalities from Karnataka to feature on the list of Padma awardees this year, announced on the eve of Republic Day.
- While Dr. Ganesh has been awarded Padma Bhushan in the category of Art, three among the Padma Shri awardees- Anke Gowda M. from Mandya district, Suresh Hanagavadi from Davangere, S.G. Susheelamma from Bengaluru- have been identified as “Unsung heroes.”

Recipients of Padma awards



### **Shatavadhani R. Ganesh**

- Scholar and artist, Mr. Ganesh is the only personality from Karnataka to figure in the Padma Bhushan category. He is widely acclaimed for reviving and mastering avadhana, an ancient art form.
- An alumnus of the Indian Institute of Science and a student of Metallurgy, Dr. Ganesh, a writer in Kannada and Sanskrit, is credited with the revival of the tradition of Avadhana in Kannada. Avadhana requires focus, concentration and alertness among other skills to compose poetry or face literary challenges posed by other scholars simultaneously in a unique literary event. He is also the author of several works.

### **S.G. Susheelamma**

- A well-known social activist from Bengaluru and the driving force behind the non-profit organisation Sumangali Seva Ashrama, Ms. Susheelamma has been selected for the Padma Shri Award 2026 in recognition of her decades-long commitment to social service.
- She is widely respected for her work with abandoned women, orphaned children and marginalised sections of society.
- Ms. Susheelamma told The Hindu that she had never sought accolades or public acknowledgement for her work. She said the award was a result of “divine grace and the goodwill of the people”. Recalling the early days of her organisation, she said the ashram was established in October, 1975, after she encountered children in urgent need of shelter and care. “I decided to take responsibility for their wellbeing, which eventually led to the formation of the institution.” The ashram has expanded its activities to include a nursery and higher primary school, adult literacy initiatives, health check-up camps, etc.

### **Suresh Hanagavadi**

- JJM medical college professor and founder of the Karnataka Haemophilia Society (KHS), Dr. Hanagavadi began researching Haemophilia after he found that he was suffering from the condition. He founded the KHS with the support of play back singer S.P. Balasubramanyam. Over the years, he has treated several thousand children and adults suffering from Haemophilia.

- He told reporters in Davangere that he was happy that the cause of Haemophilia had been recognised at the national level due to the award. “After being diagnosed with the condition, I founded the society to try and create awareness about it, and promote further research. I only think of it as my responsibility as a medicine teacher and doctor,” he said.

### **Shubha Venkatesha Iyengar**

- A former National Aerospace Laboratory (NAL) scientist who is noted for her contribution in the development of DRISHTI Transmissometer, which is a runway visibility measuring system and Aviation Weather Monitoring System that has been installed in more than 100 locations across the country.
- Ms. Shuba joined the NAL in 1974 as a research student and was a scientist in the Material Science Division and Airport Instrument Division. She retired from the NAL in 2020. “It is nice to note that our team’s contribution to the country has been recognised. I want to thank my parents for allowing me to pursue my higher education as it was very different at that time for women to pursue higher education but my father encouraged me to do my PhD,” Ms. Shuba said.

### **Anke Gowda**

- The 75-year-old runs Pustaka Mane (House of Books) in Haralahalli village of Pandavapura taluk in Mandya district that has a collection of more than 20 lakh books. The institution is regarded as one of the country’s largest personal libraries, offering free access to readers. A book curator and librarian, Mr. Gowda worked as a bus conductor before joining a sugar factory in Pandavapura as a timekeeper, setting aside a major portion of his salary to buy books.
- He not only sold his site in Mysuru, but also invested his retirement funds to procure books for the library.
- His collection of books, which he started when he was 20 years old, spans literature, science, technology, mythology and philosophy, and includes rare historical manuscripts dating back to 1832. It also features more than 5,000 dictionaries in multiple languages.

### **Shashi Shekhar Vempati**

- Former Prasar Bharati Chief Executive Officer Shashi Shekhar Vempati has been selected for the Padma Shri for his contributions to media. Mr. Vempati took charge as CEO of the Prasar Bharati in June 2017 and completed a full five-year term.
- An alumnus of IIT Bombay, he was the youngest person and the first non-civil servant to head Prasar Bharati since the institution was established in 1997.

### **Prabhakar Basavprabhu Kore**

- Former chairman of the KLE Society, the 78-year-old educationist has led the KLE Society for over 40 years. The society was running 30 educational institutions in 1985 when he took over. Now, it runs 316 schools, colleges and hospitals with over 18,000 staff and 1.45 lakh students. Its hospitals have over 3,000 beds and provide tertiary specialist treatment to patients in various fields of medicine.

### **T.T. Jagannathan (Posthumous)**

- Chairman emeritus of T.T.K. Prestige, Mr. Jagannathan passed away in Bengaluru in 2025, at 77. He led TTK to become a market leader in the small appliances industry in the country. He was instrumental in transforming the company to reach a market cap of over one billion dollars.
- He was the longest-serving director/chairman in the company's history.

### **❖ Shubhanshu Shukla, who flew to space, gets Ashok Chakra**

**Context: On the eve of Republic Day, President Droupadi Murmu on Sunday approved the conferment of Gallantry and Distinguished Service Awards on personnel of the Indian Army, the Indian Navy, and the Indian Air Force, recognising acts of exceptional courage in operations and sustained distinguished service across key operational and command appointments.**

- Group Captain Shubhanshu Shukla of the Indian Air Force has been honoured with the Ashok Chakra, the nation's highest peacetime gallantry award. The honour follows his ground-breaking mission to the International Space Station in June 2025.
- In the Chakra series of gallantry awards, the President approved the conferment of one Ashok Chakra, three Kirti Chakras, and 12 Shaurya Chakras, including one Shaurya Chakra (posthumous). The gallantry awards include one Bar to Sena Medal (Gallantry) and 44 Sena Medals (Gallantry), of which five are posthumous. Additionally, six Nao Sena Medals (Gallantry) were awarded to Navy personnel and two Vayu Sena Medals (Gallantry) to Air Force personnel.
- The President also approved a total of 301 military decorations to Armed Forces and other personnel. These include 30 Param Vishisht Seva Medals, four Uttam Yudh Seva Medals, 56 Ati Vishisht Seva Medals, nine Yudh Seva Medals, two Bars to Sena Medals (Distinguished), 43 Sena Medals (Distinguished), eight Nao Sena Medals (Distinguished), and 14 Vayu Sena Medals (Distinguished).
- Further, 135 Vishisht Seva Medals and 98 Mention-in-Despatches were approved for personnel involved in various operations, including Operation Rakshak, Operation Snow Leopard, Operation Hifazat, Operation Orchid, and Operation Meghdoot, as well as rescue and casualty evacuation tasks. Of these, five mentions are posthumous, with 81 awards going to personnel of the Army.

### **❖ Actor Madhavan, ex-UGC chief among 113 Padma Shri awardees**

**Context: The Centre announced the names of 113 recipients of the Padma Shri, India's fourth-highest civilian award, for 2026.**

- Among the awardees are M. Jagadesh Kumar, former Chairman of the University Grants Commission; R.V.S. Mani, former Under Secretary of the Ministry of Home Affairs; Shashi Shekhar Vempati, former CEO of Prasar Bharati; and archaeologist Budha Krishna Mani, who led excavations in Ayodhya and Sarnath.
- Aerospace scientist Chandramouli Gaddamanugu, who directed the Akash missile system from development to deployment during Operation Sindoor, and ISRO scientist A.E. Muthunayagam, who led the cryogenic propulsion system, have also been awarded the Padma Shri. Actors R. Madhavan, Prosenjit Chatterjee, Arvind Vaidya (known for

Sarabhai vs Sarabhai), Anil Kumar Rastogi, and Gadde Babu Rajendra Prasad are also among the awardees.

- The sportspersons recognised include cricketers Rohit Sharma, captain of India's T20 World Cup-winning team, and Harmanpreet Kaur, who led India to its first women's ODI World Cup victory, as well as hockey players Savita Punia and Baldev Singh, and para-athlete Praveen Kumar.
- K. Vijay Kumar, the former CRPF D-G and chief of the STF that killed poacher Veerappan; Ramamurthy Sreedher, the founder of community radio in India; and Satyanarayan Nuwal, the founder of India's first licensed private defence company, which pioneered manufacturing of indigenous ammunition, have also been awarded the Padma Shri.
- The award has also been given to Ashok Khade, a self-made entrepreneur from a Dalit cobbler family, who established a cutting-edge offshore fabrication company; Ashok Kumar Singh, an agriculture scientist who developed over 25 rice varieties; and Dalit author Asok Kumar Haldar, who wrote inspiring literature while being a railway guard.
- Forty-five people were named under the "unsung heroes" category of the award.

### ❖ Survey report recommends 1% reservation in private sector for gender minorities

**Context: The 2025-26 baseline survey on gender minorities in Karnataka has recommended 1% reservation in private sector jobs for people from gender minorities in the State.**

- "It is important that not only the government but also private companies provide employment opportunities to gender minorities," read the report that was submitted to the State government on Saturday.

#### **First of its kind**

- The government currently provides 1% horizontal reservation for transgender persons in all government services.
- The first of its kind exercise in India, conducted by the Department of Women and Child Development and the Karnataka State Women's Development Corporation, has recorded 10,365 gender minority individuals in the State.

#### **Violence**

- One of the recommendations in the report includes the establishment of a gender minority welfare board.
- The survey found that some forms of violence and discrimination against gender minorities in around 40% schools and colleges. According to the report, 25% adults and 46% children from the community have requested financial assistance for education.
- Around 40% are not accepted by family members. It was also found that 90% of the community members faced instances of violence, discrimination, or humiliation at hospitals.
- The report, therefore, recommends financial assistance, enrollment in hostels on priority, coaching for competitive exams and scholarship schemes for the education of

individuals from gender minorities, distribution of Ayushman Bharat cards for all community members and schemes for gender affirmation surgery.

### **Housing facilities**

- Noting that 15% of community members live with their parents, 17% in separate houses, and a large number of them on the streets, the report suggested providing housing facilities for them.
- Other recommendations include separate toilets and waiting rooms in public places, rehabilitation initiatives, special camps for distribution of ration cards, and awareness programmes for the public, families and officials to prevent violence and discrimination that individuals from gender minorities face.

### **Top districts**

- The 45-day long survey of gender minorities across 31 districts identified 10,250 individuals above the age of 18 and 115 children. Most number of individuals were recorded in Vijayapura (1,428), Chickballapur (1,252), Bengaluru Urban (757), Kolar (638), and Belagavi (618).
- As per the survey, 3,497 community members belonged to Scheduled Castes and 1,369 belonged to Scheduled Tribes.
- The 2011 Census had recorded 34,283 gender minorities in the State. Prior to the 2023 election, the Chief Electoral Officer estimated that 42,756 transgender individuals in the State were eligible to vote.

### **❖ Lakkundi excavation yields give a push to bid for UNESCO tag**

**Context: Excavations which began on January 16 on the premises of the Kote Veerabhadreshwar temple in Lakkundi village of Gadag district have yielded relics dating back to the Neolithic period, giving a fillip to the push for its nomination for inclusion in the UNESCO World Heritage Sites list.**

- The yield of Neolithic relics came close on the heels of a “treasure” being found by a family in the village while digging to lay the foundation for a house.

### **Hundred wells**

- The excavation here — about 12 kilometres from district headquarters Gadag and once known as ‘village of hundred wells and temples’ — are part of sustained efforts to restore the historical significance of Lakkundi.
- It is believed that several architectural wonders still remain covered by houses and other structures or buried beneath the ground in the village. Earlier known as Lokkigundi, the village finds mention in inscriptions dating back to the 11th and 12th centuries. In these inscriptions the place is compared to Amaravati, the capital of Indra in terms of affluence.



A stepwell in Lakkundi village in Gadag district. It is one among the attractions at the village. SPECIAL ARRANGEMENT

- Lakkundi was also known for its “tankashale” (mint). Lakkundi was under the rule of the Chalukya, the Yadava, and the Hoysala kings, and was the capital of Hoysala king Eradane Ballala (Veeraballala) in 1192 A.D.
- Lakkundi was the “Karmabhoomi” of queen Attimabbe, an ardent follower of Jainism known for her philanthropic works.
- It is said that the queen who lived in the 11th century, built many temples and Jain basadis and also sank wells for the benefit of people. An award in her name (Daana Chintamani Attimabbe Prashasti) has been instituted by the State government.
- While Jainism prospered in Lakkundi, it also gave shelter to 12th century sharanas like Shivasharana Ajaganna and Sharane Mukhtayakka who propagated Basaveshwara’s message.
- Several of Lakkundi’s architectural wonders no longer exist now and the Mumbai State Gazetteer mentions only 13 temples having architectural style of Kalyana Chalukyas. Even the wells in Lakkundi are known for their carvings.

### **Pending project**

- Uncovering the buried temple structures and wells has been a long pending project, and under the initiative of H.K. Patil, Minister for Law and Parliamentary Affairs and also Tourism, it has been revived.
- As a prelude to the excavation, the Karnataka State Tourism Department Corporation (KSTDC) along with the Archaeology Museums and Heritage Department had launched an initiative in November, 2024, to collect historical relics from the households in the village. Under this, 1,050 historical relics were received from the residents and 13 inscriptions identified. Several of them now find a place in the open museum at Lakkundi for the establishment of which, the residents have joined hands with Lakkundi Heritage Area Development Authority by parting with their lands.

### **With INTACH**

- The Tourism Department is also giving a push to the proposal to include a group of monuments at Lakkundi along with temples from surrounding places in the UNESCO’s tentative list of World Heritage Sites. This is in line with the Budget announcement on getting UNESCO tag for Lakkundi.
- The State has tied up with the Indian National Trust for Art and Cultural Heritage (INTACH) to finetune the proposal.
- “So far, two meetings have been held in this regard and they (INTACH) are in the process of finalising the proposal,” Commissioner of Lakkundi Heritage Area Development Authority Sharanu Gogeri told The Hindu.
- There are seven ASI protected monuments in Lakkundi and the State has declared 16 temple structures in the village as protected monuments and plans to add eight more to the list by the month-end. The authority has been directed to carry out a comprehensive study and submit a report on including 20 more temples and other structures to the list, which is likely to happen in February.

## Shifting village?

- There is also a proposal to shift the village to facilitate restoration of the ancient monuments, but any decision on the relocation will be based on the outcome of the excavation and other surveys of ancient structures being carried out simultaneously.

## ❖ India, EU showing a fractured world another way to engage: von der Leyen

**Context: India and Europe have made a clear choice... strategic partnership, dialogue, and openness, says European Commission President; Antonio Costa says India and EU share responsibility to protect rules-based international order; the two leaders will be chief guests at the Republic Day celebrations.**

- India and the European Union are giving a “fractured world” an alternative, said European Commission President Ursula von der Leyen, even as the EU trade commissioner announced that negotiations for a Free Trade Agreement (FTA) are “nearing conclusion” at the beginning of the EU delegation’s visit to Delhi. While the FTA will be watched most closely, in terms of bilateral gains for both countries, it is the timing of the summit, amid unprecedented transatlantic tensions between the EU and the United States over territorial issues and trade, that is most significant.
- “India and Europe have made a clear choice... strategic partnership, dialogue, and openness,” she said in a social media post. We are showing a fractured world that another way is possible,” she added.
- The EU chief arrived in Delhi on Saturday, after a tense week at the World Economic Forum conference at Davos, where many European leaders sparred with U.S. President Donald Trump over his claims on Greenland and tariff threats. Prior to that, the EU leadership was in Paraguay to sign a major EU-MERCOSUR FTA between European and South American countries.
- Both the European Commission President and EU Council President Antonio Costa were given a formal guard of honour at the Delhi airport on Sunday, and External Affairs Minister S. Jaishankar called on them in the evening to set the agenda for the next two days of intensive India-EU engagements, including at the Republic Day parade on Monday, and the EU-India Summit and a Business summit on Tuesday.
- “India is a crucial partner for the EU. Together, we share the capacity and responsibility to protect the rules-based international order,” Mr. Costa said.
- Mr. Jaishankar also held talks with his counterpart, EU Vice-President/High Representative Kaja Kallas, and described the “growing comfort and strong convergences of the India-European Union partnership” in a post on social media. According to an EU statement, the two sides will adopt a joint EU-India comprehensive strategic agenda during the visit, addressing security and defence ties, trade, technology partnerships and connectivity issues.
- They will also discuss global issues, including the “importance of an effective multilateral system, a free and prosperous Indo-Pacific region, Russia’s war against Ukraine, [and] the situation in the Middle East (West Asia),” the statement added.
- The strategic agreement is also significant as it will come days after the U.S. issued its latest Defense Strategy 2026, that considerably downplays ties with Europe and omits all mention of India.

