VAJIRAM & RAVI
Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

18th January 2026

The Analyst Handout

18th January 2026

Production Linked Incentive Scheme

CONTEXT: Wind energy companies seek PLI-based support for domestic manufacturing in the long term and lower import duties in the short term in the upcoming Union Budget.

What is PLI Scheme?

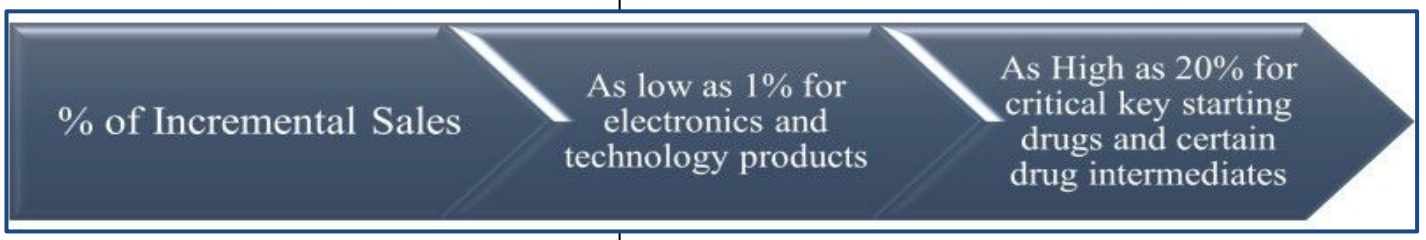
What is PLI?

The Production Linked Incentive (PLI) scheme is a government initiative **launched in 2020**. The primary aim was strengthening India 's manufacturing capabilities by offering financial incentives to eligible companies based on their incremental sales.

The scheme initially targeted **three sectors**[3] and over time, it has expanded to include **14 secto rs** ranging from electronics and textiles to automobiles and food processing.

Objective?

- ***Supply Chain Disruptions***
- ***14 Sectors with outlay- 1.97 lakh crore***
- ***Domestic Manufacturing***
- ***High Import Substitution***
- ***Incentive based on Incremental Sales***



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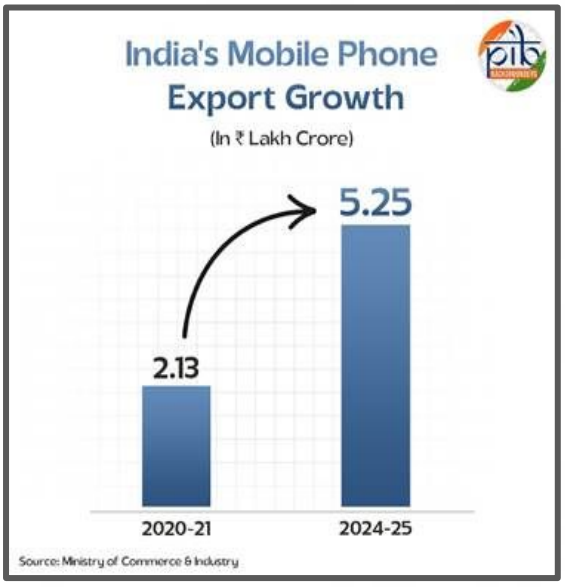
Significance of the Scheme :

- **Boost to Domestic Manufacturing-**mobile manufacturing 50% growth in production from ₹1.9 lakh crore in FY20 to ₹2.9 lakh crore in FY23 (MeITY).
- **Job Creation:**
- **Attracting Foreign Direct Investment (FDI)-₹1.5 lakh crore in foreign investments since its launch (NITI Aayog).**
- **Support for Local Supply Chains**
- **Increased Exports**



Challenges Impeding the Success of the Scheme :

- **Economic Headwinds**
- **Limited Coverage of Sectors**
- **Delayed Disbursement of Incentives : Foxconn**
- **Limited focus on innovation and Technology**
- **Inadequate Infrastructure Support**
- **Bureaucratic Hurdles and Complex Approval Process : 2021 Study by IIM Ahmedabad**
- **Supply Side Issues**

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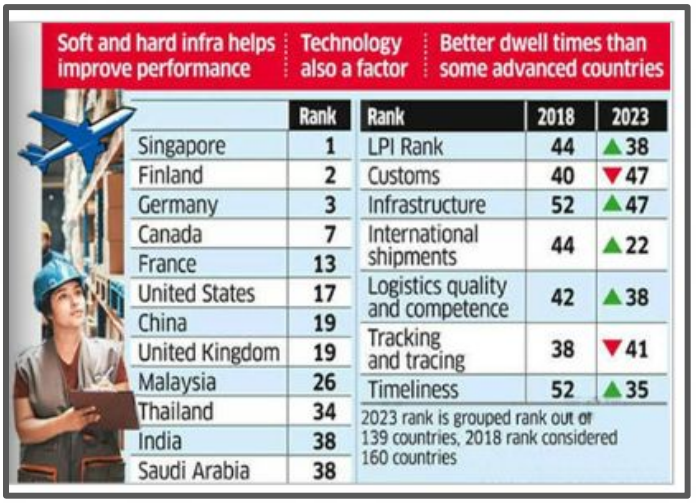


	Rank
Singapore	1
Finland	2
Germany	3
Canada	7
France	13
United States	17
China	19
United Kingdom	19
Malaysia	26
Thailand	34
India	38
Saudi Arabia	38

Rank	2018	2023
LPI Rank	44	▲38
Customs	40	▼47
Infrastructure	52	▲47
International shipments	44	▲22
Logistics quality and competence	42	▲38
Tracking and tracing	38	▼41
Timeliness	52	▲35

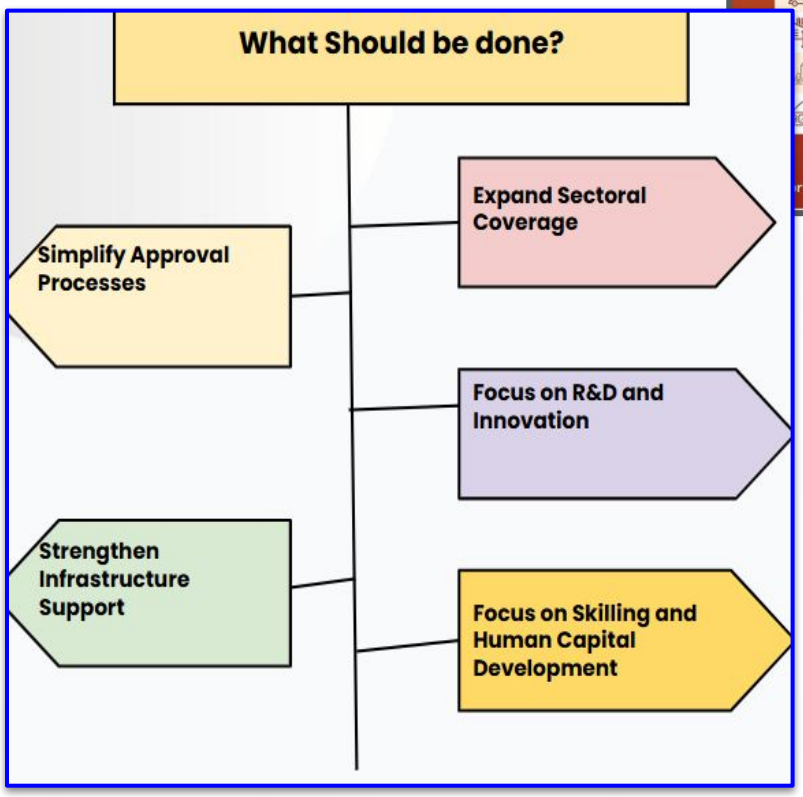
2023 rank is grouped rank out of 139 countries, 2018 rank considered 160 countries

SECTORWISE PLI: TARGET VS EXECUTION

SECTORS	TARGET (in Rs Cr)	% ACHIEVED
Pharmaceutical Drugs	6,078	89%
Large-scale Electronics Manufacturing	1,762	51%
Telecom	861	138%
Food Products	1,158	68%
Bulk Drugs	809	148%
Medical Devices	233	11%
White Goods	1,060	68%
Drones	575	39%
It Hardware	261	29%
Automobile & Auto Components	16,823	25%
Textile Products	7,420	14%
Advance Chemical Cell Battery	3,035	37%
Specialty Steel	9,607	62%

% achieved - Till Dec'23

Source: Newsflow, Morgan Stanley Research



Mains Practise Question :

What is the impact of the PLI scheme on India's manufacturing sector? What challenges affect its implementation and how can they be addressed?(10 Marks, 150 words)

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Has an Arbitration Council been Constituted?

