



VAJIRAM & RAVI
Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

1st July 2025



Learning from the past: 50 years of Emergency

CONTEXT: This year marks the beginning of the 50th year since the imposition of Emergency on June 25, 1975. The 21 months period of emergency is considered to be the darkest chapters in the democratic history of Indian republic.

Basics of national emergency

- Emergency provisions are contained in **Part XVIII** of the Constitution of India, from **Article 352 to 360**.
- **National emergency had been imposed thrice since Independence-**
 - During the wars with China in **1962**.
 - During the war with Pakistan in **1971**.
 - Emergency imposed in **1975**.
- **Process of Approval & Duration -**
 - Written recommendation from the cabinet
 - One month
 - Special Majority
 - Continuous Parliamentary approval after 6 months
 - No max limit
- **Revocation Of Proclamation -**
 - By the President
 - Special session if written notice by **1/10th of the total no. of members of Lok Sabha**, within 14 days
 - If Lok Sabha passes resolution by simple majority (**44th CAA**)

→ Effect on Centre- State Relations -

- ◆ **Executive Relations:** give executive directions on "any matter" to state.
- ◆ **Legislative Relations:**
 - make laws on subjects in the "State List" (although state legislatures are not suspended)

- President can issue ordinances on state subjects if Parliament not in session.
- Laws made becomes inoperative 6 months after emergency cease to operate.

◆ Financial Relations:

- President can modify constitutional distribution of revenues (reduce or cancel).
- Presidential order to be laid before Parliament.
- Continues till end of financial year in which emergency ceases to operate.

→ Effect on the Life of the Lok Sabha & State Assembly:

- ◆ Extended beyond normal term of 5 years by a parliamentary law - **1 year at a time**.
- ◆ E.g. Term of **5th Lok Sabha** (1971 - 77)- extended twice - one year at a time.
- ◆ Similar for state assembly - by parliamentary law.
- ◆ Extension cannot continue beyond a period of 6 months after emergency ceases to operate.



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→ Effect on Fundamental Rights		<ul style="list-style-type: none"> ○ Unemployment ● Conflict with the judiciary: Kesavananda Bharati (1973) ● Lack of Internal Democracy
Article 358	Article 359	
<ul style="list-style-type: none"> ● Automatically suspends Article 19 ● Operates only in case of "External Emergency" ● Suspension for entire duration of Emergency ● Extends to entire country ● Suspends article 19 completely 	<ul style="list-style-type: none"> ● Suspends only those articles whose enforcement is suspended by the President. ● Operates in both cases ● Suspension for the period specified by the President. ● Extends to entire country or part of it. ● Does not allow suspension of Article 20 & 21 	<p>Effect of the imposition of emergency of 1975</p> <ul style="list-style-type: none"> ● Suspension of civil liberties: <ul style="list-style-type: none"> ○ "ADM Jabalpur v. Shivkant Shukla (1976)" – right to seek legal remedy for violations of Article 21 was suspended during the Emergency. ● Arrest of opposition leaders: <ul style="list-style-type: none"> ○ Maintenance of Internal Security Act & Defence of India Act & Defence of India Rules. ● Press Censorship: <ul style="list-style-type: none"> ○ The Indian Express publishing a blank editorial in protest. ● Constitutional amendments curtailing powers of judiciary: <ul style="list-style-type: none"> ○ 38th Amendment Act, 1975: President's satisfaction in declaring emergency final. ○ 42nd Amendment Act, 1976: amended article 368 ● Forced Sterilization Campaign
<p>Key Reasons for the Emergency of 1975</p> <ul style="list-style-type: none"> ● Electoral Challenges: Allahabad High Court in State of Uttar Pradesh v. Raj Narain (1975) ● Political instability: <ul style="list-style-type: none"> ○ Jayaprakash Narayan led "Total Revolution" movement ○ Student unrest in Gujarat and Bihar ○ Railway employees strike led by George Fernandes in 1974 ● Economic Crisis: <ul style="list-style-type: none"> ○ High inflation (23% in 1973, 30% in 1974) 		



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Key Lessons from the 1975 Emergency

- **Avoiding despotism:**
 - 44th C.A.A, 1978
 - Minerva Mills case, 1980
- **Protecting the fundamental rights: 44th C.A.A, 1978**
 - **Article 19** automatically suspended during emergencies declared due to **war or external aggression**.
 - **Articles 20** (Right to protection in case of conviction for offences) **and 21** (Right to life & personal liberty) **could not be suspended** during an emergency.
- **Protection of Press Freedom:**
 - **Article 361 A** – immunity for journalists publishing truthful reports of legislative proceedings.