### **'Nearing conclusion'**

- While the statement did not confirm the EU-India FTA, that has been under negotiation since 2007 and re-launched in 2022, was ready for signing on Tuesday, it said that the deal would boost bilateral trade and investment and “drive shared prosperity”.
- “I’m confident to say we’re nearing the conclusion of our FTA negotiations. The cumulation of an intense past year,” said Maros Sefcovic, stating this is his 10th ministerial engagement with Commerce Minister Piyush Goyal, who confirmed that the FTA talks were “closer to a fruitful outcome”.
- According to reports, the two sides have made more progress in the last few days on lowered tariffs and unprecedented market access to India for European companies, and technology cooperation and job opportunities for Indians, despite issues over areas like agricultural good, auto tariffs, and environmental taxes.
- Mr. Costa and Ms. von der Leyen will attend India’s 77th Republic Day celebrations as chief guests on Monday. They will also attend an “At Home” reception at the Rashtrapati Bhavan in the evening. Their summit with Prime Minister Narendra Modi will take place on Tuesday, followed by a business event.
- **The EU is India’s largest trading partner in goods with bilateral trade topping \$136 billion last year.**

### **❖ Aajeevika Mission a revolution, says Chouhan**

**Context: Union Minister for Rural Development, Agriculture and Farmers’ Welfare Shivraj Singh Chouhan on Sunday said the Aajeevika Mission had grown beyond a government programme to become a “revolution and a movement”, driven by the economic and social empowerment of women in self-help groups (SHGs).**

- Lauding the work of SHG members, Mr. Chouhan said the women had demonstrated remarkable strength and resilience.
- Mr. Chouhan reiterated the Centre’s target of creating three crore ‘Lakhpati Didis’, calling it “a mantra” that would be achieved soon.
- Nearly 10 crore women were currently associated with SHGs, he noted.

## ❖ GP offices to be named after Mahatma Gandhi

- The Congress government has decided to name all 6,000 gram panchayat offices in the State after Mahatma Gandhi. This was announced by Chief Minister Siddaramaiah and Deputy Chief Minister D.K. Shivakumar during the the party's protest against the Union government introducing the Viksit Bharat–Guarantee for Rozgar Ajeevika Mission (Gramin) (VB-G Ram G) Act by repealing the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

## ❖ 'Mother of all deals': India and EU finalise FTA

**Context: European wines, luxury cars to become cheaper as negotiations, launched in 2007, conclude.**

- Modi calls it historic pact, while Ursula says it will reduce strategic dependence amid global turmoil.

### Landmark agreement

After almost two decades of talks, the European Union and India sealed a landmark trade pact, driven by U.S. tariff pressures. The deal aims at doubling exports to India



#### HOW DOES IT BENEFIT EU?

- Tariffs removed or cut on 90% of EU goods
- Wine duties cut from 150% to 20-30%; Spirits cut to 40%
- Car tariffs drop from 110% to 10% (250,000 vehicle quota)
- Tariffs eliminated on Airbus aircraft, and processed food
- 0% tax on most machinery, and pharmaceutical products

#### HOW DOES IT BENEFIT INDIA?

- Duty-free exports for items such as textiles, leather, gems, and spices
- A duty-free quota of 1.6 million tonnes for steel
- Easier for skilled Indian workers to work in the 27-country bloc
- Dialogue on carbon border tax; India set to be treated like other EU partners
- Phased-out tariffs on arms and ammunition, among other goods

#### WHAT THE DEAL DOESN'T INCLUDE?

- No concessions on items such as chicken and rice
- No agreement on government procurement on energy and raw materials
- A "sustainable development" chapter (rejected by India)
- Agreement on Geographical Indications

Source: AFP

**Diplomatic outreach:** Prime Minister Narendra Modi with European Commission President Ursula von der Leyen and Council President António Costa, on Tuesday in New Delhi. ANI

- Officials say document will undergo legal scrubbing before it can be ratified by European Parliament
- After almost two decades of negotiation, India and the European Union (EU) finalised a free trade agreement (FTA) on Tuesday billed as the "mother of all deals", that will see the EU drop tariffs on 99.5% of Indian exports to the 27-nation bloc.
- India has given tariff concessions on 97.5% of imports from the EU, with European wines and luxury cars set to become less expensive here as a result.



**Coming together:** Prime Minister Narendra Modi, EU chief Ursula von der Leyen, and European Council President António Costa witness the exchange of an MoU in New Delhi on Tuesday. ANI

- Beyond the economics, both sides stressed the geopolitical significance of a deal between two economies that together account for a third of global trade in the shadow of uncertainty sparked by the U.S. tariff regime.
- Prime Minister Narendra Modi declared that the partnership would “strengthen stability” at a time of global turmoil, while European Commission President Ursula von der Leyen said it would reduce strategic dependency at a time when global trade is increasingly fractious.
- “We have delivered the mother of all deals,” she said. “Two giants who choose partnership, in a true win-win fashion. A strong message that cooperation is the best answer to global challenges.”

### **‘Largest-ever FTA’**

- Noting that this is India’s largest-ever FTA, Mr. Modi said: “This historic agreement will facilitate access to the European market for our farmers and small industries, create new opportunities in manufacturing, and strengthen cooperation in our services sectors.”
- Both sides, however, made sure to exclude their respective sensitive sectors. India’s strategic agricultural and dairy sectors remain protected, while the EU will maintain its current tariffs on beef, sugar, rice, chicken meat, milk powder, honey, bananas, soft wheat, garlic, and ethanol.
- India-EU FTA talks were first launched in 2007. Following several hiccups and pauses, they were resumed in 2022 with both sides agreeing to exclude issues on which agreement had been elusive.
- According to Commerce Ministry officials, the language in the document will first be cleaned up over the next 10 to 15 days, following which it will undergo “legal scrubbing”. It will then have to be translated and sent to all 27 EU member states, before it can be ratified by the European Parliament.
- “We do hope that we should be able to celebrate the entry into force of this agreement within calendar 2026 itself,” said Union Minister Piyush Goyal.
- According to the Commerce Ministry, India has gained tariff reductions across 97% of tariff lines, covering 99.5% of trade value. Of this, 90.7% of India’s exports will see duties eliminated entirely on the first day of the deal’s implementation, including labour-intensive sectors such as textiles, apparel, leather, footwear, tea, coffee, spices, sports goods, toys, gems and jewellery, and certain marine products, amongst others.
- Another 2.9% of India’s exports will see duty elimination over three to five years.
- This would include certain marine products, processed food items, and arms and ammunition. Over and above this, 6% of India’s exports will see tariff reductions including certain poultry products, preserved vegetables, bakery products, amongst others.
- “Key labour-intensive sectors comprising more than ₹2.87 lakh crore [\$33 billion] of exports that are currently subjected to import duty between 4% to 26% in the EU and are crucial for employment generation, will enter zero duty from entry into force of the FTA and thus gain enhanced competitiveness in the EU market,” the Ministry said in a release.

- In particular, of the sectors that India primarily exports to the EU, the following will see duties eliminated entirely: marine products (current duties of up to 26%), chemicals (12.8% currently), plastic and rubber items (6.5%), leather footwear (17%), textiles and apparel (12% each), base metals (10%), gems and jewellery (4%), furniture and allied consumer goods (10.5%), and toys and sports goods (4.7%).
- On services, the EU has agreed to commitments across 144 services sub sectors, including IT/ITeS, professional services, education, and other business services.

### **What India has conceded**

- Overall, India is offering duty elimination and reductions on 92.1% of the tariff lines, which comprises 97.5% of the EU exports to India. Within this, 49.6% of the tariff lines will see an immediate duty elimination once the agreement comes into effect.
- Another 39.5% of the tariff lines will be subject to a phased elimination of tariffs over five, seven, and 10 years. An additional 3% of products will see phased tariff reductions.
- “Imports of EU’s high technology goods are expected to diversify India’s import sources, thereby reducing input costs for businesses, benefit consumers and will create opportunities for Indian businesses to integrate into global supply chains,” the statement added.
- Notably for the EU, the following European sectors will see duty-free access to the Indian markets: machinery and electrical equipment, aircraft and spacecraft, optical, medical and surgical equipment, plastics, precious stones and metals, chemicals, motor vehicles, iron and steel, pharmaceuticals, and various agricultural products.
- On services, India has agreed to open up 102 sub sectors covering EU priorities such as professional, business, telecommunications, maritime, financial, and environmental services.
- It has been learnt that negotiations over a few sectors such as automobiles and wine had caused some problems, but the two sides agreed to quota based systems that were satisfactory to both sides.

### **❖ At summit, EU asked India to put ‘pressure’ on Russia to end war, says Kaja Kallas**

**Context: Europe and India can build a partnership that is “predictable”, Kaja Kallas, the foreign policy chief of the European Union, said, taking aim at the U.S., Russia, and China for increasing uncertainty in the world.**

- Ms. Kallas said that during the EU-India Summit between Prime Minister Narendra Modi, European Commission President Ursula von der Leyen, and European Council President Antonio Costa, the EU had asked India to “put pressure” on Moscow to end the war in Ukraine.
- Speaking at a think-tank event here, shortly after the India-EU free trade agreement (FTA) and Strategic and Defence Partnership were announced, Ms. Kallas said the U.S. “tariff threats”, China’s “economic coercion”, and the “existential threat” to Europe from Russia were all common challenges.
- In September 2025, Ms. Kallas had said that India’s participation in the Zapad military exercises and its imports of Russian oil “stand in the way of closer ties” between New Delhi and Brussels.

- Accusing Russia of refusing to agree to a ceasefire with Ukraine and of bombing civilian targets, Ms. Kallas said that Moscow wanted to “push Ukrainian people to surrender”.
- “What we have asked our Indian colleagues is to put pressure on the Russians so that they would also want peace, because this war is not good for Europe or for the [Global South] and that is an area of convergence for EU and India is that we both want sustainable peace,” she said, speaking at the Ananta Centre.
- On Sunday, the Kremlin spokesperson had said that ceasefire talks in Abu Dhabi between Russia and Ukraine were under way, but European leaders, particularly Ms. Kallas, would not be included in the talks.
- Calling for India and the EU to cooperate on the Indo-Pacific, the EU top diplomat criticised China’s “weaponisation of trade” and highlighted the need for open sea lanes.
- “[EU and India] both face economic coercive practices coming from China and to address this alone, we are both weak. But together we are much stronger [and can] stand up to this,” Ms. Kallas said, adding that if companies were “hit” by Chinese practices, prosperity would also suffer, and the EU-India FTA would help the two countries cooperate against this, and shore up the multilateral world order.
- Referring to President Donald Trump’s imposition of new duties, without naming the U.S., she said the “constant threat of tariffs” and the reversal of signed agreements “by an executive order” had created pressure on companies around the world.
- She stressed that India and the EU must “build confidence” and work on trade, security, defence and foreign policy together. “[EU members] take a long time to negotiate an agreement, but when we do, we stick to them and actually implement them,” she said.
- Ms. Kallas said it was time for India and the EU to cooperate on defence hardware as well.

### ❖ Prime Minister lauds ‘ambitious’ trade deal with European Union

**Context: ‘Historic’ FTA a boost to investment between India and the European Union, says Modi; pact brings together Indian services and skills with European capital and innovations, says EU chief; deal ‘opens a whole new world’, says Union Home Minister.**

- India ‘concluded’ a ‘historic’ Free Trade Agreement (FTA) with the European Union, Prime Minister Narendra Modi said, announcing the end of negotiations that began nearly two decades ago and were revived in 2022.
- Speaking at the end of delegation-level talks with the visiting European leaders — European Commission President Ursula von der Leyen and European Council President Antonio Costa — Mr. Modi said that alongside the ‘ambitious FTA’, India was also entering into a new Security and Defence Partnership and a system of mobility that would allow secure and legal movement of Indians to the EU region.
- “Today, India has concluded the largest Free Trade Agreement in its history,” said Mr. Modi. The two sides began discussions on the trade deal in 2007 but suspended the negotiation in 2013, and the talks were relaunched in 2022 as India and the EU began reorienting policies in the post-COVID-19 scenario. The Prime Minister presented the

deal as a boost to investment between the EU and India that would support “innovation partnerships and strengthen supply chains at the global level”.

- The deal would “cut upto €4 billion in annual tariffs for exporters”, Ms. von der Leyen said. “It brings together Indian skills, services and scale with Europe’s technology, capital and innovation,” she added.
- Union Home Minister Amit Shah welcomed the FTA and said the deal “safeguards the related sectors” while “opening a whole new world of opportunities for textiles, apparel, leather footwear, marine products, gems, jewellery, handicrafts, engineering goods, medical instruments and appliances, plastics and automobile sectors.”

### **Global uncertainties**

- Referring to global uncertainties, Mr. Modi said the two sides discussed the conflict in Ukraine, West Asia, and the Indo-Pacific theatre, saying: “In this context, the partnership between India and the European Union will strengthen stability within the international system.”
- A joint statement issued after the meeting said the two sides would “continue to support efforts towards the achievement of a comprehensive, just and lasting peace in Ukraine through dialogue and diplomacy, based on the principles of the UN Charter and international law, including independence, sovereignty and territorial integrity.” It also called for “unhindered humanitarian access” for the victims of Israel-Palestine conflict in the Gaza Strip and called for implementation of the UN Security Council Resolution 2803 of November 17, 2025, that welcomes the ‘Board of Peace’ for Gaza. The document reiterated the call for “implementation of the two-state solution, through dialogue and diplomacy” for the Israel-Palestine conflict.
- Elaborating on the India-EU Security and Defence Partnership, Mr. Modi said: “This will help us work more closely on counter-terrorism, maritime security, and cybersecurity.”
- The two sides welcomed the launch of talks on a ‘Security of Information Agreement’ to facilitate the exchange of classified information. Briefing the media about the discussion, Foreign Secretary Vikram Misri said India has defence and security partnerships with “several individual EU member states” already, but this framework agreement on security and defence would “allow Indian defence companies to benefit from opportunities arising from the EU’s own very significant defence initiatives that are underway”. The European Commission President described the defence and security framework as “a landmark departure and a trust-based platform”.

### **❖ EU, India to collaborate on ‘peaceful uses’ of nuclear energy under Euratom deal**

**Context: The European Union (EU) and India have committed to promoting collaboration on the peaceful uses of nuclear energy under the India-Euratom agreement, according to a statement from the Joint India-European Union Comprehensive Strategic Agenda. India and the EU had signed a research and development agreement on peaceful uses of nuclear energy with Euratom, Europe’s atomic energy body, in July 2020.**

- The statement highlighted collaboration on research and development activities in nuclear science and technology, advanced materials for detectors, radiation safety, nuclear security, non-power applications of atomic energy, including cooperation on radio-pharmaceuticals, and strengthening cooperation in the International Thermonuclear Experimental Reactor (ITER).
- It also spoke of “deepening cooperation” under the EU research and innovation programme, Horizon Europe, including in the fields of energy, water, agri food, health, semiconductors, biotech, advanced materials, particularly through mechanisms such as co-funding and coordinated calls. Horizon Europe is the EU’s key funding programme for research.
- While specifics are unclear, one of the major sticking points involving the EU and India was the Carbon Border Adjustment Mechanism (CBAM), which imposed additional tariffs on iron and steel producers, outside the EU, who emit more carbon emissions in the production of iron and steel than European producers.
- “Through CBAM provisions, commitments have been secured, including a forward-looking, most-favoured nation assurance, extending flexibilities, if any, granted to third countries under the regulation,” India’s Press Information Bureau said in a statement.

### ❖ ‘FTA will anchor manufacturers into global value chain’

**Context: Global trade engagement will deepen partnership between the 2 major economies that together account for nearly 25% of the global GDP: CII**

- Business leaders and industry associations have welcomed the India-European Union Free Trade Agreement (FTA), expressing confidence that the pact would benefit Indian consumers and industries.
- Chandrajit Banerjee, Director General, CII said the FTA represented a strategic breakthrough in India’s global trade engagement and deepened the partnership between two major democracies and economies that together accounted for nearly 25% of the global GDP.
- The proposed phased reduction of tariffs on cars and auto components after the conclusion of India-EU Free Trade Agreement (FTA) has the potential to foster technological innovation and sustainable growth within the Indian automotive sector, particularly in future mobility, said Hardeep Singh Brar, President and CEO of the BMW Group India.
- Santosh Iyer, MD and CEO of Mercedes-Benz India said, “A gradual tariff reduction on vehicles and fully liberalised automotive parts are strategically important decisions in the FTA for the automotive industry.”
- Balbir Singh Dhillon, Brand Director, Audi India, said the “constructive” approach to trade can support the broader automotive ecosystem.