CONTEXT: Nearly six years after the 2019 amendments to the Arbitration and Conciliation Act, 1996 (1996 Act), the Union government is yet to constitute the Arbitration Council of India (ACI).

Arbitration Council of India :

Background

- The **Arbitration and Conciliation Act, 1996** governs arbitration in India.
- The **2019 Amendment** proposed the **Arbitration Council of India (ACI)** to promote **institutional arbitration**.
- **ACI has not been constituted** even after six years.

Proposed Mandate of ACI (2019 Amendment)

- Act as the **central regulator and promoter** of arbitration.
- **Grade arbitral institutions**.
- **Recognise professional bodies** accrediting arbitrators.
- Maintain a **repository of arbitral awards**.
- Reform and standardise arbitration practices.

Composition

- Chairperson appointed by the Union government (in consultation with CJI).
- Members included **executive nominees and ex-officio officials**.

Arbitration

- Neutral tribunal gives a final, binding award.
- Less formal than court; relaxed rules; limited judicial role.
- No appeal (except rare cases).
- Common in commercial, international, and infrastructure disputes.

Conciliation

- Third party proposes solutions; parties may accept or reject.
- Settlement is binding only if both parties accept it.
- Used in employment, consumer, and commercial matters.
- Less formal than arbitration.

Mediation

- Facilitator helps parties communicate and reach agreement.
- Outcome is non-binding unless both agree.
- SC accreditation: 40 hrs training, 10 settlements, 20 mediations.
- Common in family, business, and community disputes.

Negotiation

- Parties settle disputes themselves through discussion.
- Most basic and widely used method.
- Used in business, legal, diplomatic, and everyday scenarios.

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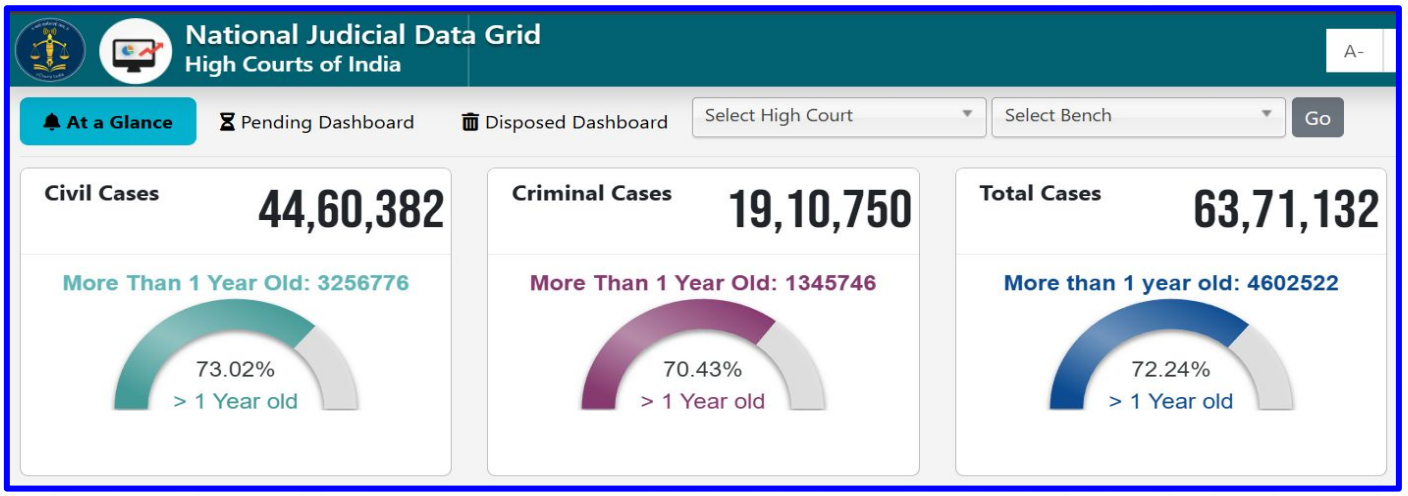