- **Independent Judiciary:** Minerva Mills case, 1980 – Judicial review a part of BSD.
- **Centralization of Power:** 44th C.A.A – Introduced limits on the extension of emergency proclamations under Article 356 beyond one year.
- **Active engagement of People** – Total revolution

Mains Practise Question

"The National Emergency of 1975 had far-reaching political, institutional, and societal consequences. Critically examine the effects of the Emergency on Indian democracy. What key lessons has India learned from this period in terms of safeguarding constitutional values and democratic institutions?"

(15 Marks, 250 words)



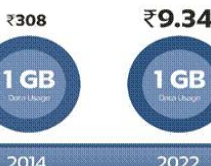
From manual to magical: 10 years of Digital India

CONTEXT: This year marks 10 years of Digital India Mission.

About the Mission

- **Launched** - 2015
- **Aim** - "use technology to make life easier for every Indian"
- **Implementing agency**: Department of Electronics and Information Technology (**Deity**).

Sharp Decline in Mobile Data Costs in India (In ₹ Per GB)



Source: Ministry of Communications



Source: Ministry of Electronics and Information Technology

Key Services Under Digital India

Digital Infrastructure as a Utility to Every Citizen

- High speed internet as a core utility
- Cradle to grave digital identity
- Mobile phone & Bank account
- Easy access to a Common Service Centre
- Shareable private space on a public cloud
- Safe and secure Cyber-space

Governance and Services on Demand

- Seamlessly Integrated Across Departments or Jurisdictions
- Real-Time Service Availability on Online & Mobile Platforms
- Cloud Accessibility for All Citizen Entitlements
- Digitally Transformed Services for Enhanced Ease of Doing Business
- Electronic & Cashless Financial Transactions
- Utilizing GIS for Decision Support & Development

Digital Empowerment of Citizen

- Universal Digital Literacy
- Universally Accessible Digital Resources
- Cloud Accessibility for All Documents and Certificates
- Digital Resources and Services Available in Indian Languages
- Collaborative Digital Platforms for Participative Governance
- Portability of All Entitlements Through the Cloud

Source: Ministry of Electronics and Information Technology

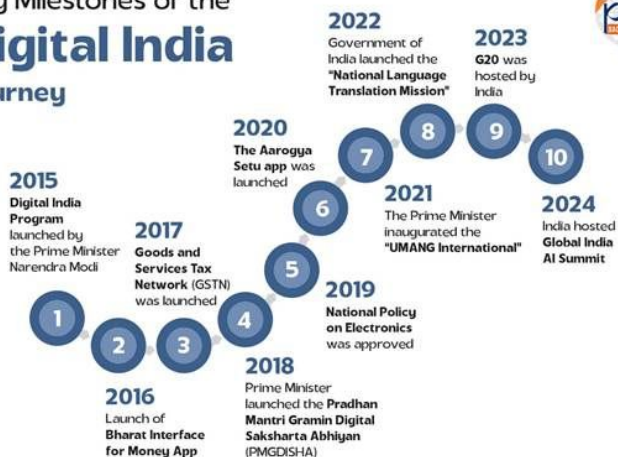
Monthly transactions hitting a record Rs 24.77 Lakh Crores

In 2023, 49% of the global real-time payments originated in India



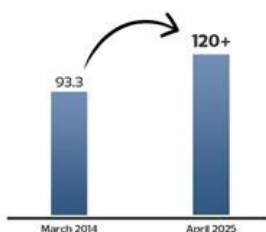
Source: Ministry of Finance

Key Milestones of the Digital India Journey



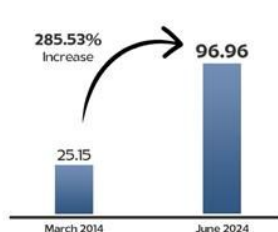
Source: Ministry of Electronics and Information Technology

Total Telephone Connections in India (Numbers in Crores)



Source: Ministry of Communications

Total Number of Internet Connections (Numbers in Crores)



Source: Ministry of Communications

Bhashini's Milestones at a Glance



Source: Ministry of Electronics and Information Technology

From manual to magical: 10 years of Digital India

CONTEXT: This year marks 10 years of Digital India Mission.

