

Topics of Discussion:

1. Question mark over role of IndiGo high-profile board, its risk committee in run-up to crisis
2. Parliament panel likely to summon top IndiGo officials
3. Students suicides in india.
4. About the “Hindu Rate of Growth”
5. Economy beyond headline numbers – better jobs, green growth needed
6. South Asia needs climate solidarity
7. Why the rupee has a capital account problem
8. How hate speech is regulated in India, and what a Karnataka Bill has proposed

Question mark over role of IndiGo high-profile board, its risk committee in run-up to crisis

Syllabus:

Preliminary Examination: Current events of national and international importance

Mains Examination: General Studies-II: Government policies and interventions for development in various sectors and issues arising out of their design and implementation

What's the ongoing story: THE CRISIS at IndiGo that has caused widespread disturbance in passenger movement over the last five days has put a question mark on the effectiveness of the airline's board, which amongst others includes a former capital markets regulator, an ex-Indian Air Force chief, a former G20 sherpa, and an ex-chair of the US aviation administrator.

Key Points to Ponder:

- What are the Flight Duty Time Limitations (FDTL)?
- What is the role and function of the Directorate General of Civil Aviation?
- Indigo is Indigo hit harder than other airlines- what are the reasons?
- Understand all the events that led to this Indigo crisis – who are the stakeholders?
- Know about the Federation of Indian Airlines (FIA) and International Air Transport Association (IATA)
- What are the problems facing the aviation sector?
- Can a Parliamentary committee summon anyone to aid in investigation?

Key Takeaways:

— On Saturday, IndiGo issued a statement that its board met the first day the problem of cancellations and delayed flights arose and received a detailed briefing from the management. The board members then met separately and decided to set up a Crisis Management Group comprising Chairman Vikram Singh Mehta, directors Gregg Saretsky, Mike Whitaker (ex-FAA chief), Amitabh Kant (ex-CEO, Niti Aayog) and CEO Pieter Elbers. This group has been meeting regularly to monitor the situation and there have been multiple telephonic discussions too with other board members, the statement said.

— But the key question before the board is: how frequently did it seek updates from the management about the preparatory steps to meet the new Flight Duty Time Limitations (FDTL or pilot rest rules) despite these being stipulated by the Directorate General of Civil Aviation almost two years ago in January 2024.

— The new pilot rest rules were originally meant to be implemented from June 1, 2024. But these were deferred in March 2024 following resistance from airlines. Finally, the new FDTL was to be implemented in two phases — July 1, 2025 and November 1, 2025 — as informed by the DGCA and the government to the [Delhi](#) High Court in April this year.

— The airline's failure to adapt to stricter pilot rest rules, leading to crew unavailability, happened despite being in the know for nearly 24 months. It is not clear if the DGCA was monitoring the preparation by airlines over the last six months.

— A perusal of IndiGo's annual reports for the last two years, 2023-24 and 2024-25, shows there is no mention of the new FDTL even once, not even in the airline's risk management reports.

— A DGCA probe is now underway on what exactly went wrong that sent IndiGo into a tailspin this week. Given the scale of the disruption, the government and the regulator blinked and granted the airline certain temporary exemptions from the new crew rest and duty norms that it had sought to stabilise its operations and schedule.

Parliament panel likely to summon top IndiGo officials

— Days after the **Government set up a committee to probe** the unprecedented wave of flight cancellations over the past week by IndiGo, the country's largest carrier is set to face further scrutiny with the Parliamentary Committee on Transport, Tourism and Culture likely to summon its top officials over the issue.

— The committee, chaired by JDU MP Sanjay Kumar Jha, is also likely to question officials from the Ministry of Civil Aviation to know “what they have been doing” and representatives of other private airlines “to find out how they got their act together but IndiGo failed”, the sources said.

Do You Know:

— The new FDTL rules were implemented in two phases—from July 1 and November 1—with the aim of better managing pilot fatigue, which is a key risk to aviation safety. Under the new rules, the weekly rest period for pilots was increased to 48 hours from 36, and night landings were limited to two from six earlier.

— The new norms also extended the definition of night hours and capped consecutive night duties to just two days a week. The night duty-related changes took effect from November 1, and started impacting IndiGo’s flight operations, as the airline operates a significant number of night-time flights and follows a model that relies on high utilisation rates for aircraft and crew.

Previous year UPSC Mains Question Covering similar theme:

Examine the development of Airports in India through joint ventures under Public–Private Partnership (PPP) model. What are the challenges faced by the authorities in this regard? (UPSC CSE 2017)

Student Suicides in India

Context:

The tragic death of 16-year-old *Shourya Patil* in Delhi has once again spotlighted the urgent issue of how Indian schools manage bullying, distress, and mental-health crises. The steady rise in student suicides reflects systemic gaps in emotional safety and mental-health support, rather than isolated individual failings.