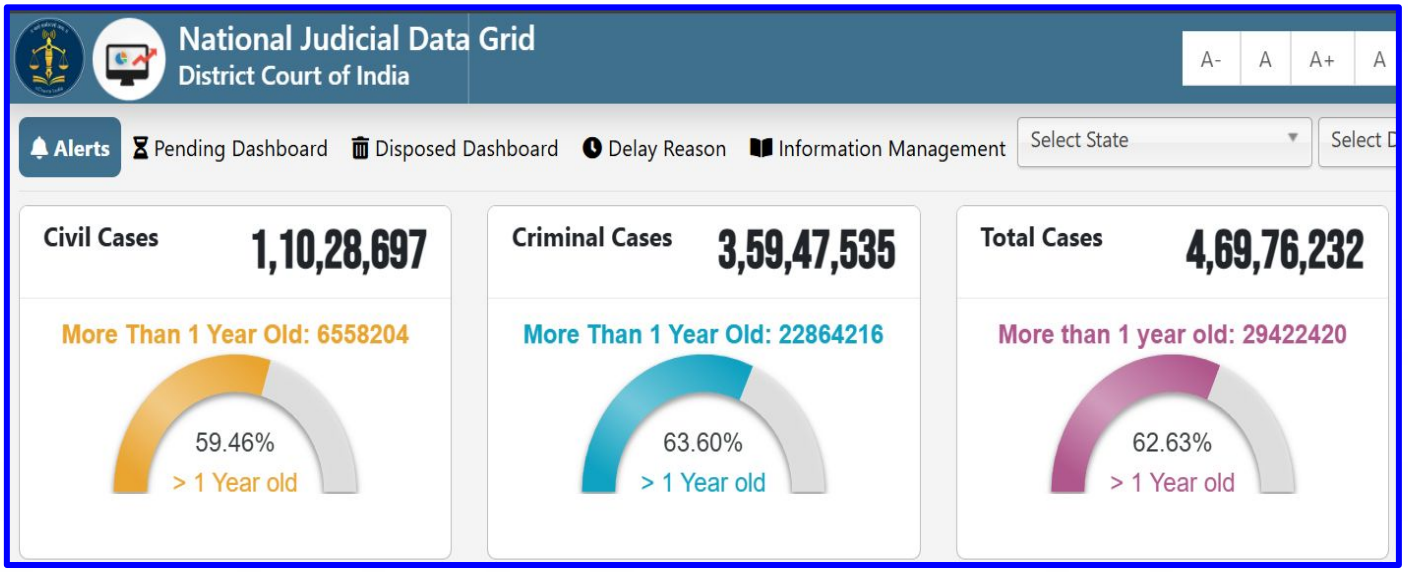

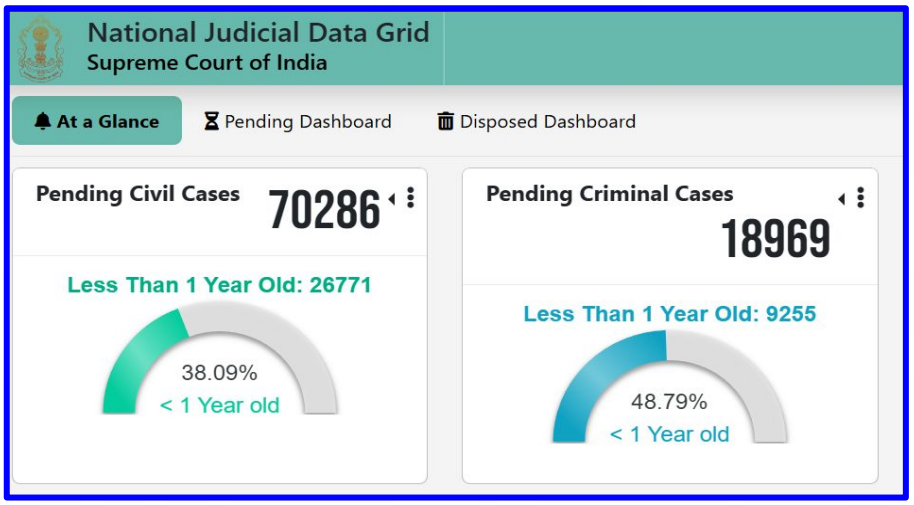

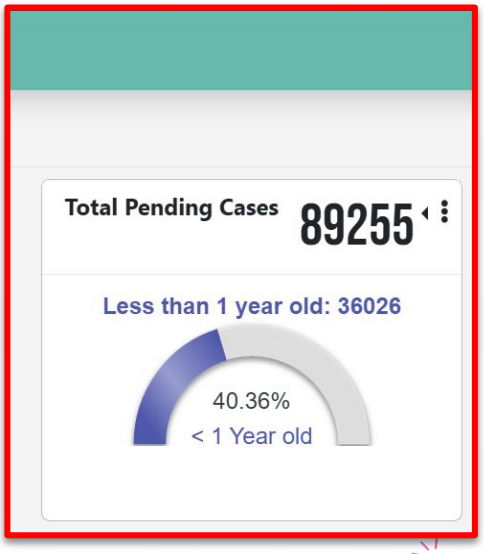

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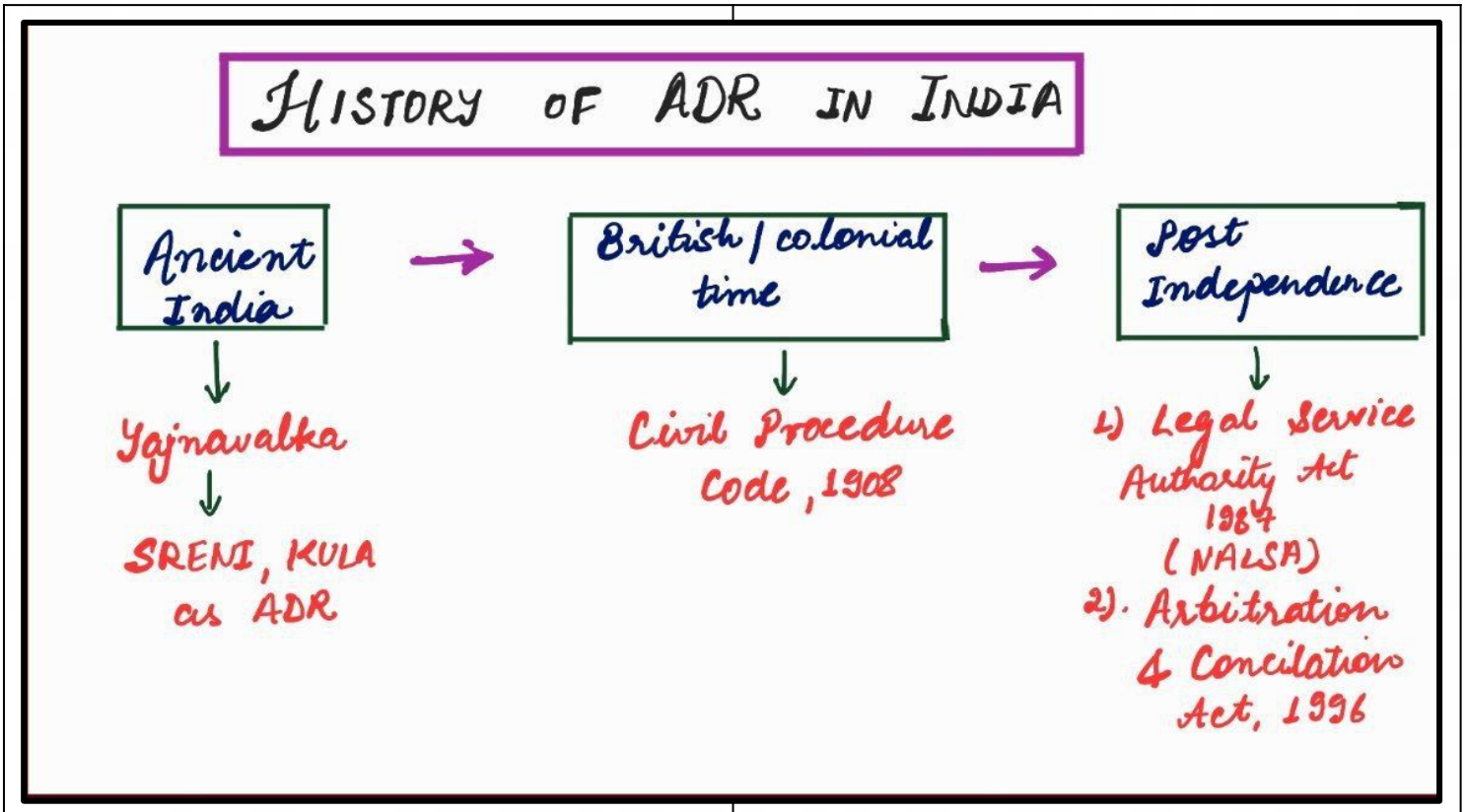

Draft Arbitration and Conciliation (Amendment) Bill, 2024

(Released: October 2024)

Major Proposals

- Redefines **arbitral institution** as a body conducting arbitration under its own or agreed rules.
- Removes requirement of **SC/HC designation** of arbitral institutions.
- Expands institutional powers:
  - Extend timelines for awards
  - Reduce arbitrators' fees for delay
  - Substitute arbitrators
- Objective: **Reduce court intervention and delays**

Limiting Judicial Intervention

- Courts' power to grant interim relief restricted to:
  - Before arbitration begins, or
  - After award is passed.
- **Section 9(2)** amended:
  - 90-day period to commence arbitration starts from date of interim relief application.
- Introduces **Section 9-A**:
  - Allows interim relief from an **emergency arbitrator** after proceedings begin.

Criticism of the Draft Bill

- Court-like powers shifted to arbitral institutions without resolving credibility concerns.
- Risk of weakening judicial safeguards.

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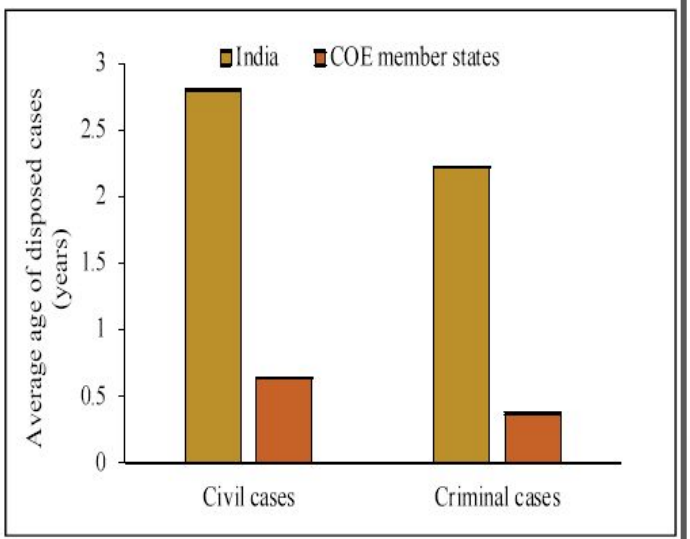
Advantages of ADR :

- **Confidentiality:** Disputes are resolved in private, preserving sensitive information.
- **Cost-Effective:** Generally more affordable than litigation.
- **Time-Saving**: Flexible procedures reduce delays compared to court trials.
- **Less Stressfu**l: Informal setting lowers emotional and procedural stress.
- **Creative & Sustainable Solutions**: Parties can reach customised, win-win outcomes.
- **Expert Involvement:** Option to appoint specialised neutrals (arbitrators, mediators, etc.).
- **Greater Control:** Parties have more influence over process and outcome.