- **World's most affordable data -** Cost dropped from ₹300 per GB in 2014 to **under ₹10 today.**
- **UPI powers transactions worth ₹1 crore every second -** **Half of the global real time digital transactions** happen in India.
- **From 2 to 300+ mobile manufacturing units -** India is now the **2nd largest mobile phone manufacturer** in the world.
- **5G in a flash -** One of the fastest rollouts worldwide, covering **99.6% districts** in just 22 months.
- **Digital villages, connected lives -** **42+ lakh route km optical fibre**, linking 2.18 lakh Gram Panchayats.
- **Common Service Centres multiplied -** From 96,000 in 2014 to **5.76 lakh in 2025 - 5 times rise.**
- **Semiconductor surge -** India moves towards self-reliance with **₹4+ lakh crore market** in 2024.
- **Middlemen removed, dignity ensured -** **₹44.5+ lakh crore transferred** to real beneficiaries via DBT, saving ₹3.5 lakh crore by preventing leakages.
- **Transparent governance -** Public procurement worth **₹13.4+ lakh crore** done online through GeM.
- **Empowered farmers -** **1400+ mandis** connected through e-NAM, enabling trade of agricultural produce worth **₹4 lakh crore** by farmers.

- **Rural-urban:** rural population - 31 percent of the uses the Internet urban - 67 percent
- **Caste-wise divide:** general category v/s ST is as high as **7% - 8%** between 2018 and 2021.
- **Digital literacy:** Internet and Mobile Association of India, 2021 - **34%**
- **Cyber Frauds:** Reserve Bank of India
- **Privacy Concerns:** US based cybersecurity firm "**Resecurity**" - **81 crore Indians Aadhaar details** on dark web
- **Infrastructure bottlenecks:** India ranks 25th globally for mobile internet speeds as of November 2024, lagging behind countries like South Korea.

Way Forward

- **Bridging the Digital Divide:** BharatNet & PM-WANI
- **Enhancing Cybersecurity Framework**
- **Promoting Digital Literacy**
- **Integrating Digital Public Goods**
- **Ensuring Inclusive Digital Access**
- **Strengthen data governance:** EU - General Data Protection Regulations

Mains Practise Question

"Digital India has transformed the landscape of public service delivery and citizen empowerment, yet significant challenges remain in its implementation." Discuss the achievements and limitations of the Digital India Mission."

(15 Marks, 250 words)

Challenges

- **Digital Divide:** Oxfam India - 'India Inequality Report 2022: Digital Divide'.
 - **Gender:** Women constitute only one-third of internet users in India.



In a perilous world, India must read the tea leaves well

SYLLABUS: G.S. 2: Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

Newspaper : The Hindu; Page No : 8

India's foreign policy is currently facing an existential crisis. The second term of the Trump administration, which had previously been welcomed by India, has upset India's carefully crafted foreign policy. The recent India-Pakistan conflict should also be viewed as a 'wakeup call'. As details of the extent of China's military connections to Pakistan and of equipment transfer tumble out, India must take notice.

Next to the China-Pakistan nexus in the region, it is India's approach to events in West Asia and the Israel-Iran conflict that clearly need a relook. India has tried, not very successfully, to sit on the fence as far as the current Israel-Iran war is concerned, but it probably needs to think through what is best in its interest. The stakes have become higher with the United States involving itself directly in the Israel-Iran conflict, which saw it using, for the first time, its GBU-57 bunker buster bomb to destroy Iran's nuclear facilities at Fordow, Natanz and another embedded nuclear site. Neutrality is no longer an option, and despite the announcement of a ceasefire, the possibility of an all-out war is a distinct possibility.

Uncertainty - Trump administration

India - Pakistan conflict

India's neutrality Israel - Iran conflict

A term that is no longer taboo

With the use of the GBU-57 precision guided bombs, the conflict in West Asia has clearly attained a new dimension. The dreaded 'N word' is no longer taboo. Hence, the question that India needs to answer is whether it can continue to keep up its stance of neutrality. The situation is turning increasingly complex and it is no longer a mere wakeup call for India and countries across the globe. The threat has become all too real.