**Fair trade:** Zero-duty access in textiles and clothing covering all tariff lines to open up the EU’s \$263.5 bn import market. AFP

- The Union Textile Ministry said zero duty access in textiles and clothing covering all tariff lines will open up the EU's \$263.5 billion import market. Such access will expand opportunities, particularly in yarn, MMF apparel, home textiles and readymade garments.
- The Texprocil and the Apparel Export Promotion Council said the India-EU FTA and those with the U.K. and EFTA open up the entire European market for Indian exporters.
- Indian apparel exports can grow 20–25% year-on-year as against the current growth rate of 3.01% in the EU market.
- “Services are fast growing in both economies and the gains will be in the form of better EU market access for Indian tech. Indian Information Technology firms stand to gain from greater opportunities in Europe, including easier cross-border provision of services and potentially improved mobility for professionals,” said India's tech apex body Nasscom. Given the geopolitical challenges, the FTA diversifies markets for Indian IT exporters, it said.
- For the pharmaceutical sector, Namit Joshi, chairman of Pharmexcil, said the FTA delivers structural competitiveness.
- Near-zero tariff access strengthens the position of Indian formulations, APIs, and value-added medicines in the EU. This is consequential for India's pharma MSMEs.
- The agreement also enables stable, long-term, and predictable pharmaceutical trade, benefiting European healthcare systems and consumers, he said.

#### ❖ Place in electoral roll is a ‘qualified right’, poll body says in SC

**Context: Even registered voters are required to “continuously fulfill” the essential condition of Indian citizenship, as laid out in Article 326 of the Constitution, to retain their place in the electoral roll, the Election Commission of India told the Supreme Court, during a hearing on the ongoing special intensive revision (SIR) exercise.**

- Article 326 provides for adult suffrage, and requires that a person should be 18 years old, an Indian citizen, and not disqualified by law to be entitled to register as a voter.
- “These are essential conditions. The fulfilment of these conditions is a continuous requirement. You cannot say once my name is entered, whether I lose eligibility or not, I am entitled to stay on in the electoral roll,” senior advocate Maninder Singh, for the EC, submitted before a Bench headed by Chief Justice of India Surya Kant.
- The Bench was hearing a batch of petitions challenging the constitutionality of the SIR exercise conducted in Bihar. “The SIR is a verification exercise,” Mr. Singh argued.
- Senior advocate Dama Seshadhri Naidu, also appearing for the EC, said the SIR was not a determination of citizenship. “An exercise to verify citizenship is different from a process determining citizenship,” he said.
- He illustrated how young lawyers have their qualifications verified before becoming a member of the Bar bodies.
- Mr. Naidu argued there was “not even one complaint of lapse in Bihar”. He sought to focus on the “collateral advantage” of the SIR, explaining how voter turnouts rose in 2025 after the door-to-door survey conducted for the exercise.

- “It had aroused the interest of the common man. It drafted enthusiastic voters and weeded out the dead, duplicates in the electoral roll,” he submitted.

### **‘No added parameters’**

- Advocate Eklavya Dwivedi, for the EC, wrapped up the EC’s response to the petitions challenging the SIR, arguing that a place in the electoral roll was a “qualified right”.
- “Without proof of qualification, no person can enter the electoral roll,” he submitted.
- Mr. Dwivedi said the EC had not added any further limitations to the conditions prescribed in the Constitution under Article 326, and in Sections 16 (disqualifications for registration in an electoral roll) and 19 (conditions of registration) of the Representation of the People Act, 1950.

### **❖ Karnataka forms gig workers’ welfare development board**

**Context: According to the notification, the Labour Minister will be the ex-officio president of the board.**

- The Karnataka government on Tuesday issued a notification constituting the Karnataka Platform-Based Gig Workers’ Welfare Development Board under the Karnataka Platform-Based Gig Workers’ (Social Security and Welfare Development) Act, 2025.
- According to the notification, the Labour Minister will be the ex-officio president of the board. Senior officials from the Labour Department, the Department of Information Technology and the Commercial Taxes Department have been included as ex-officio members. The Chief Executive Officer of the board will function as the member-secretary.
- The board includes four representatives of gig workers from unions representing food delivery and app-based transport workers, and four representatives from aggregator platforms. Representatives from Porter, Zomato, Uber and Amazon have been named as aggregator members. The committee also includes labour unions, including United Food Delivery Partners Union, the Indian Federation of App Based Transport Workers, All India Trader Union Congress (AITUC), and Ola Uber Drivers and Owners’ Association.
- The constitution of the board follows the State government’s decision to move ahead with the implementation of welfare measures for gig workers through a dedicated statutory body. Now, both aggregator platforms and gig workers will be required to register with the board.
- Aggregators will have 45 days to complete their registration and furnish details of all gig workers engaged through their platforms. Each registered gig worker will be issued a unique identification number, which will be used by the board to disburse social security benefits. The welfare fund will comprise the welfare fee collected from aggregators, contributions made by gig workers, and grants provided by the State and Central governments.
- The State has decided to levy a welfare fee of 1% to 1.5%, with a cap, on aggregator platforms, with the rate varying across sectors and business models. Labour Minister Santosh Lad had said the levy was kept low initially to ensure a steady welfare fund for gig workers without placing an immediate financial burden on platforms.

- Officials had also said that once contributions begin to flow into the welfare fund, the board will assess whether the collections are sufficient to extend social security benefits to gig workers. The welfare fee may be revised, up to a maximum of 5%, if the funds are found to be inadequate.

### ❖ Labour unions welcome formation of welfare board

**Context: After the State government formally constituted the Karnataka Platform-Based Gig Workers' Welfare Development Board, representatives of gig workers' unions and associations welcomed the move, calling it a significant step towards recognising gig and platform workers as they are entitled to social security and legal protections.**

- But some members opined that the welfare fee per transaction to be paid by platforms may not be sufficient.

#### **'Shows the way'**

- Shaik Salauddin, national general secretary of the Indian Federation of App-Based Transport Workers (IFAT), said, "Karnataka had 'shown the way' by institutionalising a welfare board for gig workers".
- "This recognises gig workers as workers deserving dignity, rights and social protection," he said.
- He said the Karnataka model should serve as a precedent for other States and the Union government to establish similar welfare boards and enact comprehensive legislation covering social security, fair wages, occupational safety and grievance redressal for gig and platform workers.
- Mr. Salauddin also expressed hope that the board would function in a transparent manner, with meaningful representation of gig workers and their unions in decision-making. "The real success of this board will lie in its effective implementation and its ability to improve the lives of workers on the ground," he said.
- Under the framework notified by the State government, both aggregator platforms and gig workers will be required to register with the welfare board.
- Tanveer Pasha, president of the Ola Uber Drivers' and Owners' Association, said the formation of the board marked the beginning of discussions that had been ongoing since 2019.
- "This issue was repeatedly discussed earlier but sidelined. Now, at least, the Labour Minister and the department have shown seriousness through meetings and concrete steps towards implementation," he said, adding that both company representatives and worker representatives had been included in the board, which is a welcome step.

#### **Some reservations**

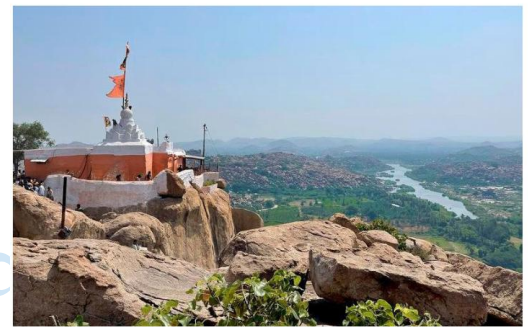
- Some members, however, who are part of the 16-member committee said, on condition of anonymity, that the welfare fee proposed at 1% to 1.5% may not be sufficient to sustainably fund social security benefits for gig workers. They said that once costs such as health insurance, accident coverage, pensions and administrative expenses are accounted for, the initial corpus may fall short, particularly given the large and growing number of gig workers in the State.

- While welcoming the formation of the board as a crucial first step, they cautioned that the effectiveness of the welfare framework would ultimately depend on whether the levy generates adequate resources to deliver meaningful benefits on the ground.
- Uber, one of the four platform representatives on the committee, and Swiggy were unavailable for comment despite repeated attempts.

### ❖ After UNESCO's concerns on infra work at Hampi, govt. to submit report by Feb. 1

**Context: Following concerns expressed by UNESCO about the proposed tourism infrastructural development at Anjanadri Hills, the Karnataka government is in the final stages of preparing a Heritage Impact Assessment Report, which is to be submitted by February 1, 2026.**

- The Anjanadri Hills falls in the buffer zone of Hampi, which has been recognised by UNESCO as a World Heritage Site. The UNESCO had expressed concerns that proposed projects might affect the “Outstanding Universal Value (OUV) of the property”. The OUV is a key criterion for the UNESCO’s World Heritage site designation.



Hanuman temple on top of Anjanadri Hills near Aneundi at Gangavati Taluk in Koppal district of Karnataka, near Hampi. K. MURALI KUMAR

### Concerns raised

- Following the 47th World Heritage Convention in July, the UNESCO had asked the State party to provide updates on the proposed township near the Anjanadri Hill, including the construction of 600 accommodations for pilgrims and other facilities and to submit the proposed projects details together with an Heritage Impact Assessment (HIA) report to the World Heritage Centre, to be reviewed by the advisory bodies. The U.N. agency has also requested updates on the proposed ropeways and visitor facilities at Anjanadri Hill and clarifications on the status of the HIA.
- The agency has also asked the State party to submit to the World Heritage Centre, by February 1 an updated report on the state of conservation of the property.
- Responding to the concerns raised by the World Heritage Committee, a senior official from the Tourism Department said that the guesthouse and toilet complexes are nearing completion, and the HIA have been conducted for the said facilities. “We got the HIA done for the guest house, and elevation modification in consonance with the landscape was suggested. That is already being done. Concerns with respect to pilgrim amenities such as the toilet block are also being factored in such a way that the OUV is not affected,” the official said.

### Month-end

- The prepared reports were being compiled and would be sent to UNESCO by month-end, the official added.

## **On ropeway project**

- Given that the Detailed Project Report (DPR) for the ropeway is still under way, the HIA for the same will be conducted later, they added. According to the official, no such new work would be taken up immediately.
- A funicular system (cable rail) or a ropeway were being considered for transport earlier.
- The group of monuments at Hampi was added in ‘The List of World Heritage in Danger’ in 1999 noting that the construction of two bridges threatened the integrity of the World Heritage Site. Following protective measures from the Karnataka government, Hampi was removed from the list in 2006.

## **❖ Speaker asks MLAs not to go into Governor’s conduct during debate**

**Context: Amid the political heat over Governor Thaawarchand Gehlot not reading the entire text of the prepared speech during his address to the joint session of the legislature, Assembly Speaker U.T. Khader on Tuesday came out with a ruling, asking members not to go into the conduct of the Governor while debating on the motion of thanks to the Governor’s address.**

- The issue figured when Congress member A.S. Ponnanna, during the debate on motion of thanks to the Governor’s address, argued that it was mandatory for the Governor to address the joint session as per the Constitutional provisions. Recalling that the Governor of West Bengal had once skipped two paragraphs of the speech, he said the issue had come up for debate in the Lok Sabha.
- Taking exception to Mr. Ponnanna referring to this, BJP member S. Suresh Kumar argued that the norms related to the legislature proceedings barred members from referring to the conduct of the Governor or even taking his name during the debate on motion of thanks. Along with Leader of the Opposition R. Ashok, he appealed to the Speaker to come out with a ruling in this regard.
- Responding to this, the Speaker asked the members not to go into the conduct of the Governor during the debate and instead focus on the contents of his speech.
- Defending Mr. Ponnanna, Home Minister G. Parameshwara said he (Ponnanna) was only referring to the “stated Constitutional position” and not made any remarks on the Governor’s conduct.
- Meanwhile, the BJP members’ criticism that the Congress government lacks “wisdom and discretion” irritated Chief Minister Siddaramaiah. He shot back at them by stating, “the government has both wisdom and discretion. But the Opposition too should have wisdom and discretion... What moral right and honesty do you have after removing the name of Mahatma Gandhi from the job scheme?”

## **❖ Speaker refers Suresh Kumar plaint to Privileges Committee**

**Context: Legislative Assembly Speaker U.T. Khader referred to the House Privileges Committee a complaint registered at the Vidhana Soudha police station and the incident involving posters being pasted on the compound wall of the residence of former Minister and BJP MLA S. Suresh Kumar.**

- Raising the issue in the Assembly, Mr. Kumar said he was unable to discharge his duties as a legislator owing to the incident. He also wrote to Chief Minister Siddaramaiah seeking action in the matter. A group of Congress workers had staged a protest by pasting posters on the compound wall of Mr. Kumar's residence in Rajajinagar. The Basaweshwaranagar police later arrested four persons in connection with the incident.
- The protesters alleged that Mr. Kumar had made derogatory remarks against Urban Development and Town Planning Minister Byrathi Suresh during the Assembly proceedings.
- Mr. Kumar later expressed regret over the remarks in the House, stating that it had already been expunged from the records. "It is a closed chapter," he said.
- He also spoke to Mr. Byrathi Suresh and RDPR Minister Priyank Kharge, while Mr. Siddaramaiah intervened and suggested that the remarks be expunged.
- A complaint seeking action against Mr. Kumar was registered at the Vidhana Soudha police station on Sunday. The BJP member sought action against those responsible for the protest. The Speaker subsequently referred the matter to the Privileges Committee of the House.

#### ❖ Early 8th century Telugu inscription discovered in A.P.

**Context: A Telugu inscription dating back to the 8th century CE has been discovered at Pitikayagulla village in Bestavaripeta mandal of Prakasam district, Andhra Pradesh, shedding light on the evolution of the Telugu language and early published works in the region.**

- The inscription was engraved on a stone slab erected in front of the historic Pitikesvara temple. Written in Telugu language and characters of the 8th century CE, the record is considered significant for both epigraphical and historical studies.
- The four-line inscription reads: "Svastisri Nandelu Vari, Chensinavanthu Prani, Milli Achari," and "Padasina Nava Katta". Epigraphists interpret the inscription as recording the construction of a new embankment (nava katta). The work is attributed to Pranimilli Achari, identified as a sculptor or craftsman, indicating the active role of artisans in public infrastructure during that period. The reference is believed to date to a time when the Renadu region was under royal administration, although the name of the ruling king is not mentioned in the text.
- K. Muniratnam Reddy, Director (Epigraphy), Archaeological Survey of India (ASI), said the inscription represents a new epigraphical exploration. He noted that such early Telugu records are crucial for understanding the transition of Telugu from Prakrit influences to an independent literary and administrative language.



The inscription was engraved on a stone slab erected in front of the Pitikesvara temple.

**Context: The four Labour Codes aim to promote formalisation of employment and improve ease of doing business; gap in coverage of benefits is a major challenge.**

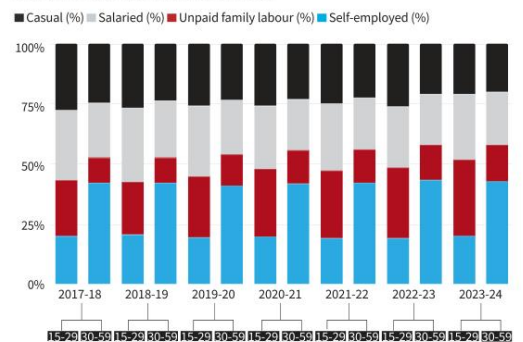
- India's Labour Codes came into force in November 2025, marking the most significant labour law reform since Independence. By consolidating 29 central laws into four Codes, the reform aims to simplify compliance, universalise minimum wages, expand social protection, and modernise workplace regulation. Policy debates often portray the Codes as a balancing act between labour flexibility and worker protection.
- Prior to the consolidation, India's labour regime was fragmented across multiple Central and State laws governing wages, industrial relations, social security, and working conditions. With labour on the Concurrent List, this resulted in uneven enforcement and wide inter-State variation. Crucially, most protections applied only to the formal sector, leaving informal, contract, and casual workers, who form the bulk of the workforce, outside the scope of regulation. Against this backdrop, the government introduced four Labour Codes between 2019 and 2020.
- In 2024, India's median age was under 30, compared to around 40 in China and 50 in Japan. With nearly half the population still young, understanding how these changes affect youth employment is critical.
- Despite its demographic advantage, India faces a pronounced youth employment crisis. According to the Periodic Labour Force Survey (PLFS) 2023-24, labour force participation among those aged 15-29 stood at 46.5%, far below the 76.4% observed among those aged 30-59. Youth unemployment is 10.2%, compared to less than 1% for older adults.
- Gender disparities further widen these gaps. Only 28.8% of young women participate in the labour force, compared to 63.5% of young men. In urban areas, unemployment among young women reached 20.1%.
- Across all PLFS rounds, young workers are more likely than adults to be unpaid family workers within self-employment. They are disproportionately concentrated in informal employment. In 2023-24, nearly 90% of young workers were informally employed. Even within regular salaried jobs, 60.5% of young regular workers lacked social security, compared to 50.5% among workers above 30.