Figure 6: Average Disposal Time - India and Council of Europe



Source: NJDG, 2019 Council of Europe, European Commission for the Efficiency of Justice (CEPEJ, 2016).

Challenges :

- **Non-binding agreements:** Depend on parties' voluntary compliance
- **Loose evidence rules:** Decisions may rely on incomplete info
- **Power imbalance:** Dominant party may skew results
- **Complex legal issues:** Unsuitable for detailed judicial interpretation
- **No precedent:** Outcomes don't guide future cases
- **Limited appeals:** Arbitration decisions mostly final
- **Rising costs:** Skilled neutrals can be expensive
- **Cross-border enforcement:** Depends on international treaties

Reforms suggested for ADR in Three Year Action Agenda 2017-18 to 2019-2020- NITI Aayog

- **Judicial Performance Index:** Track and improve District and subordinate court performance; aid High Courts and Chief Justices in reducing delays.
- **Separate Administrative Cadre:** Create judiciary-specific administration reporting to Chief Justice to ensure judicial independence and efficient management.
- **Boost ICT Use:** Prioritize court automation, electronic case & schedule management, and migrate all courts to unified national court software.

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- **Streamline Judicial Appointments:** Use real-time online judicial statistics to assess manpower and infrastructure needs accurately.
- **Shift Workload from Regular Courts:** Implement Commercial Courts Act (2015) in major cities; set up separate traffic courts and amend fine payment processes to reduce congestion.
- **Increased Awareness**

Mains Practise Question :

Enumerate the various mechanisms of Alternative Dispute Resolution (ADR). Examine their advantages and the key challenges in their effective implementation in India. (10 Marks, 150 words)

As per **Justice B.N. Srikrishna Committee**:

- India remains dominated by **ad hoc arbitration**.
- Trust deficit in institutions due to concerns over independence and capacity.

Needed reforms:

- Ensure **institutional autonomy**
- Strengthen **administrative competence**
- Build domestic and international confidence.

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What happened to PSLV C-62 Mission?

SYLLABUS : GS 3 Paper : *Space Technology*, Newspaper: *The Hindu* Page Number: 11

The story so far:

On January 12, the Indian Space Research Organisation's (ISRO) PSLV-C62 mission lifted off from Sriharikota carrying the EOS-N1 satellite along with 15 co-passenger satellites. Within minutes, ISRO said the mission had "encountered an anomaly during end of the PS3 stage", and that a detailed analysis was initiated.

What was the anomaly?

In a televised briefing after the launch, ISRO chairman V. Narayanan described what mission control was seeing: that performance was "as expected" up to near the end of the rocket's third stage, called PS3, then that there was increased "disturbance in the vehicle roll rates", followed by a deviation in the flight path. In other words, towards the end of the third stage, the rocket was spinning uncontrollably, enough for it to not be able to continue on its planned path. As of January 16, ISRO hasn't published a statement about the root cause of the mishap.

Following the incident, Thailand's space agency GISTDA, whose THEOS-2A satellite was on board PSLV-C62, said a malfunction late in the third stage caused an attitude-control abnormality and the vehicle deviated from its trajectory, preventing the rocket from deploying the satellites it was carrying. GISTDA also said the rocket and satellites were expected to fall back and burn up over the southern Indian Ocean. The anomaly resembled the events preceding the failure of the PSLV-C61 mission on May 18, 2025.

What happened to PSLV-C61?

ISRO's PSLV-C61 mission was carrying the EOS-09 satellite. The rocket failed after the first two stages, with the third stage not performing nominally. ISRO noted a drop in chamber pressure in the third-stage motor case during the PS3 operation, after which it said the mission "could not be accomplished".

Based on what has been reported publicly so far, both the C62 and the C61 missions suffered decisive anomalies on PS3 after a nominal early ascent and neither could deploy their payloads into the designated orbit (with a qualification for the KID payload). In C62, the main symptom was a "roll rate disturbance" late in the PS3 stage operation; in C61, the symptom was a chamber-pressure drop in the PS3 motor casing.

ISRO's initial communications in both cases also stressed that an anomaly had occurred and that analysis was underway, but it did not publish a detailed list of corrective actions it would have to take. After the C61 mission failed, Dr. Narayanan constituted a Failure Analysis Committee (FAC) to look into the causes of the mishap. The FAC submitted its report to the Prime Minister's Office in mid-2025.

What does the FAC do?

The FAC is not a standing body of experts within ISRO but instead an entity the ISRO chairman constitutes in the event of a major incident. Its responsibility is to reconstruct the chain of events leading up to the failure using telemetry and subsystem data and in conversation with people involved in that mission. It's expected to identify the causes, and recommend corrective action before the vehicle is cleared for a 'return to flight'.

The Committee members include experts within ISRO as well as relevant experts from academia. It has also been known to include former ISRO chairmen. The FAC submits its final report to the Indian government. The ISRO chairman is Secretary to the Department of Space, which functions directly under the PMO.

The aftermath of the GSLV-F10 mission provides an instructive window into the FAC's efforts. After that mission failed in 2021, here's an excerpt of what the FAC found: "The FAC concluded that the lower liquid hydrogen tank pressure at the time of cryogenic upper stage engine ignition, caused by the leakage of vent and relief valve resulted in the malfunctioning of the fuel booster turbo pump, leading to mission abort command and subsequent failure of the mission."

Where is the PSLV-C61 FAC report?

Although the PSLV-C61 FAC submitted its report to the PMO, the PMO hasn't cleared it for public release yet. Independent experts criticised the decision to withhold it after PSLV-C62 also suffered an anomaly in its third stage. ISRO has also not said whether it has constituted an FAC for the C62 mission, although a short statement on its website says "a detailed analysis has been initiated". On November 15, 2025, during an unrelated lecture, Vikram Sarabhai Space Centre director A. Rajarajan had attributed the loss of the PSLV-C61 mission to a "slight manufacturing error".

That said this isn't the first time details of the FAC's findings of a mishap have been withheld. Previous instances include the PSLV-C39 mission in 2017. ISRO has also been terse about the issues leading up to the underperformance of the NVS-02 satellite.

Earlier, even when the FAC report hadn't been released into the public domain, ISRO had issued statements with detailed summaries of the FAC's findings, for example, after the GSLV-F10 mission in 2021 and the GSLV-F02 mission in 2006. The aftermath of PSLV-C61 is a break from the past in this sense as well, since no such statements have been issued.

What happened to satellites on PSLV-C62?

The mission's primary payload was EOS-N1, a surveillance satellite from the Defence Research and Development Organisation. The co-passengers comprised payloads involving Thailand, the U.K., Nepal, France, Spain, and Brazil, plus seven satellites from Indian enterprises.

The PSLV has failed four times so far, but PSLV-C62 was the first time it failed while carrying customer satellites provided by Indian and foreign entities. The mission had been facilitated by ISRO's commercial arm, NewSpace India, Ltd. While the ISRO didn't say whether the mission had failed after the anomaly on January 12, the statement from Thailand's GISTDA suggested that the rocket's remaining stages and the payloads would fall back down towards the earth and burn up.

The KID payload was a reentry demonstrator – a device designed to fall back down from orbit and splash into the southern Pacific Ocean. In a statement released after January 12, Orbital Paradigm, its Spain-based co-developer, said KID had transmitted "off-nominal" data for about three minutes.

GISTDA said its THEOS-2A satellite had been insured. The Indian private sector payloads onboard PSLV-C62 reportedly hadn't been insured, so the cost of the loss would have been absorbed by the developers of each satellite. The cost of losing EOS-N1 will be borne by India.