It may be too far-fetched to assert that a neutral India is 'friendless' in the world of today. A look at the state of affairs that concerns India would suggest, however, that this could well become the case – and that it could continue for quite some time in the future. India's professed leadership of the Global South and its patronage of nations across West Asia brought it no dividends during the recent India-Pakistan conflict. Instead, India has since been reminded – if this was needed – that it confronts two hostile nuclear powers in its neighbourhood, both of whom would have no moral compunctions in utilising nuclear weapons, if the opportunity arose. Hence, India cannot, any longer, afford to believe that its current policies are bearing fruit. A correct reading of 'the tea leaves' as they exist at present is essential for India's present and its future.

Donald Trump's 'Make America Great Again' (MAGA) policies are today adversely impacting India at levels other than just trade and economics. The U.S. President's claims to have effected a ceasefire between India and Pakistan, following the short India-Pakistan conflict in May – something that India contradicts, but which

'N' word no longer taboo

India's leadership of Global south

Threat of "Two front war"

"Make America Great again"

premeditated attack on Iran's nuclear sites – aided by the U.S. dropping bunker buster bombs – has seen little condemnation across the world. Iran, which needed a strong voice of support like that of India's to counter the narrative of Israel, the U.S. and the West, will find little comfort in India's 'calls for restraint' on all sides. India's support and voice, based on its moral strength, would have mattered were it seen to support the victim of the attack, rather than maintain an equidistance between Israel and Iran.

not be underestimated. Also at a time, when the 'N word' is being openly bandied about, India must reckon with the fact that China has more than a 3:1 advantage over India in terms of deploying nuclear warheads, and an almost 5:1 advantage if the nuclear warheads of China and Pakistan are combined.



In a perilous world, India must read the tea leaves well



SYLLABUS: G.S. 2: Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

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What India needs to do

Hence, it would be wise in the circumstances for India to prepare for future eventualities of every kind. To start with, there needs to be a detailed

study of the growing China-Pakistan military connection as the India-Pakistan conflict in May this year has merely hit the 'pause button'. More importantly, India must try and better understand how deeply China's military capabilities have been meshed with those of Pakistan, the critical role being played today by Chinese weaponry in Pakistan's defence plans, and how Pakistan has managed to integrate Chinese systems with its own defence plans and procedures, including its claims of being able to lock on to hostile targets to counter an attack. Additionally, India needs more details regarding the numbers of J-10Cs and JF-17 fighters in Pakistan's inventory.

India - Pakistan conflict

Study China - Pakistan Nexus

As a part of its preparations for a future conflict, India would also do well to examine whether it has the necessary wherewithal for conflicts of longer durations. The United Kingdom, for instance, recently undertook an in-depth study of its defence capabilities which helped highlight areas of critical weakness, including that of ammunition stockpiles, the need to set up a new National Armament System, and a new Cyber and Electromagnetic Command to oversee networks and electronic warfare. For India to prepare for a two front war, it should, apart from learning lessons from the Russia-Ukraine war, refine its policies on many such aspects as well. Undoubtedly, Artificial Intelligence (AI) will be a national priority. Aspects such as electro-magnetic manoeuvres to neutralise drones, loitering munitions and glide bombs that dominate the skies today in periods of conflict, should again have high priority.

In Depth analysis of defense capabilities



SYLLABUS: G.S. 3: Issues relating to mobilization, of resources

Newspaper : The Hindu; Page No : 8

As India marks eight years since the introduction of the Goods and Services Tax (GST) on July 1, 2017, it is worth reflecting on this landmark reform. GST replaced a multiplicity of indirect taxes such as Value Added Tax (VAT), excise duties, and service tax, establishing a unified national market under the "One Nation, One Tax" framework. The reform harmonised tax rates across States, enhanced ease of doing business, and facilitated greater economic integration. Economically, GST has been a consistent contributor to national revenue. Gross GST collections in 2024-25 reached a record ₹22.08 lakh crore, reflecting a year-on-year growth of 9.4%.