## Labour shift

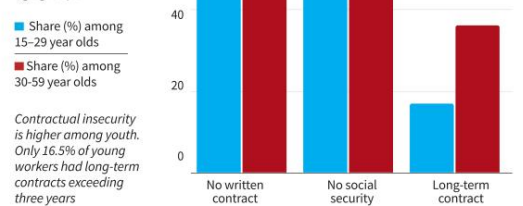
Statistics used in this article are from Periodic Labour Force Survey (PLFS)



**Chart 1:** Composition of employment among 15-29 year olds and 30-59 year olds across PLFS rounds between 2017 and 2024



**Chart 2:** Types of informality of jobs among regular salaried workers in 15-29 and 30-59 age groups



- Contractual insecurity is also higher among youth. In 2023-24, 66.1% of young regular workers had no written contract, versus 53.6% for older ones. Only 16.5% of young workers had long-term contracts exceeding three years, compared to 35.4% among adults.
- Young workers are also overrepresented in platform-based gig work. A NITI Aayog estimate suggests that 77 lakh workers were engaged in the gig economy in 2020-21, a figure projected to rise to 2.35 crore by 2029-30.
- Against this backdrop, the new Labour Codes aim to promote formalisation while improving the ease of doing business. The introduction of a statutory national floor wage could raise earnings for young workers clustered in low-paid, entry-level jobs. If firms increasingly rely on fixed-term contracts, the Codes mandate parity in wages and benefits with permanent workers.
- The requirement of appointment letters for all workers and guaranteed wage payments, even during leave, strengthens baseline employment security. The Code on Social Security extends welfare schemes covering health, maternity, disability, education, and skill development to unorganised workers. Gig and platform workers are explicitly recognised in national law, with provisions for registration from age 16 and the creation of National and State Social Security Boards. Unlike the earlier Unorganised Workers' Social Security Act (2008), which had limited impact, the new Code offers clearer institutional mechanisms.
- Labour market transparency is also enhanced through mandatory vacancy reporting to career centres. The Industrial Relations Code further affects youth employment by reducing hiring frictions through a higher retrenchment threshold. It provides legal clarity for contract labour and fixed-term employment categories dominated by young workers while extending benefits such as leave, health cover, social security, and gratuity to fixed-term employees after just one year of service.
- However, several challenges remain. Many provisions for unorganised and gig workers mirror those under the 2008 Act, including a size-based definition of enterprises with fewer than 10 workers. PLFS 2023-24 shows that 42.7% of young workers lack written contracts, and nearly one-fifth of them work in enterprises with more than 10 workers, leaving significant gaps in coverage. Discretionary language in provisions for gig workers and weak statistical definitions of digital platform employment complicate coverage, especially given widespread multiple job-holding. Despite the Second National Commission on Labour having urged the government as early as 2002 to modernise labour protections in response to technological change and evolving work arrangements, two decades later, policy follow-through and statistical innovation have been slow.
- These gaps point to an urgent need for stronger labour data systems and proactive worker registration. Identifying gig and platform workers in national surveys, instead of subsuming them under broad self-employment categories, would strengthen policy design and protection.

**Context: Registrar-General and Census Commissioner of India Mritunjay Kumar Narayan tells States and Union Territories that the target is to ‘get the digitised data from the field itself’; manpower will be hired on contract through outsourcing agencies.**

- In a first, private technical staff will be engaged to assist government officials during the Census enabling the “release of Census data in the shortest possible time”, sources said.
- The Population Census 2027, the first phase of which will begin on April 1 and conclude on September 30, will be the first-ever digital census in the country where the enumerators, mostly government school teachers, will capture details through mobile applications on their personal phones.
- Registrar-General and Census Commissioner of India (RG&CCI) Mritunjay Kumar Narayan has written to the State governments that with the introduction of initiatives such as data collection through mobile applications and the use of the Census Management and Monitoring System (CMMS), the Houselisting Block Creator (HLBC) Web application, self-enumeration portal and so on, the Census of India 2027 will be technologically intensive with a “target to get the digitised data from the field itself”.
- The letter added that assistance in terms of hired technical manpower would be provided to assist Census officials.
- In addition to this, multi-tasking staff (MTS) for office assistance would be provided at the State and district levels. “The manpower will be hired for a maximum period of 18 months starting from January 2026,” the RG&CCI said.
- The State governments have been asked to ensure that the hired personnel are suitably qualified to handle the digital applications and other related work.

### **Terms of remuneration**

- “The maximum monthly remuneration for Technical Assistant will be ₹25,000 per month and for MTS ₹18,000 per month. Apart from this amount, no other financial assistance with respect to the manpower will be provided by the Government of India. Further, this assistance, being provided to States/Union Territories for the work of Census 2027, is for a maximum period of 18 months. Thereafter, this assistance will automatically cease to exist and there shall be no liability of the Government of India on this account either financially or otherwise,” the letter said.
- The RG&CCI said that the engagement of manpower will be “purely on short-term contractual basis” and the staff will not be entitled to any claims, rights, interests or further benefits in terms of regularisation or consideration of further appointment to any post, including any claims for any casual, ad hoc, temporary or regular service in the government.
- Hiring would be done through an outsourcing agency only and not by direct appointment. “All payments be made through outsourcing agency to the hired manpower. Retired government officials may also be considered subject to meeting the suitability for the work,” the letter added.

- The RG&CCI has approved four Technical Assistants and two MTS at the State level; two Technical Assistants and one MTS at the district level; two Technical Assistants and one MTS at Municipal Corporations (where a Principal Census Officer is appointed); and one Technical Assistant at the Charge (tehsil) level. There are more than 700 districts in the country.
- Around 31 lakh enumerators, who will all be government officials, will be engaged for the Census related field work and they will be paid an honorarium of ₹25,000 each. Each enumerator has to survey 750-800 people.
- The honorarium for other Census officers, including nodal officers and clerks, range from ₹30,000 to ₹75,000 each.
- States are also being provided with a one-time grant for procurement of computer hardware and software. At the State level, ₹10 lakh each has been sanctioned for IT infrastructure, hiring of vehicles and contingency measures. At the tehsil and district levels, this amount ranges from ₹1 lakh to ₹5 lakh.

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## ❖ If Aadhaar can be forged, same goes for passport: SC

**Context: The Supreme Court objected to an argument that Aadhaar must be dropped from the documents electors are allowed to use for the purpose of identity verification during the Special Intensive Revision (SIR) exercise on the ground that they are easily forged and sourced through private agencies.**

- “Do you know that a passport is also outsourced to a private agency under the auspices of the Government of India? These private service centres [through which Aadhaar enrolments and updates may be done] operate under the statutory authorities or the government itself. Aadhaar is a public document. Any document can be forged. Even a passport can be forged, while issuing Aadhaar, the private centre is performing a public duty,” Justice Joymalya Bagchi, a member of the Division Bench headed by Chief Justice of India Surya Kant, addressed senior advocate Vijay Hansaria.
- The passport was one among the original 11 documents the Election Commission of India had allowed in its order declaring the SIR exercise.
- Mr. Hansaria, representing petitioner-advocate Ashwini Kumar Upadhyay, said the court must consider its September 8, 2025, order to include Aadhaar as the 12th ‘indicative’ document for verification and a proof of identity.
- He submitted that around 5.72 lakh privately-run common service centres carry out Aadhaar enrolments and updates, and that any person with a Class 10 qualification, basic computer knowledge and a biometric machine could operate such a centre.
- Mr. Hansaria referred to the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act of 2016 to point out that the document was not meant to verify citizenship or identity, but only as a document to boost “good governance, efficient, transparent, and targeted delivery of subsidies, benefits and services”. He argued that Section 2(v) of the 2016 Act defined ‘resident’ as any individual, including a foreigner, who has been in India for a minimum 182 days preceding the date of application for Aadhaar. “So, Aadhaar cannot prove citizenship,” the senior advocate submitted.
- He pointed to Section 9 of the 2016 Act to note that the provision specifically mandated that an Aadhaar number cannot be used as evidence of citizenship or domicile. “Aadhaar is an acknowledged document of identity. We have never said Aadhaar can be used as a basis of citizenship. We have always said the EC can verify Aadhaar,” Justice Bagchi said.
- Previously, the judge had referred to an amended Section 23 of the Representation of the People Act of 1950 to note that a person could furnish her Aadhaar number to the Electoral Registration Officer for the purpose of establishing her identity.

## ❖ India holds security dialogue with Saudi Arabia

**Context: Days after signing a ‘Letter of Intent’ for a Strategic Defence Partnership with the United Arab Emirates, India on Wednesday held a security dialogue with Saudi Arabia. Indian and Saudi senior officials met in the capital Riyadh, where the two sides carried out a “comprehensive review of ongoing security cooperation” and discussed threats posed by terrorist groups globally and “in their respective regions”.**

- The 3rd India-Saudi Arabia Security Working Group was co-chaired by Vinod Bahade, Joint Secretary (Counter Terrorism) in the Ministry of External Affairs (MEA), and Ahmed Al-Eissa, Director-General of Legal Affairs and International Cooperation in the Ministry of Interior of Saudi Arabia.



Indian officials termed the meeting of the Security Working Group 'a good framework' on ongoing cooperation. @INDIANEMBRIYADH

- “Both sides shared views on enhancing cooperation in current and emerging challenges to counter-terrorism including countering extremism and radicalisation, combating financing of terrorism, preventing use of technology for terrorist purposes, nexus between transnational organised crimes and terrorism,” the MEA said in a statement.
- The officials also condemned the terrorist attack in Pahalgam of April 22, 2025, and the terror incident on November 10, 2025, near the Red Fort. Both sides discussed measures to enhance bilateral legal and judicial cooperation and law enforcement cooperation, the MEA said.
- Indian officials described the meeting of the Security Working Group as ‘a good framework of ongoing cooperation’, emphasising that it is a continuing mechanism under the India-Saudi Arabia Strategic Partnership Council (SPC). However, the dialogue has drawn attention as it came days after India and the UAE inked a ‘Letter of Intent’ for a Strategic Defence Partnership.
- The UAE’s relations with Saudi Arabia have nosedived over the past several months because of diverging policies in Yemen. Neither Saudi Arabia nor the UAE has taken any formal measures against each other, but the two neighbours have been exchanging strong remarks lately over the situation in Yemen as well as in other parts of West Asia and North Africa such as Libya and Sudan. Saudi criticism has generally highlighted that the UAE has been trying to promote inimical forces in areas linked to Saudi strategic interests.
- Both Saudi Arabia and the UAE are vital for India’s energy security and investments, and are also major foreign remittance generators as they host a large number of Indian citizens working there as expatriates.

## ❖ 66% sanitation workers in Central govt. from SC, ST, OBC groups: DoPT report

**Context: The report shows that among all Group A posts in Union Ministries and departments, 14.2% were held by SCs, 6.54% by STs, and 19.14% by OBCs; the report provides no data on EWS employees.**

- More than 66% of the Group C safai karmacharis (sanitation workers) employed in the Union government come from the Scheduled Castes (SC), Scheduled Tribes (ST), and Other Backward Classes (OBC), show data on reservation in the annual report for 2024-25 from the Department of Personnel and Training (DoPT).
- The report, released last week, showed that 14.2% of the Group A posts in the Union Ministries and departments were held by SCs, 6.54% by STs, and 19.14% by OBCs. DoPT regulations on direct recruitment to all groups of posts in the Union government require reserving 15% of seats for SCs, 7.5% for STs, 27% for OBCs, and 10% for Economically Weaker Sections.
- The data in the 2024-25 report on the representation of SC, ST, and OBC employees in the Union government showed that in Group C (excluding sanitation workers) posts, 16.75% were SCs, 8.94% STs, and 27.29% OBCs. In Group B posts, SCs comprised 16.2%, STs 7.63%, and OBCs 21.95%.
- Overall, among the 32.52 lakh Union government employees across 80 Ministries and departments that the latest report accounted for, the representation of SCs was at 16.84%, STs 8.7%, and OBCs 26.32%. However, the report does not provide any data on the representation of EWS employees.
- The DoPT said that this data was for Central government employees as of January 1, 2024.

### Taking count

The Personnel Ministry, in its latest report, has published the representation of SCs, STs and OBCs in the posts and services of the Union government, as per data received from 80 Ministries and departments



Group	Total no. of employees	SC	ST	OBC
A	1,19,178	16,920 (14.2%)	7,793 (6.54%)	22,807 (19.14%)
B	3,64,307	59,006 (16.20%)	27,789 (7.63%)	79,952 (21.95%)
C (excluding sanitation workers)	27,27,930	4,56,925 (16.75%)	2,43,872 (8.94%)	7,44,527 (27.29%)
C (sanitation workers)	40,737	14,971 (36.75%)	3,331 (8.18%)	8,614 (21.15%)
Total	32,52,152	5,47,822 (16.84%)	2,82,785 (8.7%)	8,55,900 (26.32%)

### Data gap

- This is the first time since its 2018-19 annual report that the DoPT has put out data on the representation of SCs, STs, and OBCs across most of its Ministries and departments.
- In annual reports from 2019, the DoPT has been accounting for partial data on Union government employees, showing representation figures for a total of 19-20 lakh employees.
- The DoPT said that this shortfall had been occurring because not all Ministries and Departments were able to provide the data in time.

### Trend shift

- Compared with the representation figures from 2018-19 for Union government employees, the last time when over 32 lakh employees were accounted for across 78 Ministries and Departments, the overall representation of SC staffers went down from

17.49% to 16.84%, that of ST staffers went up slightly from 8.47% to 8.94%, and that of OBC staffers saw the highest increase from 21.57% to 26.32%.

- Across Groups A, B, and C, the highest increase in representation was seen among OBCs from the figures from 2018-19, while the representation of SC and ST groups remained the same.

### ❖ 'Govt. favourable to declaring Tulu as official language'

**Context: The State government is in favour of declaring Tulu as Karnataka's second official language and said a decision would be taken after studying the models adopted by West Bengal and Andhra Pradesh, Kannada and Culture Minister Shivaraj Tangadagi informed the Legislative Assembly.**

- Replying to a question by Congress member Ashok Rai, the Minister said an official team had visited West Bengal and Andhra Pradesh to study the second official language models followed in those States. However, the team is yet to submit its report.
- Once received, a meeting will be convened with Chief Minister Siddaramaiah to take a decision, he said. Andhra Pradesh has declared Urdu as its second official language, he added. Members cutting across party lines from Dakshina Kannada and Udupi districts urged the government to declare Tulu as the second official language of the State.
- Pointing out that Tulu academies have been established and universities are offering courses in the language, Mr. Rai, who represents Puttur, said the State should accord official status to Tulu. Intervening, Speaker U.T. Khader also supported the demand and said the government should seriously consider the proposal.
- Mr. Rai said Tulu has a history of over 3,000 years, has its own script, and is included in Google Translate. He added that the language is being researched by foreign universities.
- The previous BJP government in 2023 had constituted a committee headed by educationist Mohan Alva, which recommended that Tulu could be declared the State's second official language under Article 345 of the Constitution. The committee had also suggested forming a panel to study the practices followed by other States.
- BJP member D. Vedavyasa Kamath demanded an early decision on declaring Tulu as an official language.
- The House witnessed lighter moments when Mr. Khader and other members from the region interacted in Tulu for a brief while. "I don't know what abuse Mr. Kamath showered upon me in Tulu," Mr. Tangadagi remarked.
- Responding, Mr. Khader said, "Don't worry. When Tulu people express praise or abuse, it is with love and affection."
- Immediately, Deputy Speaker Rudrappa Manappa Lamani demanded the official language status to the Lambani language.