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What happened to PSLV C-62 Mission?

SYLLABUS : GS 3 Paper : *Space Technology*,
Newspaper: *The Hindu* **Page Number: 11**

ISRO LAUNCH VEHICLES :

• First rocket developed by **ISRO – SLV (Satellite Launch Vehicle)**
• Successor of **SLV – Augmented Satellite Launch Vehicle (ASLV)**
Polar Satellite Launch Vehicle (PSLV)
• The Workhorse of ISRO
• 3rd gen, 4-staged launch vehicle
(1st, 3rd stages – solid fuel;
2nd, 4th stages – liquid fuel)
Capacity
• Delivers earth-observation/remote-sensing satellites
• Used to launch satellites of lower mass (~1400 kg)
4 Variants
• PSLV-CA
• PSLV-QL
• PSLV-DL
• PSLV-XL

Launches Satellites in
• Low inclination LEO
• Sub-GTO
• GTO
Important Launches

• First successful launch – **October 1994**
• Chandrayaan-1 (2008)
• Mars Orbiter Spacecraft (2013)

PSLV is **1st Indian launch vehicle** to be equipped with liquid stages

Geosynchronous Satellite Launch Vehicle (GSLV)
• **4th Gen, 3-staged l**aunched vehicle
• Much more powerful rocket, carries satellites much deeper into space
• Has an indigenous Cryogenic Upper Stage.

Capacity : Delivers communication-satellites
• Carries heavier satellites (~2200 kg to GTO)
• Carries 10,000-kg satellites to LEO

Launches Satellites in

• Primarily **Geosynchronous Transfer Orbit (GTO)**
(~36000 km altitude)

Important Launches : Chandrayaan-2

Launch Vehicle Mark-III

• Aka **GSLV Mk-III**
• 3-stage launch vehicle
(2 solid propellant and 1 core stage comprising liquid and cryogenic stages)

Capacity

• 4,000-kg of satellites into GTO
• 8,000 kg of payloads into LEO

Launches Satellites in

• GTO
• LEO
• Medium Earth orbit (MEO)
• Missions to moon, sun

Mk-III versions have made ISRO entirely self-sufficient in launching its satellites

Small Satellite Launch Vehicle (SSLV) : Developed specifically for small and micro-satellites

Capacity : Satellites up to 500 kg

Launch Limit : 500 km planar orbit (LEO) from
Satish Dhawan Space Centre

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Prelims PYQ 2018

Q. With reference to India's satellite launch vehicles, consider the following statements:

1. PSLVs launch the satellites useful for Earth resources monitoring whereas GSLVs are designed mainly to launch communication satellites.
2. Satellites launched by PSLV appear to remain permanently fixed in the same position in the sky, as viewed from a particular location on Earth.
3. GSLV Mk III is a four-staged launch vehicle with the first and third stages using solid rocket motors, and the second and fourth stages using liquid rocket engines.

Which of the statements given above is/are correct?

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

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Can Data Centres in Orbit solve for AI Models' Energy demand?

SYLLABUS : GS 3 Paper : *IT & Computers, Space Technology*
Newspaper: *The Hindu* **Page Number: 10**

AI in orbit

Google's Project Suncatcher proposes a constellation like Starlink's, but relying on densely choreographed clusters

- Artificial intelligence's (AI) rising **energy** demands have pushed Google to explore solar-powered datacentres located in space
- Its Project Suncatcher proposes **dense** satellite clusters that maintain constant line of sight with the sun to run on solar power
- As with terrestrial AI facilities space-based datacentres require high **internal bandwidth** rather than high downlink speed
- Google has found that its chips can resist radiation well, although **cooling** them remains a significant engineering hurdle
- Economic feasibility depends on launch costs dropping significantly to compete with ground-based technology **prices**

While challenges remain, past successes like Starlink suggest dismissing space technology is often unwise

Heat is on: A datacentre in space will be blasted with solar energy all the time and have to dissipate heat in a vacuum. CREATED WITH NANO BANANA PRO

Google says satellite launch prices will have declined to $200 per kilogram by the mid-2030s and that power savings due to the design of the architecture could lead to a compelling business case. Time will tell if Google – or indeed ISRO, which is also reportedly studying space-based datacentres – will be able to hit all these technological and economic targets while keeping pace with advancements for ground-based datacentres. Microsoft Natick, which tried underwater datacentres to make cooling their systems easier, ultimately abandoned the experiment in spite of its promise.

Datacentres are a growing share of global electricity consumption, and artificial intelligence is driving those power demands up. This is because AI datacentres use dense clusters of graphics processing units (GPUs) for running machine learning workloads, both when training large language models and deploying them. Since the generative AI boom shows no sign of slowing down, datacentres are guzzling more energy than ever, with whatever electricity sources are available. This has pushed Google Research to explore a literally outlandish prospect: launching datacentres into space and running them entirely on solar energy.

Google Research is so confident about this idea that its researchers have already chalked out a few of the main technical challenges and potential solutions.

AI datacentres are different. They need high bandwidth not between the infrastructure they host and the users they serve but within the datacentre itself, and with others situated nearby. For instance, Microsoft's AI datacentre complexes, called Fairwater, have petabit-per-second links between facilities. That is 10 lakh gigabits per second, a million times faster than the best consumer grade internet connection typically offered in Indian metros.

That kind of densely networked architecture is also important for datacentres in space. Since most of the bandwidth would be used for the distributed workloads across multiple satellites, the downlink bandwidth with ground stations is not nearly as important. An analogy is available closer to home: ChatGPT needs these superfast connections in its own infrastructure, but all the user needs the bandwidth for is the query they send and the response they receive.

Project Suncatcher proposes a constellation like Starlink's, but instead of being an evenly spread swarm blanketing the earth, the equipment architecture would rely on densely choreographed clusters, with each satellite no more than a few kilometres from its neighbours, while following an orbit that would always maintain a line of sight with the sun. This combined with technologies like multiplexing, which allows more data to be packed into a single radio beam, would enable the satellites to theoretically distribute their work while having enough power to operate.

Of course, there are many other challenges, and Google is working its way through. One obvious issue is how solar radiation might affect the tensor processing units over years of operation. "While the high bandwidth memory (HBM) subsystems were the most sensitive component, they only began showing irregularities after a cumulative dose of 2 krad(Si) – nearly three times the expected (shielded) five year mission dose of 750 rad(Si)," Google researcher Travis Beals wrote in a post last November about Suncatcher.

"No hard failures were attributable to total ionizing dose up to the maximum tested dose of 15 krad (Si) on a single chip, indicating that Trillium TPUs are surprisingly radiation-hard for space applications."

But datacentres have to be maintained all the time, and once equipment is in orbit, there's no cheap way to reach space for troubleshooting. Another "significant engineering challenge" is thermal management: While liquid cooling is practical in terrestrial datacentres, those in space are going to be blasted with solar energy