Beyond revenue generation, GST has advanced economic efficiency. The elimination of cascading taxes through the input tax credit system has reduced production costs, benefiting both businesses and consumers. Compliance has improved through digitised processes, which include e-way bills, simplifying tax administration and curbing evasion. The removal of inter-State checkpoints has enhanced logistics efficiency, cutting transportation time by 20% in some cases and reducing costs.

Deaths & Economic Cost

Faultlines in taxation

However, this progress is accompanied by notable shortcomings, particularly in the realm of public health, specifically tobacco taxation. Tobacco use continues to pose a severe public health threat in India, causing over 3,500 deaths daily and incurring an economic burden of ₹2,340 billion annually (1.4% of GDP in 2017) – a figure far exceeding the ₹551 billion GST revenue generated from tobacco annually, on average, in the past five years. India remains the second-largest consumer of tobacco globally, with 28.6% of adults and 8.5% of students between the ages of 13 to 15 years using tobacco in some form.

Taxation is globally recognised as one of the most effective instruments to reduce tobacco use. Yet, since the introduction of GST, there have been no significant tax increases on tobacco products. This stands in stark contrast to the pre-GST period (2009-17), when regular increases

Ad valorem v/s Specific tax

Inconsistency across Products

Expiration of GST Compensation Cess

A structural issue

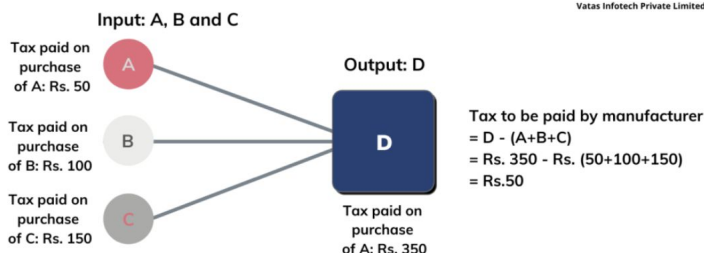
A critical structural issue is the GST's heavy reliance on ad valorem taxes. While GST is inherently ad valorem, evidence shows that specific excise taxes – levied as a fixed amount per unit – are more effective in reducing the consumption of harmful products, as they are less susceptible to price manipulation by the industry. Since the implementation of GST, the share of central excise duties in total tobacco taxes has dropped significantly: from 54% to 8% for cigarettes, 17% to 1% for bidis, and 59% to 11% for smokeless tobacco. In contrast, many countries with VAT or GST regimes impose additional specific excise taxes on tobacco to achieve public health objectives. In India, inconsistencies across products exacerbate the problem. Although cigarettes represent only 15% of tobacco users, they contribute over 80% of tax revenue. Bidis, used predominantly by low-income populations, remain under-taxed. Notably, bidis, despite being the most widely consumed smoked tobacco product and as harmful as cigarettes, are not even subject to the GST compensation cess. This omission lacks any evidence-based public health justification.

An urgent concern is the potential expiration of the GST compensation cess in March 2026, which constitutes a substantial share of total tobacco taxes (nearly 50% for cigarettes). Its removal would significantly reduce tax burdens and render tobacco products more affordable, undermining health policy objectives.

Raising GST rates on tobacco products to the peak rate of 40%, as permitted in the GST law,

Input Tax Credit

TAX
HELPDESK
Vatas Infotech Private Limited



Affordability of tobacco

in excise and VAT contributed to a 17% decline in tobacco use prevalence. A stagnation in tax, Post-GST, increases risks, undermining past public health gains due to the increasing affordability of tobacco products (as pointed out in many studies). Currently, the overall tax burden on tobacco products remains well below the World Health Organization (WHO) recommendation of 75% of the retail price: 22% for bidis, 54% for cigarettes, and 65% for smokeless tobacco.



GST Reforms & Unfinished business

SYLLABUS: G.S. 3: Issues relating to mobilization, of resources

Newspaper : The Hindu; Page No : 8

Increased Taxes v/s Illicit trade

The illicit trade

The tobacco industry frequently argues that higher taxes drive illicit trade. However, independent peer-reviewed studies estimate that illicit cigarettes constitute only 2.7% to 6.6% of the market in India – substantially lower than the industry's claim of 25%. Research shows that tax increases have a limited effect on illicit trade. Instead, governance quality, regulatory strength and enforcement capacity are more decisive factors. India has ratified the World Health Organization (WHO) Protocol to Eliminate Illicit Trade in Tobacco Products and must now prioritize its implementation to prevent leakages.