## ❖ IIP growth quickens to 26-month high of 7.8% in Dec. 2025

**Context: Growth in industrial activity accelerated to a 26-month high of 7.8% in December 2025, driven by strong performances across sectors including manufacturing, electricity, and consumer goods, official data released showed.**

- Data released by the Ministry of Statistics and Programme Implementation on the Index of Industrial Production showed that the last time the index grew faster than this was in October 2023, when it grew 11.9%.
- The manufacturing sector grew 8.1% in December 2025, marginally slower than the 25-month high of 8.5% seen in November. This was, however, significantly faster than the 3.7% growth seen in December 2024. “Industry registered high growth of 7.8% in December aided by revival in manufacturing as well as the advantage of a low base effect,” said Madan Sabnavis, chief economist at the Bank of Baroda. “High growth in November and December is reflective of the buoyancy expected post-GST rationalisation, as well as the investment activity in the country.”
- A reflection of this investment activity could be seen in the capital goods sector, which grew at 8.1% in December 2025. This follows a 10-month high growth rate of 10.1% in November. Notably, the growth in capital goods came on a high base of a 10.5% growth rate in December 2024.
- “On the investment front, infrastructure and construction goods continued to register healthy growth, supported by sustained capex at both the Central and State government levels,” said Rajani Sinha, chief economist at CareEdge Ratings.

## ❖ EU FTA puts India on a level-playing field: Darpan Jain

**Context: The free trade agreement (FTA) between India and the EU puts India on a level-playing field with a number of its competitors in a number of labour-intensive sectors such as textiles, apparel, leather goods, footwear, engineering goods, and marine products, India’s chief negotiator on the FTA Darpan Jain explained.**

- In addition, while emphasising that the overall FTA will benefit all States in India, Mr. Jain also highlighted several sectoral benefits to States such as Tamil Nadu, Andhra Pradesh, Karnataka, Kerala, Gujarat, Maharashtra, Rajasthan, Uttar Pradesh, Bihar, Odisha, and West Bengal.
- “Duty-free access from an earlier duty of up to 12% in textiles, apparel and clothing provides a level playing field for exporters and boosts India’s competitiveness in the EU vis-a-vis competitors such as Bangladesh, Vietnam, and Turkey, which enjoy duty-free or preferential access under EU trade agreements,” Mr. Jain said.
- In the engineering sector, the chief negotiator said, India would gain a competitive edge over its competitors such as China, the U.K., the U.S., Vietnam, and Turkiye as India has managed to secure “preferential access” and reduced tariffs.

**Context: FY26 Survey raises medium-term growth outlook to 7% from 6.5%: Survey tabled in Parliament puts FY27 growth range at 6.8%-7.2%. Grim outlook for global economy could pose risks to India, it says.**

- The Economic Survey 2025-26 painted a relatively rosy picture of India’s domestic growth outlook, raising the country’s medium-term forecast to 7% from the earlier estimate of 6.5%.

## Risk analysis

The Economic Survey outlined three scenarios for the world economy that could unfold in 2026



**Spelling out strategy:** Chief Economic Adviser V. Anantha Nageswaran addressing the media in New Delhi on Thursday. SUSHIL KUMAR VERMA

### SCENARIO 1

**The best-case**  
Probability:  
**40%–45%**

- Described as “**business as in 2025**,” where global conditions remain integrated but become less secure
- Existing frictions do not lead to a total collapse, but create **volatility**
- Minor shocks will **require governments to intervene** to stabilise market expectations
- High levels of **policy uncertainty** will persist

### SCENARIO 2

**Multipolar breakdown**  
Probability:  
**40%–45%**

- **Systemic breakdown** is no longer just a “tail risk”
- Strategic rivalry prevails and the **Russia–Ukraine conflict** remains unresolved
- Trade becomes explicitly coercive, leading to a **proliferation of sanctions** and counter-measures
- **Supply chains are realigned** under political pressure

### SCENARIO 3

**The worst-case**  
Probability:  
**10%–20%**

- A major **correction in AI-infrastructure** investments occur
- The correction triggers intense **risk aversion**
- If this coincides with geopolitical escalation, it could **weaken capital flows** and contract global liquidity
- The macroeconomic fallout could be **worse than the 2008 global financial crisis**

- However, it simultaneously outlined a relatively grim outlook for the global economy, estimating a 10%-20% chance of a crisis worse than the global financial crisis of 2008 unfolding in 2026. Even its best-case scenario is a continuation of conditions as they were in 2025, but “increasingly less secure and more fragile”.
- The Survey, authored by Chief Economic Adviser V. Anantha Nageswaran and tabled in Parliament by Union Finance Minister Nirmala Sitharaman, went on to say that each of its three probabilistic scenarios for the globe could pose risks to India.
- For India, the key drivers of a higher medium-term growth outlook are the growth of capital, improved labour participation, and greater efficiency in the deployment of these two factors of production.

## Growth upgrade

- For the current financial year 2025-26, the Survey highlighted the government’s estimate of 7.4% growth, adding that its ‘nowcast’ estimate for growth in Q3 (October-December 2025) stood at 7%. For 2026-27, the Survey estimates a growth rate range of 6.8%-7.2%.
- The Survey noted that, in the 2022-23 edition, it had estimated India’s medium-term growth to be 6.5%, which could rise to 7%-8% only if sustained reforms were conducted.
- “Over the past three years, reform momentum has strengthened across several areas relevant for medium-term growth,” it said. “Manufacturing-oriented initiatives, such as the production-linked incentive schemes, FDI liberalisation, and logistics reforms, have supported capacity creation.”

- These measures, it added, were further bolstered by sustained public investment in physical and digital infrastructure, the simplification of tax laws, and measures targeted at the MSMEs that have sought to ease credit constraints. “These reforms have coincided with stronger corporate and financial sector balance sheets, rising formalisation of employment, and continued improvements in tax administration,” the Survey added. “Together, these developments make a persuasive case that India’s potential growth has risen to around 7% over the medium term.”
- The Survey outlined three scenarios for the world that could unfold in 2026. The worst of these, the macroeconomic consequences of which “could be worse than those of the 2008 global financial crisis”, was assigned a probability of 10%-20%.
- Under the worst-case scenario, systemic financial, technological, and geopolitical stresses would amplify each other rather than taking place independently. A key emerging risk, the Survey said, was the level of highly-leveraged investments in artificial investment (AI).
- It said these investments have exposed business models that are dependent on “optimistic” execution timelines, narrow customer concentration, and long-duration capital commitments.
- “A correction in this segment would not end technological adoption, but it could tighten financial conditions, trigger risk aversion and spill over into broader capital markets,” the Survey said.
- Without naming any particular countries, the Survey said that if these developments also coincided with “geopolitical escalation or trade disruption”, the result could be a sharper contraction in global liquidity, a jarring weakening of capital flows, and a “shift toward defensive economic responses across regions”.
- “While this remains a lower-probability scenario, its consequences would be significantly asymmetric,” the Survey said. The macroeconomic consequences could be worse than those of the 2008 global financial crisis, it said.
- The Survey gave its best-case scenario a 40%-45% chance of occurring. Under this scenario, conditions from 2025 would persist in 2026, albeit in a more fragile state.
- In its third scenario, also assigned a probability of 40%-45%, the Survey said the probability of a “disorderly multipolar breakdown” rose significantly. “Under this outcome, strategic rivalry intensifies, the Russia-Ukraine conflict remains unresolved in a destabilising form, and collective security arrangements unravel,” the Survey predicted.

### **Risks to India**

- The Survey said that in all three scenarios, India was relatively better off than most other countries but added that it still faced risks.
- “The three scenarios pose a common risk for India: disruption of capital flows and the consequent impact on the rupee,” the Survey said. “Only the degree and the duration will vary.”
- It added that this impact might not be confined to a year, and could be more enduring.

- “In response, India needs to generate sufficient investor interest and export earnings in foreign currency to cover its rising import bill, as, regardless of the success of indigenisation efforts, rising imports will invariably accompany rising incomes,” the Survey said.

# Survey raises concerns over unconditional cash transfers

It says such programmes may have short-term benefits, but the rapid scale-up and persistence raises concerns about fiscal viability and medium-term growth prospects when not supported by investments in employment, skills, and human capital

**T.C.A. Sharad Raghavan**  
NEW DELHI

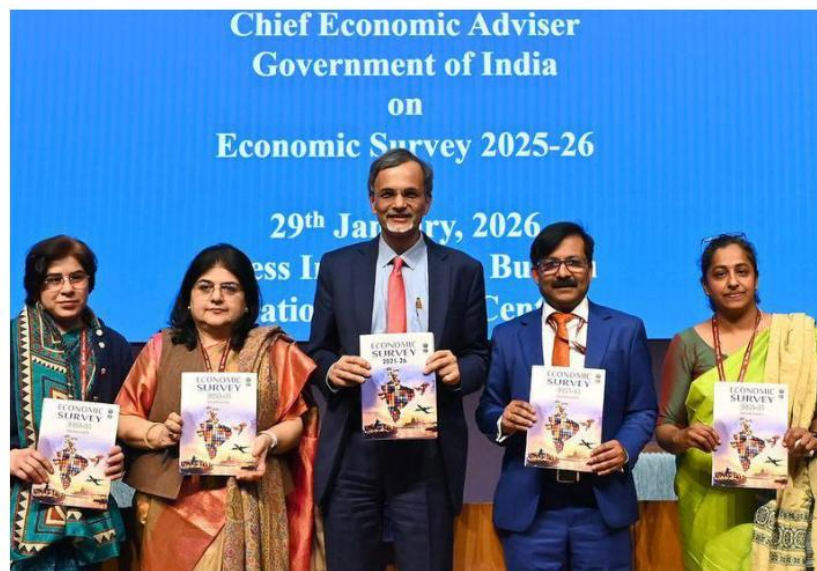
**I**n a year when four major States go to the polls, of which only one is ruled by the Bharatiya Janata Party, the Economic Survey 2025-26 has come out strongly against “unconditional cash transfers” (UCT), including to women. It highlighted that while these have short-term gains, they raise concerns about fiscal sustainability and medium-term growth.

Notably, last year’s edition of the Survey had noted that cash transfers and loans to targeted poorer and lower-income households were having positive effects on consumption, allowing these households to fund various basic needs and debt repayments.

Assembly elections will be held in West Bengal, Tamil Nadu, Kerala, and Assam, along with Puducherry this year.

## Rising cash transfers

The Survey noted that aggregate spending on UCT programmes, particularly for women, is estimated at about ₹1.7 lakh crore for the current financial year 2025-26. It added that the number of States implementing them increased



**Money matters:** Chief Economic Adviser V. Anantha Nageswaran with other officials addressing the media on the Economic Survey on Thursday. SUSHIL KUMAR VERMA

more than five-fold between 2022-23 and 2025-26, with around half of them estimated to be in revenue deficit.

The Survey further cited a study which estimated that such transfers amounted to 0.19-1.25% of the gross domestic products of States and 0.68-8.26% of their total budgetary expenditures.

“It is argued that cash transfers provide immediate income support, helping women meet unmet health and personal

needs,” the survey said. “Some view it as a return for their unpaid contribution to the GDP. However, their rapid scale-up and persistence raise concerns about fiscal sustainability and medium-term growth, particularly when not complemented by investments in employment, skills, and human capital,” it added.

## Increasing fiscal burden

The Survey noted that revenue expenditure continues to account for the bulk of State spending, ac-

counting for 84% of total expenditure in 2023-24, albeit somewhat lower than the 86% in 2018-19.

“Within revenue expenditure, however, the composition has undergone a notable shift, with an increasing tilt towards unconditional cash transfers and other committed outlays,” the Survey said.

“As these transfers absorb a rising share of available fiscal space, the scope for expanding productive capital expenditure becomes increasingly con-

## The Economic Survey notes that revenue expenditure continues to account for the bulk of State spending

strained, especially in an environment of limited revenues and elevated deficits,” it added.

## Fiscal trade-off

The Economic Survey pointed out the trade-off facing States: additional spending by States will crowd out resources for critical social and physical infrastructure, unless States increase their deficits.

However, deficits themselves cannot increase without further deteriorating the financial health of the States.

“These trade-offs are reinforced by programme design: many schemes lack sunset clauses or periodic reviews, increasing rigidity in revenue expenditure,” the Survey said.

“As a result, capital expenditure, whose growth impact is stronger and more durable, often becomes the casualty when fiscal pressures intensify, with adverse implications for medium-term growth.”

# Survey calls for relaxing FRBM for Centre, but says States' finances worsening

**T.C.A. Sharad Raghavan**  
NEW DELHI

The Economic Survey 2025-26 has argued in favour of a delay in strict fiscal targets for the Centre, such as those that had been set under the Fiscal Responsibility and Budget Management (FRBM) Act, saying the government currently needs flexibility to fine-tune fiscal policy "in response to a volatile and unpredictable geopolitical and geoeconomic environment".

The Survey noted that the Centre had stuck to its commitments to reduce its fiscal deficit, but also cautioned States about worsening finances brought on by lower revenues and higher expenditure, including on cash transfers.

The Survey said that after spiking to 9.2% of the GDP during the pandemic year of 2020-21, the Centre's fiscal deficit was on target to be 4.4% at the end of the current financial year, in line with Union Finance Minister Nirmala Sitharaman's commitment to halve the 2020-21 fiscal deficit in five years.

"It is noteworthy that the government was determined to and succeeded in bringing down the fiscal deficit ratio as promised, despite it not being a legislative target, even while

## Balancing act

The Economic Survey (2025-26) says the government must have flexibility to fine-tune fiscal policy in response to emerging needs

■ After spiking to **9.2% of GDP** during the pandemic year of 2020-21, the Centre's fiscal deficit is on target to be **4.4%** at the end of the current financial year, the Survey says, adding that it is noteworthy that the government has succeeded in bringing down the fiscal deficit ratio



■ However, the Survey also says that it is important to retain the trust among financial markets and credit-rating agencies by working towards the **3% target** as envisaged in the Fiscal Responsibility and Budget Management (FRBM) Act, 2003

improving the quality of fiscal expenditure with a concurrent emphasis on capital expenditure," the Survey said.

### Fiscal flexibility

The FRBM Act's fiscal deficit target of 3% of GDP by March 2020 has been repeatedly deferred by the government, and the Survey acknowledged that there is a "perception" that this target and framework must be reinstated. However, it also went on to argue that this might not be the best approach.

"While it appears *prima facie* appropriate, in the highly uncertain current global environment, it is important to retain greater policy freedom and commit to targets that the government can deliver on," the Survey said.

"Since the FRBM Act was first enacted in 2003,

the 3% target has been achieved only once."

This, it said, eroded India's fiscal credibility. Since then, it has taken five years of "sustained commitment to fiscal prudence" following the COVID-19 pandemic for this trust to be restored among financial markets and credit-rating agencies.

"It is important to retain that trust," the Survey emphasised.

### Revenue deficit

While praising the Centre for its fiscal prudence, the Survey however cautioned State governments against worsening finances.

The number of States in revenue surplus reduced from 19 in 2018-19 to 11 in 2024-25, leading to an overall increase in the collective revenue deficit of States to 0.7% from 0.1% of GDP over this time period.

## Gig workers face income volatility, says Survey

**The Hindu Bureau**  
NEW DELHI

The Economic Survey has painted a rosy picture about the employment scenario in the country, and citing Periodic Labour Force Survey results, it maintained that there is a fall in unemployment.

The Survey, however, raised red flags over income volatility and lack of financial inclusion among gig workers. The Survey said the country had recorded significant employment growth in recent years, supported by structural reforms, tax rationalisation, and a sustained focus on skill development.

"Measures such as deregulation, GST 2.0, and labour reforms implemented by States have contributed to rising labour force participation and employment growth across industry and services," the Survey said.

Hailing the implementation of Labour Codes, the Survey added that the Codes would play a key role in supporting formal employment and improving security for women and gig workers.

"The gig economy, encompassing delivery, ride-sharing, and freelancing, has witnessed structural growth, transitioning informal jobs into ecosystem-integrated roles. From 77 lakh workers in 2020-21, the sector witnessed a 55% increase to 120 lakh workers in 2024-25..." it said.

The gig workers have 'thin-file' credit access, which remains a concern, it said. "Platform algorithms control work allocation, performance monitoring, wages, and supply-demand matching, raising concerns about algorithmic biases and burnout. About 40% of gig workers report earnings below ₹15,000 per month," the report added.