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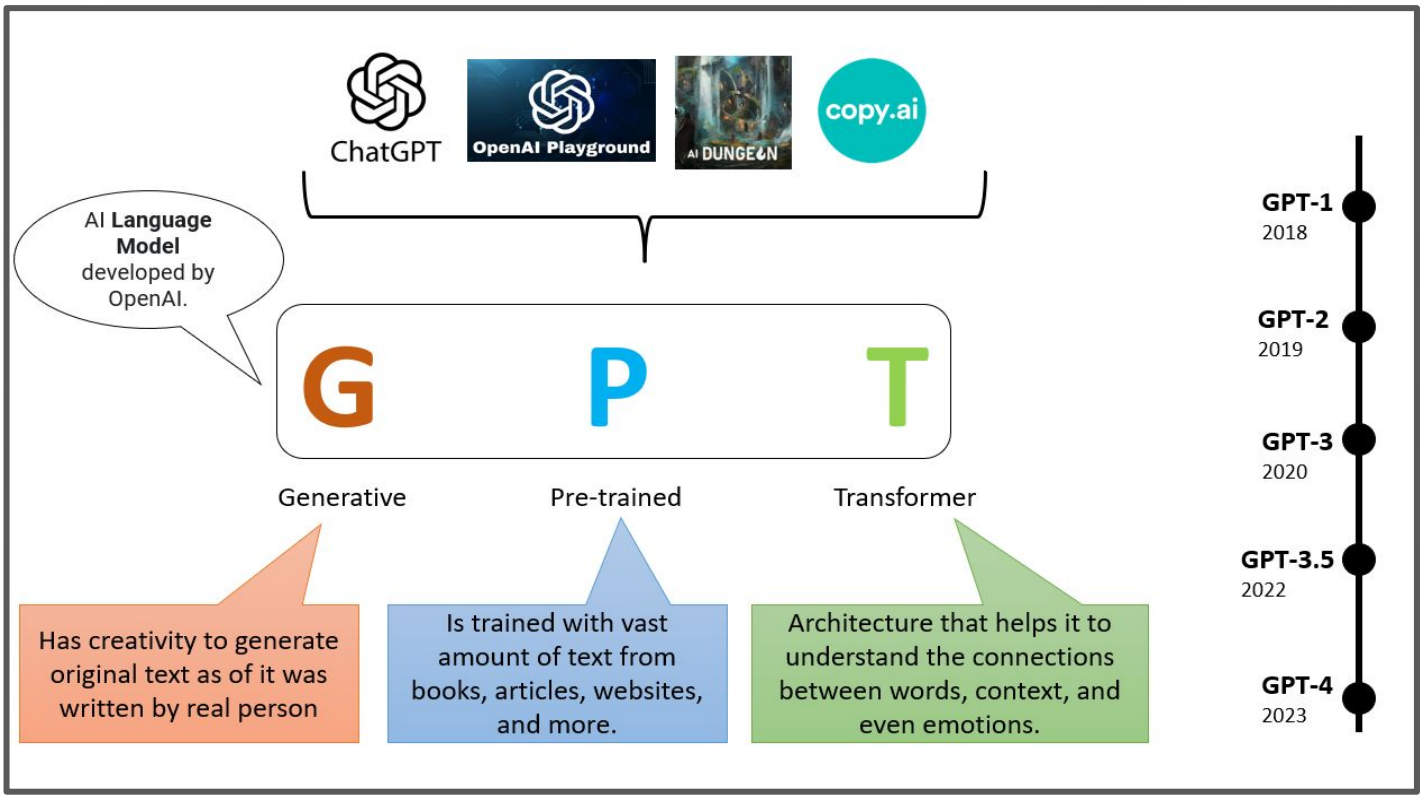

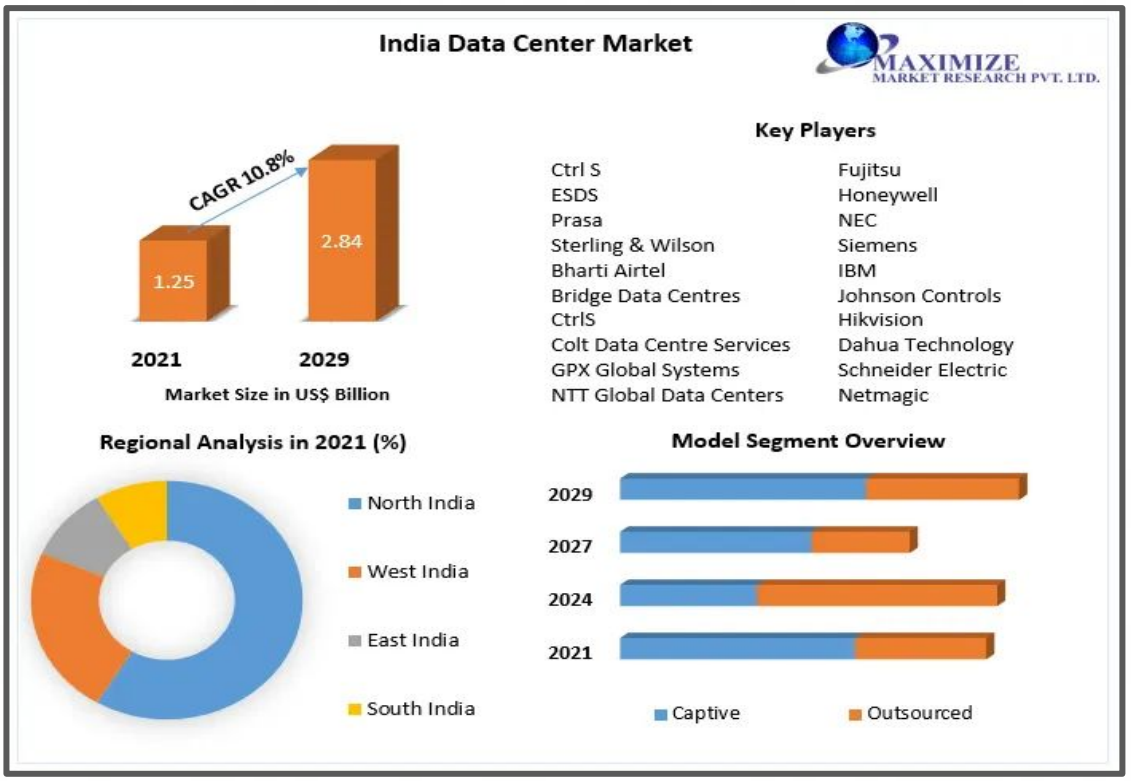

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Uttarakhand Awarded 'Leader' status in Startup India Ranking

SYLLABUS : GS 3 Paper : *Employment, Growth & Development*
Newspaper: *Indian Express* **Page Number: 6**

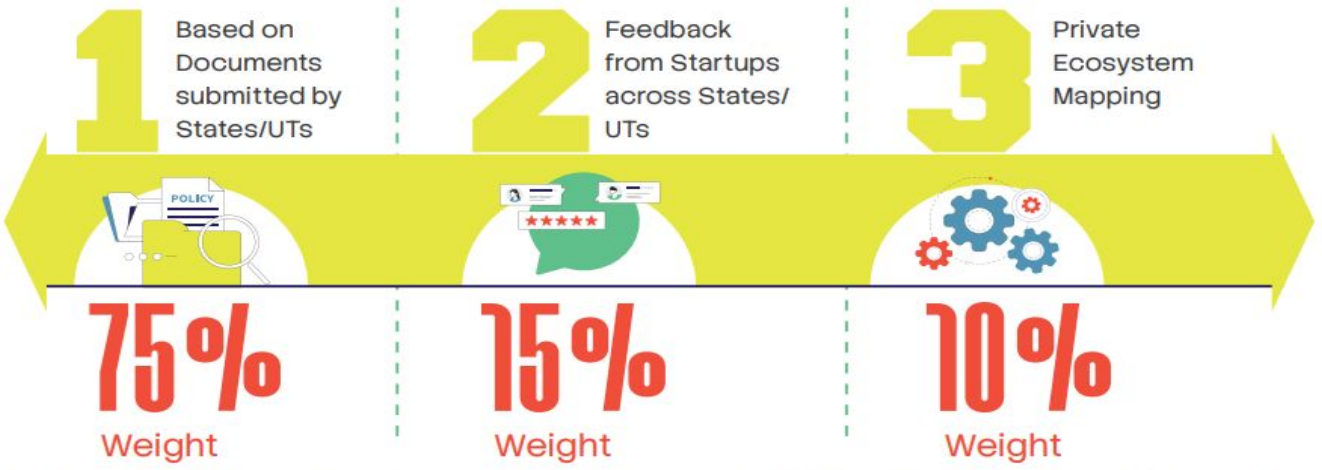
Dehradun: In the 'States' Startup Ecosystem Ranking (5th Edition)', released by the Department for Promotion of Industry and Internal Trade under the Ministry of Commerce and Industry, Uttarakhand has been recognised as a leader for developing a robust startup ecosystem. A Certificate of Appreciation was presented to the state's Industries Department on the occasion of National Startup Day.