Way Forward

As the GST Council undertakes deliberations on rate rationalisation and structural reform, it is imperative that public health considerations are given due priority. The Parliamentary Standing Committee, in its 139th Report (September 2022), highlighted that tobacco products in India remain among the most affordable globally and has stressed the critical need to enhance taxation on these products. Increasing GST rates to the statutory peak of 40%, alongside a substantial increase in specific excise duties, would serve the dual objectives of reducing the health and economic burden associated with tobacco use and strengthening fiscal consolidation. Such a strategy would reaffirm India's commitment to its public health objectives while aligning with its broader developmental goals. As the GST completes eight years since its enactment, the ongoing rate rationalisation exercise offers a timely opportunity to rectify existing shortcomings in the taxation of tobacco products. Addressing this issue would represent a meaningful advancement in the evolution of the GST framework and reinforce its role as a tool for promoting both fiscal and public health objectives.



Can GI Tag prevent cultural misappropriation?

SYLLABUS: Prelims: Economy

Newspaper : The Hindu; Page No : 10

The story so far:

On June 25, at its Spring/Summer 2026 menswear show in Milan, Italian luxury brand Prada unveiled footwear inspired by India's Geographical Indication (GI)-tagged Kolhapuri chappals, sparking accusations of 'cultural misappropriation'.

What is a geographical indication?

It is a form of 'intellectual property' that identifies goods as originating from a specific country, region or locality, where their distinctive qualities, characteristics, or reputation are essentially linked to that 'place of origin'. In India, there are currently 658 registered GI-tagged goods, including Chanderi sarees (Madhya Pradesh), Madhubani painting (Bihar), Pashmina shawls (J&K), Kancheepuram silk (Tamil Nadu), and Darjeeling tea

(West Bengal). Importantly, GIs serve as a powerful marketing tool, driving rural development, boosting exports, enhancing consumer confidence, and preserving 'cultural knowledge' of local communities, farmers and indigenous groups. Unlike trademarks, which are owned by enterprises, GIs are public property belonging to the producers of the concerned goods and cannot be assigned, transmitted or licenced.

The legal protection of GIs stem from international instruments like the Paris Convention for the Protection of Industrial Property (1883), and later gained a clearer definition under the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement, 1995. India, as a TRIPS signatory, enacted the Geographical Indications of Goods (Registration and Protection) Act, 1999, which came into force in 2003. The Act provides for GI registration, enforcement of rights, prohibition of unauthorised use

How can infringement be tackled?

The registered proprietor or authorised users may initiate infringement action when an unauthorised user misleads the public about the origin of goods, causes unfair competition or passing off, or falsely represents goods as originating from a GI-registered region. However, it is important to note that GI rights are primarily 'territorial' and consequently limited to the country (or region) where protection is granted. At present, no automatic 'world' or 'international' GI right exists. Nevertheless, several mechanisms exist for cross-border protection. GIs can be protected internationally by first securing recognition in the country of origin, as many jurisdictions require this as a precondition and then obtaining protection directly in the jurisdiction concerned.

Basmati Rice

Turmeric

Neem based antifungal formulations

Is this the first such case?

Indian traditional products have time and again suffered exploitation by global corporations. In 1997, the U.S. Patent and Trademark Office (USPTO) controversially granted a patent to Ricetec Inc., a Texas-based company, for novel "lines and grains" of Basmati rice. After significant Indian legal efforts, the USPTO disallowed the patent holder from using the name "Basmati". Similar challenges arose with 'turmeric' when the University of Mississippi medical centre was granted a patent in 1995 for turmeric's wound-healing properties – a use long known in Indian traditional medicine. The Council of Scientific and Industrial Research contested the claim, leading to the revocation of the patent. Likewise, the European Patent Office in 2000 revoked a patent granted to the U.S. Department of Agriculture and a multinational firm W.R. Grace, for neem-based antifungal formulations, as the therapeutic use of neem was already part of Indian knowledge systems. To prevent such cases in the future, one could start by expanding the Traditional Knowledge Digital Library to include wider traditional grassroots expressions. Making a 'searchable database' would allow brands to conduct due diligence and searches to identify right holder communities for collaboration.