# Survey backs decision to scrap MGNREGA, cites structural flaws, strong rural economy

**Sobhana K. Nair**  
NEW DELHI

The Economic Survey tabled in Parliament on Thursday defended the Union government's decision to scrap the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), arguing that though the programme helped stabilise rural incomes since its launch in 2005, it has long grappled with "deep structural issues".

The survey described the new rural employment legislation – the Viksit Bharat Guarantee for Rozgar and Aajeevika Mission (Gramin) Act, 2025 – as a "comprehensive legislative reset" designed to address shortcomings in the United Progressive Alliance-era scheme.

Citing NABARD's latest Rural Economic Conditions and Sentiments Survey (RECSS) from Novem-



**Rural realities:** The survey describes the new rural jobs law as a 'comprehensive legislative reset' of the MGNREGA. FILE PHOTO

ber 2025, the survey noted a "broad-based strengthening of rural economic fundamentals". According to RECSS, rural India is experiencing robust consumption, high income growth, rising investments, improved access to formal credit, lower inflation perceptions, better loan repayment capacity, and high satisfaction with rural infrastructure.

Another research report

referenced by the survey shows rural consumption at a 17-quarter high, driven by firm growth in both agricultural and non-agricultural real wages.

### Steady decline

Against this backdrop, the survey said that demand for MGNREGA has been steadily declining. Person-days generated fell from 389.09 crore in 2020-21 to

183.77 crore in 2025-26 (up to December 31, 2025), a drop of more than 53%. This decline, it argued, coincides with rural unemployment falling from 3.3% in 2020-21 to 2.5% in 2023-24, suggesting that many households are finding non-farm or other forms of work outside MGNREGA.

However, activists and workers' unions contend that demand was "artificially suppressed" due to low budget allocations and technological hurdles such as mandatory digital attendance, which they say created high barriers for workers.

The survey highlighted that improved rural economic conditions and reduced dependence on MGNREGA make it necessary to "re-examine the design and objectives of employment guarantee programmes in light of changing rural realities." It also acknowledged the

scheme's contributions to stabilising incomes and creating basic infrastructure, which it said had "transformed the nature of rural employment requirements."

### Other issues

Women's participation rose sharply from 48% in 2013-14 to 58.1% in 2024-25.

Yet the Economic Survey said these gains were overshadowed by "deeper structural issues", including mismatch between expenditure and physical progress, work not being executed on the ground, use of machines in labour-intensive tasks, and frequent bypassing of digital attendance systems.

Misappropriation accumulated over time, and only a small proportion of households completed 100 days of work post-pandemic, indicating that the scheme's architecture has "reached its limits".

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# Economic Survey highlights uneven distribution of secondary schools

The report notes the need to 'internationalise' higher education and build State capacity in the sector; main reason for children dropping out continues to be the need to supplement household income, and domestic and care responsibilities

**Abhinay Lakshman**  
NEW DELHI

A key issue in achieving the target set by the National Education Policy (NEP), 2020 to increase expected years of schooling in India to 15 from the current 13 was the "uneven distribution of schools", said the Economic Survey for 2025-26, released on Thursday ahead of the Budget.

Only about 17% schools provide secondary education in rural areas, it showed, and about 38% schools provide secondary education for urban areas.

The Survey showed that this corresponded with other sources of data that said the largest number of out-of-school children were of secondary school age (between 14 and 18 years), and the need to supplement household income, and domestic and care responsibilities continued to be the leading reasons for school dropouts.

"Building State capacity in higher education, fostering academia-industry col-



The report shows that only about 17% schools in rural areas, and about 38% in urban areas provide secondary education. FILE PHOTO

laboration, and expanding global engagement can further enhance the education system's responsiveness to the changing needs of the economy," the report said in its chapter discussing education. The report also touched upon the newly introduced Viksit Bharat Shiksha Adhishthan Bill, 2025 intended to "replace fragmented, overlapping regulations", and focused on policy interventions needed for the "internationalisation" of higher education.

"Notable gains in school enrolments and higher education sector, and improvement in innovation index also reflect how PM Modi's 'reform express' is fulfilling aspirations, driving transformations and ensuring inclusive growth," Union Education Minister Dharmendra Pradhan said on Thursday, commenting on the outlook on education in the Economic Survey.

Mr. Pradhan also shared a snapshot of the Survey's section on education,

which highlights that India now has 23 Indian Institutes of Technology (IITs), 21 Indian Institutes of Management, and 20 All India Institutes of Medical Sciences, along with establishing two international IIT campuses (in Zanzibar and Abu Dhabi).

While India had improved enrolment at early levels of school education, the "secondary age-specific net enrolment (NER) remains low at 52.2%, highlighting the need to retain students beyond Grade VI-II," the Survey said.

"To fully convert its vast human resource base into high quality human capital, India needs to raise its EYS (Expected Years of Schooling) to 15 years set by NEP's 5+3+3+4 schooling structure for ages 3-18.2," the Survey added.

Citing data from the Periodic Labour Force Survey of 2023-24, the Survey notes that nearly two crore adolescents aged between 14 and 18 were out of school.

"The single largest reason for adolescent dropout

is the need to supplement household income, accounting for 44% of dropouts," it added. While over 67% boys cite the need to supplement household income as a reason for dropping out of school, 55% girls reported domestic and care responsibilities as the "major constraint", the Survey said.

"High dropout rates, driven by economic pressures, make integrating school-based vocational and skills education an urgent priority," the Survey noted, adding that current data from the Periodic Labour Force Survey 2023-24 showed that only 0.97% of adolescents aged between 14 and 18 had received institutional skilling, with 91.94% having received none.

A major thrust of the Survey's section on higher education is the need to "internationalise" the sector, along with developing State capacities for higher education, considering that over 81% of higher education enrolments were in State institutions.

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Agricultural growth slows down to 3.5% in 2025-26

# Survey calls for tackling rising digital addiction, mental health problems

**The Hindu Bureau**  
NEW DELHI

**Bindu Shajan Perappadan**  
NEW DELHI

The Economic Survey, tabled in Parliament on Thursday, has noted that the average annual growth rate in the agriculture and allied sector over the past five years has been around 4.4% at constant prices. However, in the second quarter of 2025-26, the agriculture sector registered a growth of 3.5%, almost one percentage point less than the average. “The decadal growth of 4.45% (2015-16 to 2024-25), the highest in comparison to previous decades, has primarily resulted from the strong performance in livestock (7.1%) and fishing and aquaculture (8.8%), followed by the crop sector at 3.5%,” it added.

The country’s foodgrains production witnessed a steady increase, despite certain challenges, the Survey said. “India’s foodgrain production is estimated to have reached 3,577.3 lakh tonnes (lt) in agriculture year 2024-25. This growth is driven by higher output of rice, wheat, maize and coarse cereals,” it added.

The Economic Survey 2025-26, presented on Thursday, has flagged the rapid rise of digital addiction and screen-related mental health problems as a major healthcare issue, particularly among children and adolescents.

The Survey has recommended structured interventions including cybersecurity education, peer-mentor programmes, mandatory physical activity in schools, parental training on screen-time management, age-appropriate digital access policies, and platform accountability for harmful content.

It also suggests network-level safeguards such as differentiated data plans for educational-versus-recreational use and default blocking of high-risk content categories.

On mental healthcare delivery, the Survey proposed expanding the national Tele-MANAS programme beyond crisis



It suggests mobile network-level safeguards such as differentiated data plans for educational-versus-recreational use. FILE PHOTO

counselling to actively address digital addiction. Integration with school and college systems and training of dedicated counselors is recommended to normalise help-seeking behaviour and enable early intervention at scale.

The Survey also underlined the importance of technology-enabled public health surveillance and service delivery and stated that sustained investment in preventive care, nutrition, mental health, digital wellness and community-level health systems was

essential to protect India’s demographic dividend and ensure a healthier, more productive workforce in the coming decades.

## Decline in MMR

It also noted that since 1990, India had reduced its maternal mortality rate (MMR) by 86%, far exceeding the global average of 48%. “A 78% decline in the under-five mortality rate (U5MR) was achieved, surpassing the global reduction of 61% and a 70% decline in the neonatal mortality rate (NMR) com-

pared to 54% globally during 1990 to 2023. The infant mortality rate (IMR) marked a drop of more than 37% over the past decade, declining from 40 deaths per thousand live births in 2013 to 25 in 2023,” it said.

Roma Kumar, clinical psychologist, Sir Ganga Ram Hospital, said the pandemic accelerated screen dependence as isolation pushed individuals toward digital spaces for connection. “Excessive screen time aggravates all lifestyle diseases. Preventive strategies include exercise, stress management, and lifestyle changes from a young age,” she said.

Vinay Aggarwal, former national president, Indian Medical Association (IMA), said that India had an inappropriate share of both infectious and non-infectious diseases. “Burdened by the thrifty gene inherited over centuries, the current lifestyle and food choices end up in fatty liver, obesity, and diabetes mellitus,” Dr. Aggarwal added.

## India's urban story one of unfinished promise: Survey

**The Hindu Bureau**  
NEW DELHI

Indian cities are sites of daily strain such as long commutes, uneven services, and shared spaces that often fall short of collective expectations, the Economic Survey 2025-26 said on Thursday.

The pre-Budget document noted that India's urban story was neither one of decline nor adequacy, but of unfinished promise, and said that many urban pressures stem from persistent supply-side constraints in land, housing, and mobility.

"Restricted density, unclear titles and limited land recycling constrain affordable housing, while transport systems remain overly reliant on private vehicles," it said.

It observed that while core services such as sanitation, waste, and water services had expanded markedly, these must now

evolve from expansion to reliability, circularity, and efficiency.

"However, beneath these sectoral stresses lie a deeper institutional issue: fragmented metropolitan governance and limited fiscal autonomy for cities to plan, finance and deliver at scale," it said.

Apart from infrastructure, the Survey said there was a need to improve the intangible foundations of urban life, such as civic norms, shared responsibility and respect for public spaces.

It pointed out that the quality of the urban experience depends as much on collective behaviour as on budgets and bridges.

"India's cities can work better for their citizens. If planning, finance and governance align around people-centric outcomes, India's cities can move from managing growth to truly benefiting from it..." it said.

# Financial sector regulators must walk the tightrope: Economic Survey

They must balance between openness to global capital flows and need to insulate domestic economy from external shocks, says Survey; shorter leash for emerging or fragile segments and greater latitude for mature markets recommended

**Lalatendu Mishra**  
MUMBAI

In today's era dominated by global uncertainties, India's financial sector regulators must walk the tightrope to balance growth with stability, according to the Economic Survey 2025-26 which was tabled in Parliament on Thursday.

"They must strike a balance between openness to global capital flows and the need to insulate the domestic economy from volatile external shocks," the Survey pointed out.

Moreover, given India's heterogeneous financial landscape, where sophisticated metropolitan markets coexist alongside underserved rural segments, the Survey recommended that regulators must exercise differentiated supervi-



**Pat on the back:** SEBI has demonstrated a parallel commitment to regulatory modernisation and investor protection. REUTERS

sion: a shorter leash for emerging or fragile segments prone to excessive risk-taking and greater latitude for mature markets.

"In this context, so far, India's financial sector regulators have managed the balancing act deftly," the Survey stated.

As per the Economic Survey, India's monetary and financial sectors exhi-

bited robust performance in FY26 (April-December 2025), underpinned by strategic policy actions and structural resilience across financial intermediation channels.

"A significant improvement has been observed in the asset quality of scheduled commercial banks (SCBs), as evidenced by their GNPA ratio standing

## CEA recommends rationalising tax on debt-assets

Development of debt instruments like corporate bonds as investment avenues will reduce capital costs, mobilise savings efficiently and offer reliable income generating products, CEA V. Anantha Nageswaran wrote.

at 2.2% in September 2025 and net NPA ratio at 0.5% in September 2025, having reached a multi-decadal low level and record low level, respectively," the Survey noted.

As of December 31, 2025, the year-on-year growth in outstanding credit by Scheduled Commercial Banks increased to 14.5% compared with 11.2%

in December 2024, the Survey pointed out.

Stating that during FY26 (till December 2025), 2.35 crore of demat accounts were added, pushing the total count beyond 21.6 crore, it said the 12-core mark milestone of unique investors was crossed in September 2025, with nearly a fourth of them being women.

The mutual fund industry also expanded, with 5.9 crore unique investors as of the end of December 2025, of which 3.5 crore (as of November 2025) were from non-tier-I and tier-II cities, underscoring the diffusion of financial participation beyond traditional urban centres.

The Survey noted that SEBI had demonstrated a parallel commitment to regulatory modernisation and investor protection.

# 'Export momentum can be sustained with focus on higher value products'

**M. Soundariya Preetha**  
COIMBATORE

In order to sustain the export momentum, the focus should be on diversification towards higher-value, more sophisticated products and new destinations. Targeted industrial policies, technological improvements, and export-driven ecosystems can yield significant benefits, according to the Economic Survey 2025-2026.

The current global trade scenario is of a fragmented and cautious world where "protectionist instincts are taking precedence over outreach for imports, supply chains are being recalibrated in response to geopolitical shifts, and the terms of engagement are



The current global trade scenario is of a fragmented and cautious world.

shifting more toward bilateralism."

Trade policy uncertainty driven by rising protectionism and retaliatory tariffs, strategic decoupling among major economies and the migration of national security tools into the domain of trade policy

are the challenges. Hence, economies likely to be impacted by these shifts are turning inward, the Survey noted.

The Trade Policy Uncertainty Index and the Global Economic Policy Uncertainty Index peaked in April 2025, driven by the weakening of regional and multilateral trade agreements that had previously provided stability, countries' pursuit of sovereign interests through industrial policies, and intensifying competition for rare earth minerals.

An expanding network of Free Trade Agreements supports India's trade strategy by offering reliable market access amid global uncertainty, according to the Economic Survey.

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# Manufacturing sector needs mission-based approach: Eco Survey

**M. Soundariya Preetha**  
COIMBATORE

Manufacturing industries are central to employment, productivity, exports, and strategic resilience. They warrant a mission-oriented approach beyond incentive-based interventions, the Economic Survey 2025-2026 observed.

In the midst of economic transformation, geopolitical uncertainty, and rapid technological change, manufacturing capacity needs to be viewed as a strategic national asset. And, MSMEs are crucial as they should evolve from micro-scale production to deeper participation in formal and export-linked supply chains.

“The next phase of industrialisation will require

## **The MSME sector is well-positioned to harness the current momentum in the manufacturing sector**

a calibrated shift from a model centred mainly on import substitution towards one focused on scale, competitiveness, innovation and deeper integration into GVCs.” it noted.

MSMEs account for approximately 35.4 % of manufacturing, around 48.58% of exports, and 31.1% of GDP in the country. Over 7.47 crore enterprises employing over 32.82 crore persons.

The MSME sector is well-positioned to harness the current momentum in the manufacturing sector.

# Native language Voice-first AI to expand digital inclusion: Survey

**Mini Tejaswi**  
BENGALURU

Native language and voice-first AI systems can extend the reach of digital services to populations historically excluded from text-heavy and bandwidth intensive platforms, as per the Economic Survey.

By enabling interaction in native languages and functioning effectively on low-cost devices, such frugal AI pathways align scale

with digital inclusion.

## **India top contributor**

India entered the AI era with notable strengths: It currently ranks among the top global contributors to AI research output; possesses a deep pool of technical talent in the field of AI and a highly AI-literate labour force outranked only by the U.S. as of 2024.

Global financial markets grapple with the impact introduced by new technolo-

gies such as AI, acknowledged the survey, highlighting the IMF’s Financial Stability Report (FSR) of October 2025 forecast a higher likelihood of herding behaviour in financial markets as global investors may end up deploying similar AI models.

The report noted compared to previous decades, investors had become increasingly sensitive to micro-information signals from social media.

# Notable rise in India’s oil sources, CEA highlights in Survey

**The Hindu Bureau**  
NEW DELHI

There has been a “notable increase” in the number of countries from where India imports crude oil, Chief Economic Advisor C. Anantha Nageswaran states in the latest Economic Survey.

Until November in FY26, crude oil imports from Libya, Egypt, Brazil, U.S. and Brunei climbed ‘significantly’ compared

with the same period last year. He added the uptick was a dip in imports from Russia, Saudi Arabia, Iraq and Venezuela.

## **Diversification push**

The trend is in line with New Delhi’s push for diversification of sources for procuring oil to cushion itself from global geopolitical uncertainties. The Chief Economic Advisor also observed, “Although imports from other countries

account for a significant portion of India’s crude oil imports, the shares of the U.S., Egypt, UAE, Nigeria and Libya have increased.”