"Our government has developed favourable policies, simple processes and a strong ecosystem to promote startups. The state's youth have an incredible potential for innovation, and the government is providing them support at every level," said CM Pushkar Singh Dhami. ENS

4.2.1 Key Pillars of Evaluation

The framework for the 5th edition of States' Startup Ecosystem Ranking has three major pillars as depicted in the diagram below:

Figure 21: Major pillars of the framework



Each of these pillars and their construct has been described in the following sections of the report.

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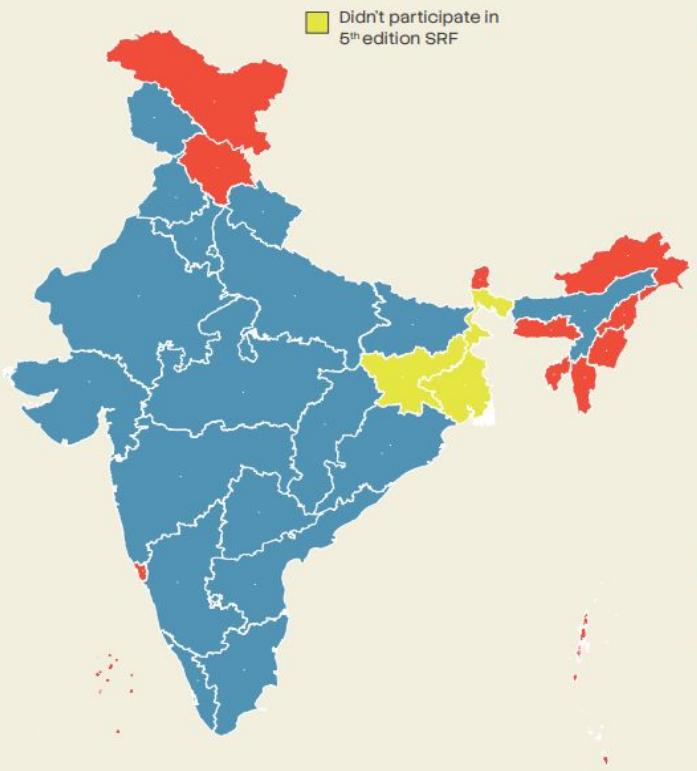
Figure 28: Overview of the Participation of the States/UTs

Participation of States/UTs in 5th edition of States Startup Ecosystem Ranking



No. of documents submitted by 34 States/UTs across 19 Action Points

3800+

No. of Evaluation Committee (EC) meetings for reviewing submissions

12

No. of data points assessed across 19 Action Points and 34 States/UTs

~26 Lakh

Category A States/UTs

A1 States/UTs

1. Bihar
2. Gujarat
3. Karnataka
4. Madhya Pradesh
5. Maharashtra
6. Rajasthan
7. Tamil Nadu
8. Uttar Pradesh

A2 States/UTs

9. Andhra Pradesh
10. Assam
11. Chhattisgarh
12. NCT of Delhi
13. Haryana
14. Jammu and Kashmir
15. Kerala
16. Odisha
17. Punjab
18. Telangana
19. Uttarakhand

Category B States/UTs

1. Andaman and Nicobar Islands
2. Arunachal Pradesh
3. Chandigarh
4. Dadra and Nagar Haveli and Daman and Diu
5. Goa
6. Himachal Pradesh
7. Ladakh
8. Lakshadweep
9. Manipur
10. Meghalaya
11. Mizoram
12. Nagaland
13. Puducherry
14. Sikkim
15. Tripura

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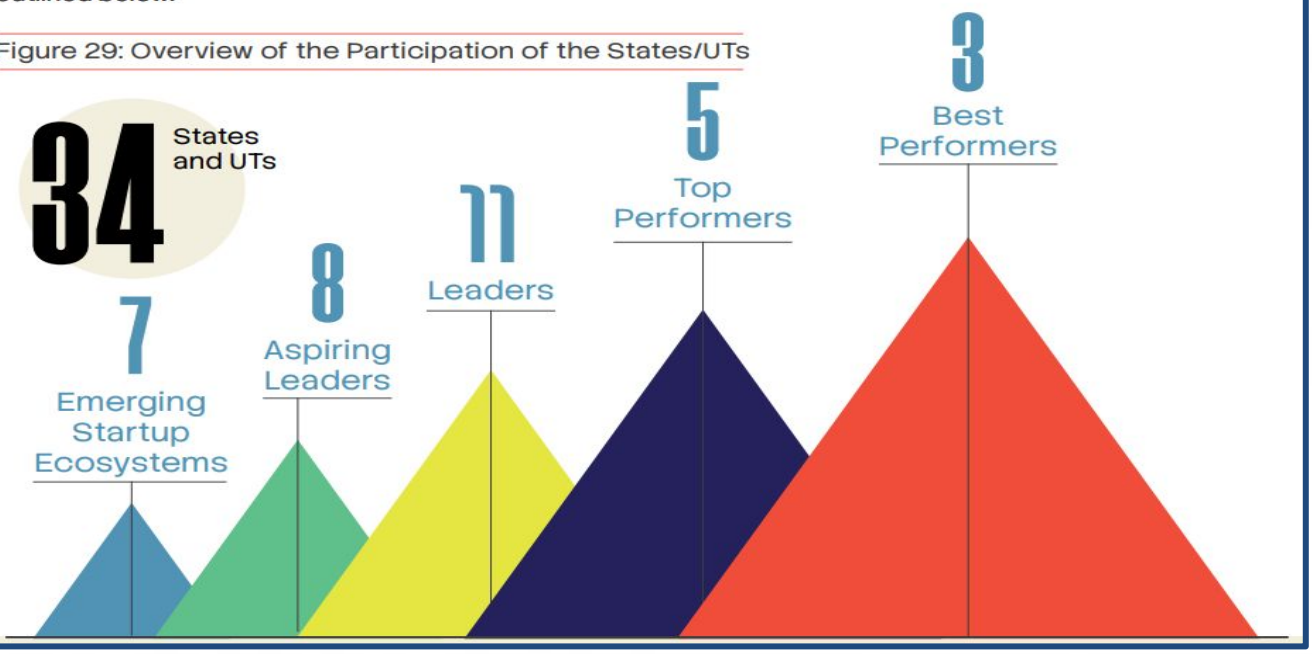
Uttarakhand Awarded 'Leader' status in Startup India Ranking

SYLLABUS : GS 3 Paper : *Employment, Growth & Development*
Newspaper: *Indian Express* **Page Number: 6**

5.2 Overview of Performance

Based on the performance of States and UTs, Category A and B States and UTs have been grouped as outlined below:

Figure 29: Overview of the Participation of the States/UTs



Category A

- **Best Performer**
  Gujarat
- **Top Performer**
  Karnataka, Punjab, Tamil Nadu, Uttar Pradesh
- **Leaders**
  Rajasthan, Kerala, Madhya Pradesh, Uttarakhand, Telangana Maharashtra, Andhra Pradesh, Haryana
- **Aspiring Leaders**
  Odisha, Assam, Bihar, Jammu & Kashmir
- **Emerging Startup Ecosystem**
  Chhatisgarh, NCT of Delhi

Category B

- **Best Performer**
  Arunachal Pradesh, Goa
- **Top Performer**
  Himachal Pradesh
- **Leaders**
  Manipur, Nagaland, Meghalaya
- **Aspiring Leaders**
  Mizoram, Sikkim, Tripura, Andaman and Nicobar Island,
- **Emerging Startup Ecosystem**
  Puducherry, Chandigarh, Ladakh, Lakshadweep, Dadra and Nagar Haveli and Daman and Diu

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Oil and Gas Sector Call for review of cess on Indigenous Production

SYLLABUS : GS 3 Paper : *Mobilization of Resources*
Newspaper: *The Hindu* **Page Number: 9**

Saptaparno Ghosh
NEW DELHI

In the run-up to the Union Budget presentation February 1, the petroleum industry has sought the government consider reviewing the oil industry development board (OID) cess alongside providing incentives to enable a further boost to exploration activities, both mature and frontier fields, and a push for upgrading refinery capacity as a catalyst to assist diversification efforts

sough the OID cess be reviewed. It is levied at 20% on an ad-valorem basis on the production from nomination blocks. "What the industry wants is the cess could be sought as per a slab-system, on an incremental basis as per the oil prices," they stated, noting that global oil prices are subject to fluctuations.