Can GI Tag prevent cultural misappropriation?



SYLLABUS: Prelims: Economy

Newspaper : The Hindu; Page No : 10

More about GI

- India, as a World Trade Organization (WTO) member, enacted the **Geographical Indications of Goods (Registration and Protection) Act, 1999**.
- **First GI-tagged product** – **Darjeeling tea** in 2004–2005.
- **Geographical Indication Registry** (Chennai) issues these tags under the Department of Industry Promotion and Internal Trade, **Ministry of Commerce and Industry**.
- **Types of products:** GIs can be registered for various products, including **agricultural products, food products, handicrafts, and manufactured goods**.
- GI Tag is **valid for ten years** and can be **renewed**.

PYQ

Q. India enacted the Geographical Indications of Goods (Registration and Protection) Act, 1999 in order to comply with the obligations to **(2018)**

- (a) ILO
- (b) IMF
- (c) UNCTAD
- (d) WTO



India's outreach to the Global South

SYLLABUS: Prelims: International relations

Newspaper : Indian express; Page No : 15

About Global South

- **Global south:** refers to countries often characterized as developing, less developed, or underdeveloped, **primarily located in Africa, Asia, and Latin America.**
- **"Global North"** is richer nations that are located mostly in **North America and Europe**, with some additions in **Oceania.**
- **Brandt Line** - by Willy Brandt in the **1980s.**
- Previously, developing nations were commonly referred to as the **"Third World,"** a term coined by **Alfred Sauvy in 1952.**
- Term "Global South" emerged as a **more neutral alternative.**

Significance of Global South

- **Rising Economic Power:**
 - ◆ combined GDP of BRICS nations has now overtaken that of the G7.
- **Demographic Dividend:**
 - ◆ significantly younger populations compared to the aging societies of the Global North.
- **Innovation and Technology Leadership:**
 - ◆ Chandrayaan-3 and digital payment systems like UPI.
- **Driving Solutions to Global Challenges:**
 - ◆ International Solar Alliance



GHANA, July 2-3

THIS WILL be Narendra Modi's first bilateral visit to Ghana, and the first Indian Prime Ministerial visit to the country in **three decades.** John Mahama, who was elected President in January, visited India in 2015 for the India-Africa Forum Summit.

Ghana is one of West Africa's fastest-growing economies; its relationship with India is marked by robust and expanding trade and investment. India is the largest destination for Ghanaian exports; gold accounts for more than 70% of India's imports from Ghana.

PM will hold talks with President Mahama to review the bilateral partnership and discuss ways to enhance it through economic, energy, defence, and development cooperation.

TRINIDAD & TOBAGO, July 3-4

40-45% OF the Indian diaspora in the Caribbean lives in Trinidad and Tobago; both Prime Minister Kamla Persad-Bissessar and President Christine Carla Kangaloo are of Indian origin. This will be Modi's first visit to T&T as Prime Minister and the first bilateral visit by an Indian PM after 1999.

The PM visited Guyana in November 2024; his second visit to the Caribbean in eight months indicates the importance India accords to the region. The visit will mark 180 years of the arrival of Indian immigrants in T&T.

The bilateral economic relationship has witnessed steady growth, with total trade reaching \$ 341.61 million in FY 2024-25.



India's outreach to the Global South

SYLLABUS: Prelims: International relations

Newspaper : Indian express; Page No : 15

ARGENTINA, July 4-5

MODI will meet Javier Milei — US President Donald Trump's "favourite President" — during the first bilateral visit by an Indian PM in 57 years. They will review ongoing cooperation and discuss ways to enhance defence, agriculture, mining, oil and gas, energy, etc. partnerships. The two leaders met earlier on the margins of the G20 Summit in Rio de Janeiro in November 2024.

India and Argentina have significantly advanced bilateral cooperation in the mineral resources sector, particularly in lithium, a critical input for India's green energy transition. Argentina is a major supplier of soybean and sunflower oil to India. In 2024, India was Argentina's fifth-largest trading partner and export destination.