Between April and November in FY26, U.S.’ share in India’s imports basket rose to 8.1% from 4.6% in the same period last fiscal. Further, United Arab Emirates’ share increased from 9.4% to 11.1%, Libya from 0.1% to 0.5%, Egypt from 0.3% to 1.4% and Nigeria from 2.2% to 3.3%.

# Cutting carbon emissions should not be the top priority: Survey

**Jacob P. Koshy**

NEW DELHI

“Climate change will have meaningful consequences, but it is unlikely to produce civilisational collapse; innovation... and targeted investments are more durable low-carbon pathways than rapidly imposed constraints that erode growth,” the 2025-26 Economic Survey has said in a chapter on environment and climate change.

The Survey in its past it-

erations had framed climate change as a global risk that threatens food production, livelihoods and had called upon countries – at various times – to “support” developing countries such as India to transition away from fossil fuel but at the same time being cognisant of its developmental needs, the latest survey explicitly says mitigation (undertaking emission cuts) ought to be subservient to adaptation.

This broadly echoes In-

dia’s stance in climate negotiations.

“Scarce fiscal resources should not be diverted away from health, agriculture and poverty reduction to accelerate near-term mitigation milestones. Growth and prosperity strengthen resilience and reduce vulnerability and must therefore be treated as complementary to climate strategy rather than competing with it...Development is, in itself, a form of adaptation,” it said.

## ‘Ethanol blending has impact on food security’

**The Hindu Bureau**

NEW DELHI

The implications of ethanol-blending programme and expansion area under maize replacing other crops on food security are non-trivial, the Economic Survey, tabled in Parliament on Thursday, has found. Citing international experience, the Survey has cautioned that an increase in the cultivation of maize could result in further import of edible oil and an increase in food prices.

Noting that shifts in cultivation patterns are partic-



**Huge gains:** As of August 2025, ethanol blending saved India over ₹1.44 lakh crore in foreign exchange. GETTY IMAGES /ISTOCK

ularly visible in States such as Maharashtra and Karnataka, where maize increasingly competes directly with pulses, oilseeds, soya-

bean, millets and cotton for land, water and labour, the Survey said the expected reduction in paddy acreage, however, has not

materialised. “From a food security perspective, the implications are non-trivial. Pulses and oilseeds are structurally important to India’s consumption basket and nutritional outcomes, yet they are shifting lower down the priority order for the nation’s cultivators,” the Survey said.

### **Risk of imbalance**

Over time, the Survey warned, this imbalance will risk “entrenching India’s dependence” on edible oil imports and “exposing domestic food prices to greater volatility” during

supply shocks. “This highlights an emerging tension between Aatmanirbharta (self-reliance) in energy and Aatmanirbharta in food.”

The blending programme had delivered “tangible gains” in crude oil substitution, reduced foreign exchange outflows, reduced emissions and increased payments to farmers. “As of August 2025, ethanol blending has saved India more than ₹1.44 lakh crore in foreign exchange and facilitated the substitution of about 245 lakh metric tonne of crude oil.”

**Context: In an embarrassment to the State government, the Comptroller and Auditor General (CAG) of India has flagged serious deficiencies in the tendering processes and financial management in the Yettinahole Integrated Drinking Water Project in Hassan district, being implemented at a total cost of ₹23,251.66 crore for a decade now.**

- The CAG report, tabled in the Assembly on Thursday, revealed that nearly 80% of the project works were awarded to contractors without assessing their financial capacity, bid capacity, or work experience. It noted that 67% of the works, valued at ₹14,805.80 crore, were awarded to just seven contractors, with a single contractor securing 11 contracts worth ₹5,216.58 crore. This concentration of contracts posed a significant risk to timely completion of the project, it said.
- The audit pointed out instances of undue financial favour to contractors, including non-recovery of excess costs of pipe materials, extra payments for works already covered under turnkey contracts, premature release of retention money and performance security, irregular advance payments for pipe supply, and failure to recover benefits accrued to contractors due to the implementation of GST.
- According to the report, the project cost escalated by 179%, rising from ₹8,323.50 crore in 2012 to ₹23,251.66 crore in 2023. Despite more than a decade of work, the project remains far from completion, leading to prolonged delays in delivering drinking water to drought-prone Kolar and Chickballapur districts, which face acute water scarcity.
- Even after an expenditure of ₹15,297 crore as of March 2024, the project's primary objective of providing drinking water to the two districts remains unfulfilled, the CAG noted.
- The audit further observed that the availability of water in the weirs during the five-year period from 2018 to 2023 ranged between 7.20 tmcft and 24.70 tmcft, significantly lower than the proposed 32.15 tmcft envisaged in the Detailed Project Report (DPR). This mismatch resulted in the creation of infrastructure such as pipelines and pumping machinery with higher-than-required capacity, raising concerns about inefficiency and potential water shortages.
- The storage capacity of the balancing reservoir — considered a crucial component for ensuring summer water supply to Kolar and Chickballapur — was revised twice and reduced from 10 tmcft to 2 tmcft, leading to an additional cost of ₹621.45 crore. The report also pointed out that land acquisition for the construction of the balancing reservoir at Lakkenahalli has not yet begun.
- The CAG warned that Visvesvaraya Jala Nigam Ltd. faces financial uncertainty, with an estimated ₹7,954.63 crore still required to complete the project.
- Lack of synchronisation between Phase-I and Phase-II works resulted in fragmented execution, creating infrastructure in isolated patches. Assets worth ₹2,965.77 crore created under Phase-I could not be utilised due to the non-completion of Phase-II components such as the gravity canal and balancing reservoir needed to convey the lifted water, the report said.
- As a result, electro-mechanical equipment, including pumps and motors, could not be tested or commissioned and remains idle, consuming a significant portion of its useful life, the report added.

## ❖ India 'appreciates' U.S. addressing Gaza crisis

**Context: India has voiced appreciation to the U.S. at the UN Security Council (UNSC) for addressing the “long-standing” conflict in Gaza.**

- “India takes note of recent progress with regard to the implementation of UN Security Council Resolution 2803 to end the Gaza conflict. India also takes this opportunity to express appreciation to the United States in addressing this long-standing issue,” Ambassador Parvathaneni Harish, India’s Permanent Representative to the UN, said.
- Noting that India was the first non-Arab country to recognise the state of Palestine in 1988, Mr. Harish said that India has consistently supported a sovereign, independent, and viable state of Palestine living in peace with Israel.
- “India has advocated that the means to achieve this end is through dialogue and diplomacy,” the Ambassador said in his remarks to a open debate on situation in West Asia .
- “At the same time, let us be clear that terrorism has no place in civilised societies and must be condemned in all its forms and manifestations,” Mr. Harish said while calling for commitment to alleviate the suffering of Palestinians.
- The Resolution 2803, adopted in November last year, endorsed U.S. President Donald Trump’s ‘Comprehensive Plan to End the Gaza Conflict’ that entails that “Gaza will be a deradicalised terror-free zone that does not pose a threat to its neighbours” and will be redeveloped for the benefit of the people of Gaza. The resolution also welcomed the establishment of a ‘Board of Peace’ as a “transitional administration” with international legal personality that will set the framework, and coordinate funding for, the redevelopment of Gaza as per the Comprehensive Plan.
- Mr. Harish said that the reconstruction and economic recovery of Gaza and the resumption of delivery of public services and humanitarian assistance is a herculean task calling for sustained support and commitment of the international community to alleviate the pain and suffering of the Palestinian brothers and sisters.

## ❖ Smart City Projects in State failed to mobilise financial resources: CAG

**Context: The Comptroller and Auditor General (CAG) of India has found that seven cities in Karnataka — Bengaluru, Belagavi, Davanagere, Hubballi-Dharwad, Mangaluru, Shivamogga, and Tumakuru — selected under the Smart Cities Mission failed to mobilise financial resources and were largely dependent on mission grants.**

- The CAG report, tabled in the Legislative Assembly on Thursday, said that although the seven cities proposed projects worth ₹2,907.38 crore under the Public-Private Partnership (PPP) model, projects worth only ₹1,091.05 crore were taken up, of which just 13 projects valued at ₹329.68 crore were completed.
- While the Smart Cities had projected revenue generation of ₹7,409.12 crore over a period ranging from five to 30 years, they implemented only 53 projects — about 8% — out of 645 projects envisaged under the revenue-generation model. The Karnataka Urban Infrastructure Development Corporation (KUIDFC) is the nodal agency for implementing Smart City projects in the State.

- The report further noted that against an allocation of ₹817.72 crore under the pan-city component, projects worth ₹1,462.67 crore were taken up, indicating a diversion of funds from area-based development (ABD) to pan-city interventions.
- The Smart City Proposals had envisaged the development of smart roads in accordance with the TenderSure guidelines.
- However, except in Bengaluru, the utility ducts provided in smart road projects by other cities did not accommodate all required utilities, resulting in frequent digging of newly laid smart roads to install utility lines.

### **Idle projects**

- The CAG also pointed out that infrastructure created in Hubballi-Dharwad at a cost of ₹62.60 crore — including the upgradation of Chittaguppi Hospital, development of a fish market, renovation of the core market, and construction of one-BHK units under the Vani Vilas Development Initiative — have remained idle for over two years.

## **❖ Ahead of PM's Israel visit, India strikes balancing act, hosts Arab Foreign Ministers**

**Context: Ahead of Prime Minister Narendra Modi's expected visit to Israel next month, India is striking a balancing act, reaching out to the Arab world and hosting the second India-Arab Foreign Ministers meeting.**

- Palestine's Foreign Minister Varsen Aghabekian Shahin will attend the meeting, a day after she called upon India to contribute to the massive reconstruction work required in the war-ravaged Gaza Strip.
- The Hindu had first reported that the Prime Minister was planning a trip to Israel, along with a much-delayed visit by Israeli PM Benjamin Netanyahu to India. Sources said that Mr. Modi is expected to travel to Tel Aviv and Jerusalem at the end of next month.
- "The invitation was extended," Israeli Ambassador Reuven Azar told ANI in Delhi, in response to reports about the impending visit. "We are in preparations, and in due time, there will be declarations regarding specific dates," he added.
- New Delhi is expected to discuss U.S. President Donald Trump's invitation to join the Board of Peace for Gaza with the leadership of Arab countries and Israel.
- Amid war clouds gathering over a possible U.S.-Israel strike on Iran, Deputy National Security Adviser Pavan Kapoor travelled to Tehran on Wednesday, where he met his counterparts on the Iranian National Security Council and called on Iran's NSA Ali Larijani.
- The possible outreach to Israel against the backdrop of developments involving the Gaza Strip and the restive condition in Iran acquired particular significance as Arab leaders began to arrive in Delhi. On Thursday, key arrivals included Mohamed Samir, Egypt's Assistant Minister of Foreign Affairs; Ambassador Amjad Adaileh, Permanent Representative of Jordan to the League of Arab States; Sultan bin Saad Al-Muraikhi, Qatar's Minister of State for Foreign Affairs; and Ms. Shahin of Palestine.
- At a press conference at the Embassy of Palestine on Thursday, Ms. Shahin said, "Gaza right now has enormous requirements and we look forward to India's participation in the reconstruction efforts."

**Context: Metals like lithium, cobalt, nickel, copper and rare earth elements have become new strategic choke-points in shaping the contours of a low-carbon economy, Chief Economic Advisor V. Anantha Nageswaran stated in the latest Economic Survey.**

- He explained that this was because they had an influence on energy security, industrial competitiveness, and geopolitical power, as observed through several trade restrictions on export of critical minerals by source countries.
- Further, the CEA stated that as demand for such minerals spur, advanced economies are responding by promoting “standards-based critical mineral markets” that emphasise sustainability, traceability and governance. While the standards may be necessary, compliance entails “substantial costs”.
- According to the CEA, the existing dynamics could prompt three broad challenges for developing countries. The first of these entails presenting barriers because of the associated upfront costs and ongoing expenses that “can be quite steep”.
- The other relates to potential “narrowly defined or asymmetrically enforced standards”. They could trap developing countries in the lowest-value segments of supply chains, exporting raw materials whilst the value-added processing and manufacturing continue being concentrated in advanced economies, he observed.
- “Sustainability premiums that tend to raise mineral prices without parallel support for finance, technology and capacity building will increase costs to transitioning globally and disproportionately impacting emerging economies,” the CEA stated.

**Context: The court says lack of menstrual hygiene management in schools subjects girls to stigma and humiliation; it directs States, Union Territories to ensure access to sanitary napkins in all schools.**

- The Supreme Court declared that the right to menstrual health and access to menstrual hygiene management (MHM) measures in educational institutions is part of the fundamental right to life and dignity under Article 21 of the Constitution.
- “Dignity cannot be reduced to an abstract ideal; it must find expression in conditions that enable individuals to live without humiliation, exclusion, or avoidable suffering. For menstruating girl children, the inaccessibility of MHM measures subjects them to stigma, stereotyping, and humiliation,” a Bench of justices J.B. Pardiwala and R. Mahadevan observed in a judgment.
- The absence of safe and hygienic menstrual management measures undermined dignified existence by compelling adolescent students to either resort to absenteeism or adopt unsafe practices.
- “Menstrual poverty hinders girls from exercising their right to education with dignity equal to that of their male counterparts, or students who can afford sanitary products. There is no gainsaying that impairment of primary or secondary education has grave and lasting consequences,” the court explained.
- The judgment was based on a writ petition filed by Dr. Jaya Thakur, highlighting the lack of MHM measures in schools across the country. The court held that the lack of MHM measures in schools violates the right to privacy and bodily autonomy of students.
- Issuing a series of directions, the Supreme Court ordered States and Union Territories to ensure that every school, whether government-run or privately managed, in both urban and rural areas, is provided with functional, gender-segregated toilets. These schools must make oxo-biodegradable sanitary napkins readily accessible to students free-of-cost, preferably within the toilet premises, through sanitary napkin vending machines.
- Schools must establish ‘MHM corners’ equipped with, spare innerwear, spare uniforms, disposable bags and other necessary materials to address menstruation-related exigencies.
- “A girl child’s expectation to manage her menstruation in privacy with dignity is legitimate. In such circumstances, the lack of resources cannot be permitted to govern her autonomy over her own body,” the court noted. It said MHM was not limited to traditionally understood sanitation, but included bodily autonomy and decisional freedom.

### Access for all

Supreme Court rules that all schools must provide menstrual hygiene access to students

■ Lack of **menstrual hygiene management** undermines the dignity, privacy and bodily autonomy of a girl child

■ The **right to life** under Article 21 includes the right to menstrual health

■ Denial of menstrual hygiene measures denies girls **equal participation** in school

■ The right to free and compulsory education under Article 21A includes **free sanitary napkins** in schools



- “The denial of adequate facilities, appropriate sanitary products, or privacy effectively compels a girl child to manage her body in a manner dictated by circumstance rather than choice. Autonomy can be meaningfully exercised only when girl children have access to functional toilets, adequate menstrual products, availability of water, and hygienic mechanisms for disposal,” the court observed.
- The court said the state cannot force a child to choose between dignity and her education. Such a choice was neither just nor equitable. The failure to provide sanitary napkins created a gender-specific barrier that impedes attendance and continuity in education, thereby defeating the substantive guarantee of free and compulsory education.
- In a separate section on the role of ‘men in menstruation’, the apex court said it was crucial to educate and sensitise male teachers and students about the “biological reality of menstruation” in order to avoid any sort of harassment or invasive questioning of a menstruating student in school.
- The court held that the State concerned would be held accountable if government-run schools did not comply with Section 19 (norms and standards for schools, including separate washrooms for boys and girls and barrier-free access) of the Right to Education (RTE) Act.
- Similarly, private schools would be de-recognised and face consequences if they did not comply with similar norms prescribed under the RTE Act, the court said.

#### ❖ State clears inclusion of ART procedures under Arogya Karnataka scheme

**Context: The State government has approved the inclusion of select Assisted Reproductive Technology (ART) procedures under the AB-PMJAY–Chief Minister’s Arogya Karnataka (ArK) scheme, on a pilot basis, for Priority Household (PHH) card holders.**

- As per a Government Order dated January 30, it covers In Vitro Fertilisation (IVF) / Intracytoplasmic Sperm Injection (ICSI) with Embryo Transfer (ET), and Frozen Embryo Transfer (FET). The package rates will be fixed by the Karnataka Private Medical Establishments Expert Committee. The decision follows a proposal submitted to address the gap in accessing advanced infertility treatment, particularly for economically vulnerable couples.