HOME / NEWS / INDIA / TAMIL NADU

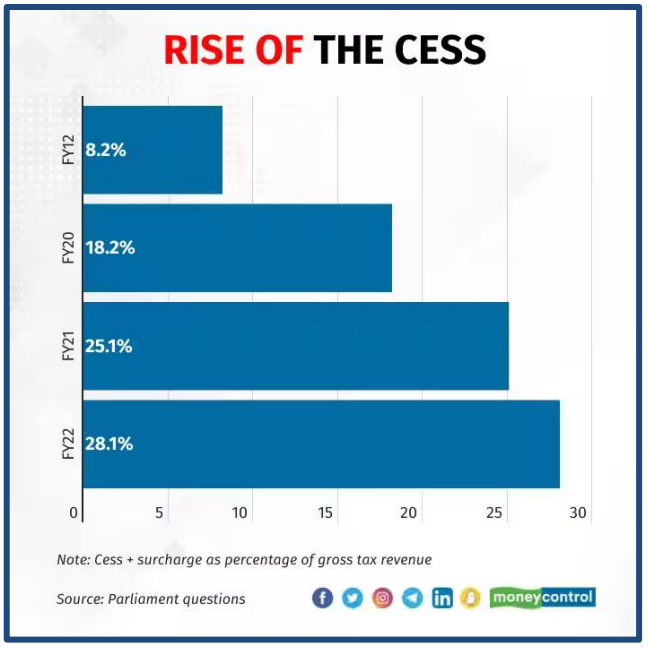
Tamil Nadu revokes 1% market cess levied on maize

The decision followed representations received from farmers in this regard

Published - March 07, 2025 11:35 am IST - CHENNAI

THE HINDU BUREAU

Surcharge	Cess
Goes directly to CFI	Goes directly to CFI, but its **utilization is restricted**
Can be used for **any purpose**	Can be used **only for a specific purpose**
No sharing with States	**Generally No sharing** with States (Exceptions)



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Fugitive Economic Offenders

SYLLABUS : GS 3 Paper : Government Policies & Interventions
Newspaper: *Indian Express* **Page Number: 2**

Fugitive Economic Offenders Act (FEOA), 2018

Objective

Confiscate properties of economic offenders who flee India to avoid criminal prosecution.

Fugitive Economic Offender (FEO):

- Arrest Warrant Issued
- Economic Offences ≥ **₹100 Crore**
- Involved in Fraud, Money Laundering, Cheque Bounce, etc.

Declaration as FEO

- Declared by **Special Court** (PMLA)
- **Court can Confiscate:**
  - Proceeds of Crime
  - Benami Properties
  - Other Assets (India & Abroad)

Scheduled Offences

- Counterfeiting Currency
- Cheque Dishonour
- Money Laundering
- Fraudulent Deals

Bar on Civil Claims

- FEO Cannot File or Defend Civil Cases
- Applies to Companies/LLPs:
  - Majority Shareholder
  - Promoter
  - Key Manager

Effect of Confiscation

- Property Vests in **Central Government**
- Govt. Appoints **Administrator**

Powers under FEOA

- Search & Seizure
- Search of Persons
- Seize Documents & Assets

Provisional Attachment

- Assets Temporarily Attached While FEO Application Pending

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Fugitive Economic Offenders

SYLLABUS : GS 3 Paper : Government Policies & Interventions
Newspaper: *Indian Express* **Page Number: 2**

Prevention of Money Laundering Act (PMLA), 2002

Money Laundering

Concealment or disguise of illegally obtained proceeds to appear lawful.

Ofren linked to crimes like drug trafficking, extortion, fraud.

IMF estimate: **2–5% of global** GDP involved in money laundering.

Punishment

- **Rigorous imprisonment:**
  - Minimum 3 years, maximum 7 years + fine
  - Up to **10 years** if linked to NDPS Act, 1985

Attachment of Property

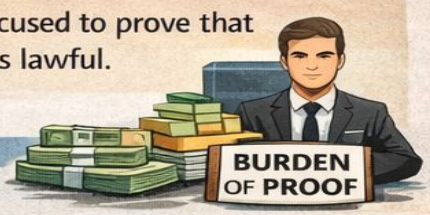
- Property suspected as proceeds of crime:
- Provisionally attached for **180 days**
- Must be confirmed by Adjudicating Authority

Investigating Agencies

- **Enforcement Directorate** (ED):
  - Investigation & enforcement
  - **FIU-IND:**
  - Receives, analyses, and shares suspicious transaction data

Burden of Proof

- Lies on the accused to prove that the property is lawful.



Enforcement Directorate (ED)

- **About**
  - Specialized financial investigation agency
  - Under Department of Revenue, Ministry of Finance
- **History**
  - 1956: Formed as **Enforcement Unit** (FERA, 1947)
  - 1957; Renamed as **Enforcement Directorate**

Laws Enforced

- **Foreign Exchange Management Act** (FEMA), 1999
- Prevention of Money Laundering Act (PMLA), 2002

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Fugitive Economic Offenders

SYLLABUS : GS 3 Paper : Government Policies & Interventions
Newspaper: *Indian Express* **Page Number: 2**

3. With reference to the Government of India, consider the following information :

	Organization	Some of its functions	It works under
I.	Directorate of Enforcement	Enforcement of the Fugitive Economic Offenders Act, 2018	Internal Security Division–I, Ministry of Home Affairs
II.	Directorate of Revenue Intelligence	Enforces the Provisions of the Customs Act, 1962	Department of Revenue, Ministry of Finance
III.	Directorate General of Systems and Data Management	Carrying out big data analytics to assist tax officers for better policy and nabbing tax evaders	Department of Revenue, Ministry of Finance

In how many of the above rows is the information correctly matched?

(a) Only one *(b)* Only two
(c) All the three *(d)* None

Prelims Practise Question 2025

The Analyst Handout

18th January 2026

Daily Quiz

Q1. Consider the following statements regarding the Fugitive Economic Offenders Act 2018:

1. A person is considered a fugitive economic offender if he/she has committed a fraud of more than ₹100 crore.
2. Cheque dishonour & counterfeiting currency have been kept out of the ambit of "Scheduled Offences".
3. The Special Court can give an order to confiscate the properties of a proven offender even in a foreign country.

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

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

Answer: b

Q2: Consider the following statements regarding the States Startup Ecosystem Ranking (5th edition):

1. It is released by the Department for Promotion of Industry & Internal Trade (DPIIT) under the Ministry of Commerce.
2. Uttar Pradesh has been recognised as a leader for developing a robust startup ecosystem.
3. Odisha & Bihar rank in the category of "Top Performers" in the latest edition.

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

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

Answer: a

Q3. Consider the following statements:

1. The ISRO chairman is Secretary to the Department of Space, which functions directly under the Prime Minister's Office (PMO)
2. ISRO generally uses the Small Satellite Launch Vehicle for the launch of communication satellites weighing 1000-2000 kgs.

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: a

Q4. Regarding the Production Linked Incentive Scheme, consider the following statements:

1. The scheme is implemented only in the electronics sector.
2. It is a central sector scheme funded by the Government of India.

Which of the statements given above is/are NOT correct?

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

Answer: a

Q5. Consider the following statements:

1. A surcharge is a tax added on top of the standard prices of the goods
2. A cess is a specific type of tax added onto the existing taxes to fund a particular purpose.
3. Both Surcharge & cess collected by the authorities go directly to the Consolidated Fund of India.

Which of the statements given above is/are correct?

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

Answer: b

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