BRAZIL, July 5-8

MODI will meet President Luiz Inacio Lula da Silva during the BRICS Leaders' Summit in Rio de Janeiro, which will be followed by a State Visit. At BRICS, the PM will discuss the reform of global governance, peace and security, strengthening multilateralism, responsible use of AI, climate action, global health, etc. He will likely have several bilateral meetings on the sidelines of the Summit.

For the State Visit, the PM will travel to Brasilia where he will hold bilateral discussions with President Lula on broadening the Strategic Partnership in areas of mutual interest, including trade, defence, energy, space, technology, agriculture, and health. Brazil is India's largest trading partner in South America.

NAMIBIA, July 9

DURING his first visit to Namibia (the third Indian Prime Ministerial visit to the country), Modi will meet President Netumbo Nandi-Ndaitwah, pay homage to the Founding Father of Namibia, Dr Sam Nujoma, and address the country's Parliament.

Bilateral trade has grown from less than \$3 million in 2000 to almost \$600 million now. Indian companies have invested in mining, manufacturing, diamond processing and services in Namibia.

Eight cheetahs from Namibia were released by the PM at Kuno National Park in Madhya Pradesh in September 2022, the world's first intercontinental translocation of a major carnivore species.



Financial Stability Report



SYLLABUS: Prelims: Economic & Social Development
Newspaper : The Hindu; Page No : 15

- Published **biannually (June & December)** by the RBI.
- It reflects the **collective assessment** of the **Sub-Committee of** the Financial Stability and Development Council (headed by the **Governor of RBI**) on risks to financial stability and the resilience of the financial system.
- **Significance:**
 - **Highlights robustness of our financial system** - to changes in economy.
 - **Financial institutions capacity to Support Growth**
 - percentage of NPAs

Key Highlights of June Report

- Despite an **uncertain and challenging global economic backdrop**, the Indian economy remains a key driver of global growth, underpinned by **sound macroeconomic fundamentals** and **prudent macroeconomic policies**.
- **Outlook for inflation:** CPI aligning with RBI's target (4% +/- 2%)
- **Projected Real GDP:** 6.5% for FY 2026.
- **NPA's:**
 - Private banks account for **52.6% of NPAs** in unsecured retail loans.
 - **GNPA's of Scheduled commercial banks** - rise to 2.5% in March 2027 from 2.3% in March 2025
 - **Capital to risk weighted assets ratio:** 46 major SCBs may marginally dip to **17%** by **March 2027** from **17.2%** March 2025.



Q1. Regarding National Emergency in the Indian context, consider the following statements:

1. A written recommendation of the Cabinet is mandatory for the President to declare a National Emergency.
2. A National Emergency can be revoked only if both Houses of Parliament pass a resolution to that effect.
3. The initial proclamation remains valid for six months even without parliamentary approval.

Which of the statements given above is/are correct?

- a) 1 and 3 only
- b) 1 only
- c) 2 only
- d) 1 and 2 only

Answer: b

Q2. Consider the following statements regarding the Digital India Mission:

1. PM GatiShakti exclusively targets AI-driven digital translation.
2. The India Semiconductor Mission operates directly under Digital India as its core component.

Which of the statements given above is/are correct?

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: d

Q3. Regarding Input Tax Credit (ITC), consider the following statements:

1. ITC can be claimed on goods used for personal consumption.
2. Unutilized ITC can be claimed as a refund in all cases.
3. ITC can be availed on capital goods.

How many of the statements given above is/are correct?

- a) Only One
- b) Only Two
- c) All Three
- d) None

Answer: a

Q4. Regarding Geographical Indications (GI) in India, consider the following statements:

1. India enacted a GI law to comply with WTO TRIMS obligations.
2. The first GI tag in India was issued for a handicraft product in 2004.
3. GI tags are non-renewable after the initial validity of ten years.
4. Both natural and manufactured goods can be granted GI status.

How many of the statements given above is/are correct?

- a) Only One
- b) Only Two
- c) Only Three
- d) All Four

Answer: a

Q5. Regarding Financial Stability Report, consider the following statements:

1. It is a biannual publication of the Ministry of Finance.
2. It assesses systemic risks and resilience of the financial sector.
3. It includes stress tests conducted by public and private sector banks.

Which of the statements given above is/are correct?

- a) 1 and 2 only
- b) 1 only
- c) 2 only
- d) 2 and 3 only

Answer: d





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