#### **Eligibility**

- The benefit will be available as a one-time support for eligible couples, with coverage for a maximum of three ART cycles in a lifetime, with each FET counted as a cycle.
- Eligibility is restricted to married couples who are residents of Karnataka and hold PHH cards, with no living biological child. Applicants must have clinically established infertility supported by diagnostic documentation, a medical indication for ART as per ICMR guidelines, and evidence of failure of conventional treatments such as ovulation induction and intrauterine insemination (IUI). Both partners must be above 21 years and below 55 years of age, in accordance with the Assisted Reproductive Technology (Regulation) Act, 2021.

- The scheme will be implemented initially for one year in government tertiary care centres. The approved package rates are ₹1.20 lakh for one IVF/ICSI-ET cycle without embryo freezing; ₹1.30 lakh for one IVF/ICSI-ET cycle with embryo freezing and ₹35,000 per FET cycle.

### ❖ UGC equity rules flow from Article 15's mandate to remedy historical injustice

**Context: Petitioners in the Supreme Court have said that the University Grants Commission (Promotion of Equity in Higher Education Institutions) Regulations, 2026 are based on an “unfounded presumption” that caste discrimination is “unidirectional”.**

- They argue that the 2026 Regulations wrongly imagine that only members of Scheduled Caste (SC), Scheduled Tribe (ST) and Other Backward Classes (OBC) are affected by caste bigotry.
- The stimulus behind the 2026 Regulations was a petition filed jointly by the mothers of Rohith Vemula and Payal Tadvi in the Supreme Court against “rampant” caste discrimination in higher education institutions. Vemula, a PhD scholar at Hyderabad Central University, and Tadvi, a tribal student of the TN Topiwala National Medical College, died by suicide in January 2016 and May 2019, respectively, after being subjected to caste biases on campus.
- The oral arguments raised against the new Regulations in the apex court, which led to a stay on January 29, did not cover situations in which Dalit students face discrimination or ostracisation from the faculty and college administration. Lawyers for the petitioners dwelt on upper caste freshers being “ragged” by Scheduled Caste college seniors.
- The petitioners have accused the 2026 Regulations of championing reverse discrimination. They argued that the definition of ‘caste-based discrimination’ in clause 3(c) was “restrictive and exclusionary”, leaving general category individuals unprotected under the statutory framework.
- The court has framed questions, including whether the definition of caste-based discrimination in Clause 3(c) bore a reasonable and rational link to the Regulations’ objective to promote “full equity and inclusion” in higher education institutions.
- However, the 2026 Regulations draw their strength from Article 15 (non-discrimination) of the Constitution. The inclusion of the provision is testimony to the historical oppression faced by marginalised communities for centuries. Article 15(1) imposes an enforceable obligation on the State to not discriminate against citizens on any of several grounds, including caste. Article 15(2) was adopted to specifically prohibit the discrimination faced by marginalised communities in accessing public services and resources.
- In its judgment in the Sukanya Shantha case, the apex court, while dealing with caste discrimination within prisons, upheld the principle of substantive equality, that is, the law must endeavour to correct historical injustices.
- “The pervasive influence of caste necessitates continuous efforts to ensure equality and justice for all citizens,” the Supreme Court had observed.

**Context: Commerce Minister says India only negotiating FTAs with developed countries, no question of rethink on RCEP; while the European Union indicated the agreement sent a political message to the U.S., he says India's only message is its growth story; Goyal adds that the EU-India FTA would be implemented in calendar year 2026 and the government has concluded eight FTAs covering 37 countries.**

- Under Prime Minister Narendra Modi's leadership, the Union government has only done free trade agreements (FTA) with developed economies and countries that complement India, Commerce and Industry Minister Piyush Goyal said, contrasting them to the ASEAN-led RCEP that he blamed the UPA government for beginning negotiations with. Mr. Goyal said the FTA with the EU was done quickly because he has the "confidence and guidance" of the Prime Minister. Edited excerpts:

Did the EU-India FTA get fast-tracked because of [concerns over] U.S. measures like tariffs?

- Not at all. We are able to do [FTA deals] fast because we are very clear in our mind. We don't have any ambiguity in our thinking or in the leadership. We completed deals with the UAE and New Zealand quickly, and there was no pressure there.
- Prime Minister Modi is very confident that India should become a developed country by 2047. If we have to be a developed and prosperous country, we have to open and engage with the world. No country in the world has become a developed country by shutting its doors or looking inward.
- The EU FTA engagement started in 2021 and in mid-2022, we launched and [began negotiations]. So, they took the decision way before any other circumstances came up, to speed up the FTA.
- EU leaders said that the FTA is a "political message" to those who are increasing their tariffs right now... Don't they mean the U.S.?
- They may look at it that way, we don't look at it that way. The growth story of India is the message. We don't have to give any new messages beyond that.
- The deal also includes a provision on the Carbon Border Adjustment Mechanism (CBAM). How was that worked out?
- We all discussed and worked on this deal with a spirit of accommodation and trust in each other. Today, they trust the political stability they've seen in India and that trust helps us to speak as friends, even jostle and argue and fight as friends, but knowing full well that it's all in the best interests of both countries and expanding engagement between both countries.

Would it be correct to say this is a pragmatic deal, but maybe not the "mother of all deals"? It leaves out issues like sensitive agricultural products...

- All my deals are pragmatic. It's silly to have a deal that is not pragmatic. They [the EU] did a deal with Mercosur [a South American grouping] in 2019, and it took them six years to approve it. In all my deals, we start by laying out the red lines on their side and on our side and we decide to capture the low-hanging fruits. Why do you want to struggle over things which are not going to happen? So, we are smart negotiators, and we've been successful.

Do you expect the same kind of trouble that they've had with the Mercosur FTA, with France, for example, over agricultural issues?

- No, no. All 27 countries have welcomed it. France is in fact at the forefront of demanding that we close this deal quickly. They have demanded it. They are demanding that we operationalise it fast, so there's some talk that we should use AI to translate it to 24 [European] languages.

Are you hopeful that many exporters of apparel and jewellery hit by the U.S.'s 50% tariffs will be able to benefit now from the FTA with the EU?

- The potential [of the EU FTA] on labour intensive sectors, where we've got huge wins, is about \$35 billion. Out of the \$35 billion, \$33.5 billion will become 0% duty on day 1.
- All these years, there have been questions of why Bangladesh earns \$30 billion in exports to the EU and India cannot do it, why Vietnam has such high exports to EU. The logic was simple. Bangladesh had 0% duty, being a Least Developed Country (LDC) and Vietnam had an FTA.

Will the EU-India FTA be wrapped up in 2026?

- Yes, it will be implemented in calendar year 2026.
- In fact, while we [Indian and European teams] were having informal discussions over lunch, that's when this issue came up: We should look at faster operationalisation, they said. We are ready to operationalise. We've already got Cabinet approval.

Is it now time to reassess India's walkout from the Regional Comprehensive Economic Partnership (RCEP)?

- RCEP was the most stupid decision that the UPA government had thrown India into. It was an anti-national act to throw us under the bus and put us through RCEP negotiations. Originally, RCEP never included India. It was China, the 10 nations of ASEAN, Japan, South Korea, Australia and New Zealand. We already had an FTA with ASEAN, Japan, and Korea, all very poorly negotiated. Till date, we have not been able to grow our exports there.
- RCEP was basically an FTA between China and India, which would have demolished India's manufacturing sector, it would have demolished the MSMEs. We would today have been an importing nation, with no jobs in manufacturing. We would have become a B-team of China, as have many other RCEP nations which have seen a huge increase in imports from China post-RCEP. There's no question of revisiting our decision.
- We are doing deals with developed nations. We have done eight FTAs in this government, covering 37 countries. All of them are with developed nations. We have not done deals with our competitors.
- Regarding the UAE FTA, there was a lot of promise but the latest studies say that exports have remained more or less the same while imports have doubled...
- The imports have increased in what we are in any case going to import: oil and gold. We have given a concession to them in gold because there was no other way we could balance the FTA. They have nothing to offer us except dates, nothing that they can export.

- Regarding our exports, look at the figures the day the FTA came into force and today, and you'll see a massive increase in non-gold and non-petroleum exports. So, our interests are in those sectors because those are the job-creating sectors.

### ❖ Stem cell therapy cannot be offered as a clinical service for autism: Supreme Court

**Context: The SC says without scientific evidence on efficacy and safety of such therapy, informed consent not possible; it questions the Centre for not acting against those promoting such 'miraculous cure'.**

- Stem cell 'therapies' cannot be offered as a clinical service for Autism Spectrum Disorder (ASD), outside of an approved and monitored clinical trial or research setting, the Supreme Court held in a judgment on Friday.
- A Bench of Justices J.B. Pardiwala and R. Mahadevan criticised the Union government for its failure to act against those offering such therapies, which has led parents and guardians to seek an unproven method of treatment for their children suffering from ASD at a huge financial cost.
- The court directed the government to constitute a dedicated authority for regulatory oversight over stem cell research across the country.
- The Bench held that the therapeutic use of stem cells in ASD cases, based on uncertain scientific knowledge or evidence about its effectiveness as a cure or the possible repercussions, would fail the "reasonable standard of care" that doctors owed their patients.
- "There is a dearth of established scientific evidence on the efficacy and safety of therapeutic use of stem cells in ASD. As a result, the doctors do not have 'adequate information' to provide their patients in the first place," the court observed.
- The court clarified that parents, guardians, and caregivers cannot demand that stem-cell therapy be administered as a clinical service.
- "Even consent obtained from patients would not be valid as the prerequisite to disclose adequate information cannot be satisfied," the court said.
- Though consent is a mode of exercising patient autonomy, it cannot be "stretched to seek an entitlement to subject oneself to a clinical procedure that is scientifically unvalidated, ethically impermissible, and outside the bounds of reasonable medical practice", the court reasoned
- Besides, the court said, 'consent' means an "informed authorisation, grounded in adequate disclosure of the nature, procedure, purpose, benefits, effects, alternatives, substantial risks; and adverse consequences of refusing treatment".
- The judgment came on the basis of a series of petitions raising concerns about the rampant promotion, prescription and administration of stem cell therapy for the treatment of ASD by clinics across the country.
- The petitioners argued that though stem cell therapy itself is in an experimental stage, it was being touted as a 'treatment' and 'cure' for ASD.
- They noted that people diagnosed with ASD and their caregivers place their implicit faith in centres offering stem cell therapy in the hope of a "miraculous cure".

- The petitions argued that there was also a lapse on the part of the government in allowing such stem cell therapies, which were in violation of the New Drugs and Clinical Trial Rules, 2019.

### ❖ High tap coverage under Jal Jeevan scheme, but lower usage, reliability

**Context: Almost 98% of rural households covered by the Har Ghar Jal scheme now have taps, but the numbers are significantly lower when it comes to usage and reliability of these taps, according to a periodic survey on public satisfaction with the scheme, commissioned by the Jal Shakti Ministry.**

- The survey, called the Functionality Assessment of Household Tap Connections, was undertaken in 2024 by private firm IPSOS. It is the third periodic evaluation of the scheme, which effectively started in 2020 and comprises a detailed survey of a small section — 2.37 lakh households — of the 19.3 crore rural households that the scheme covers across India.
- The Har Ghar Jal scheme aims to provide 55 litres of potable water per person everyday. Except for Tripura (43%), the overwhelming majority of States reported more than 85% satisfaction with water quality.

#### **Low water flow**

- Nearly all, or 98% of households in the sample, said water was “available,” meaning they had a tap to receive water. However, only 83% said they had actually got water through that tap at least once in the seven days prior to the survey. Goa, Gujarat, Andhra Pradesh, and several Union Territories reported over 97% availability, while Bihar (61%), Uttar Pradesh (72%), and Nagaland (74%) were at the lower end.
- Only 80% of households reported getting the sanctioned minimum of 55 litres of water, with Sikkim (24%) and Gujarat (58%) reporting the lowest rate among States. When e-coli, total coliform, and pH levels of the water were tested, only 76% of households met the qualifying criteria. Thus, an assessment of the overall functionality of the scheme, looking at regularity, availability, and cleanliness, showed that just 76% of households were benefiting from the scheme as intended, the report underlined.
- An important caveat is that the current edition of the survey only investigated villages which are certified as ‘Har Ghar Jal’ villages, meaning that the State administration had reported that all households, anganwadis, and administrative buildings in these 19,812 villages had been supplied water through taps. There are, as per the scheme’s official dashboard, about 2.72 lakh HGJ villages out of 5.8 lakh total villages in India.

#### **‘Not comparable’**

- In the previous such assessment in 2022, 2.98 lakh households in 13,303 villages were sampled; of these, 40% or 5,298 were Har Ghar Jal (HGJ) villages. “This report is not directly comparable with previous rounds of functionality assessments due to the varying methodological, and environmental circumstances that might have been encountered on the ground,” the Jal Shakti Ministry said in a statement.

## ❖ FPI outflows at a five-month high of ₹35,962 crore

**Context: Weak earnings and rupee depreciation remain the primary reasons behind foreign institutional investors offloading shares in the market.**

- Foreign institutional investors net sold ₹35,962 crore worth Indian equities in January, the most since August, as per National Securities and Depository Ltd. data.

### Taking flight

The ₹35,962 crore equities sold in January this year by foreign institutional investors is the most in a month since August 2025. Graph shows monthly FPI net investments in ₹ crore



- The calendar year began with a continuation of the same trend from the past year where foreign investors have been selling Indian equities. In all, FIIs sold ₹1,66,286 crore in Indian equities in CY2025.
- Foreign fund managers, however, were net buyers of Indian equity through the mutual fund route and have been consistent for about four months now. FII, through mutual funds, net bought ₹312 crore in the four months. The selling in equities coincide with the buying of mutual funds signifying a sense of caution on India.
- There is a meaningful flow into global emerging market funds, and India has also benefited making the overall flow look better, wrote Sunil Jain, VP at Elara Capital, in a research note.
- However, the selling by India-focused funds, those who take a long term view in India, persists. “The current phase has extended into a third consecutive week, with \$340 million withdrawn this week, following outflows of \$360 million and \$320 million in the prior two weeks. The pressure remains concentrated in Japan- and Luxembourg-domiciled funds, which have been the primary sources of selling during this period,” Mr. Jain wrote in the note.
- The primary reason behind the foreign investor selling remains weak earnings and rupee depreciation. “The Indian market witnessed a decent Q3FY26 earnings season, with aggregate earnings marginally ahead of expectations until now, while beats were 1.3x of misses in the KIE (Kotak Institutional Equities) coverage universe. FPI flows are expected to remain volatile,” said Shrikant Chouhan, head, equity research, Kotak Securities.

## ❖ ‘Quality output is established via markets not QCOs’

**Context: Quality is established in the marketplace through competition not via quality control orders (QCOs), Chief Economic Adviser (CEA) V. Anantha Nageswaran said in an interview.**

- Speaking a day after the Economic Survey 2025-26, authored by him, was tabled in Parliament, Dr. Nageswaran also spoke about how States need to balance the costs of unconditional cash transfers with the needs of growth and development.
- “Quality is established in the marketplace and through competition, not through quality control orders,” he said, when asked how to reconcile the Survey’s call for greater quality output while the government is revoking QCOs.
- “Quality control orders are necessary in important situations and many countries are using those also as an instrument of trade, but it is not necessarily the means through which you establish quality.
- “You establish standards and standards are important but we also need the infrastructure to apply those standards and enforce them.”

### **Populism, growth**

- The CEA also said he was not in a position to spell out a particular political- economy road map or a pathway to tackle the trade-off between populism and growth, but added States must be careful when choosing between the two.
- “Yes, cash transfers are important from the point of view of winning elections in democracies, but it is not often turned out to be the case that these alone guarantee victories,” Mr. Nageswaran said.

### **Sustainability matters**

- “But ultimately, it’s about sustainability, it’s about finding ways to balance democracy compulsions with growth and development compulsions and that is the balancing act and we should make sure that we don’t err too much on one side.” He also said an argument could be made that India has already moved from resilience to acceleration. “First of all, what is resilience and what is acceleration, that is a matter of personal perspective,” he said. “If you are able to grow post-COVID at 7-plus percent while everybody is struggling to grow at 5%, you are accelerating compared to others.
- “So, I don’t know how watertight these compartments [of resilience vs. acceleration] are.”
- The Economic Survey had upgraded its medium-term growth outlook for India to 7% from the 6.5% it had estimated in 2022-23.

-----All the best-----