Rising Trends in Student Suicides

- Sharp escalation in numbers:
According to *NCRB data*, student suicides rose from 8,423 in 2013 to 13,892 in 2023, marking a 65% increase — a growth rate far higher than the overall national suicide rate.
- Younger age groups affected:
Cases involving children between 9 and 17 years have become increasingly common, suggesting that psychological stress is no longer limited to older students or those facing board examinations.
- Exam-driven pressure:
States such as *Telangana* and *Uttar Pradesh* have reported suicide clusters during examination seasons, exposing the deep-rooted flaws in India’s marks-oriented, high-pressure education model.
- Post-pandemic behavioural shifts:
The aftermath of COVID-19 has seen many students struggle with emotional detachment, excessive

screen time, and disrupted social interaction — all of which have weakened their coping mechanisms.

Institutional Gaps in Student Mental Health

- Severe shortage of mental-health professionals:
As per *UNICEF (2024)*, nearly 23% of school-going children display symptoms of mental distress. Yet, most educational institutions lack trained counsellors or dedicated mental-health services.
- Neglect of early warning signs:
Behavioural cues like irritability, withdrawal, or sudden academic decline often go unrecognized or are dismissed as normal adolescent mood changes.
- Weak enforcement of legal mandates:
Despite the *Supreme Court's 2025 directive* for mandatory helplines, counsellors, and sensitised school staff, compliance remains inconsistent nationwide.
- Inadequate infrastructure and funding:
Only a small fraction of schools allocate resources for psychological support, mental-health programs, or safe confidential spaces where students can seek help.
- Limited access to child-centred therapy:
Shortages in paediatric mental-health specialists and lack of affordable treatment options leave many children without care.

Role of Schools and Families

- Harsh academic culture:
Practices like grading-based punishment, public shaming, and comparison among peers erode self-worth and deepen feelings of inadequacy.
- Bullying minimized or ignored:
Bullying — whether verbal, social, or physical — often goes unaddressed, despite being a major risk factor for emotional trauma.
- Lack of teacher readiness:
Teacher-training programs rarely focus on mental-health awareness or basic psychological first aid, leaving educators ill-equipped to identify or intervene in crises.
- Erosion of family emotional support:
With fast-paced lifestyles and growing digital distractions, parental presence and emotional engagement have declined, making children more vulnerable to isolation.
- Impact of digital and social-media pressure:
Online exposure fosters body-image anxiety, impulsivity, and feelings of inadequacy, amplifying self-harm tendencies among youth.

Policy and Systemic Reforms Needed

1. Mandatory School Mental-Health Systems
 - Require every school with over 100 students to employ at least one qualified counsellor.
 - Set up crisis-response units and anonymous grievance channels.
 - Ensure helplines and structured follow-up for students identified as at-risk.
2. Reform in Examination and Evaluation Practices
 - Replace single high-stakes exams with phased, project-based assessments.

- Limit homework and coaching intensity; provide rest periods during exam cycles.
3. Teacher Training and Accountability
 - Integrate mental-health sensitivity and emotional first aid in teacher education.
 - Strictly enforce bans on ridicule, threats, or coercive disciplinary tactics.
 4. Promotion of Emotional Literacy
 - Introduce *Social and Emotional Learning (SEL)* in curricula to build empathy, communication, and resilience.
 - Encourage peer-support circles and structured “circle-time” discussions.
 5. Implementation of Anti-Bullying Norms
 - Establish child-protection committees under the *JJ Act* and *POCSO*.
 - Conduct regular audits on school safety, reporting mechanisms, and teacher conduct.
 6. Parent–School Collaboration
 - Organize workshops for parents on emotional wellbeing, technology management, and active listening.
 - Develop joint intervention plans for students showing early signs of distress.

Conclusion

The alarming rise in student suicides reflects a rigid, punitive education system that emphasizes marks over mental health and emotional growth. Sustainable change demands that schools evolve into empathetic spaces where every child feels safe, supported, and valued. India must move beyond symbolic outrage and commit to comprehensive, structural reform that protects the mental well-being of its youth.

About the “Hindu Rate of Growth”:

The term “*Hindu rate of growth*” describes India’s prolonged period of sluggish GDP growth — averaging around **3.5–4% annually** — from the **1950s to the 1980s**, before the introduction of the 1991 economic reforms. It refers purely to the *long-term rate of real GDP growth* and carries no religious interpretation in economic theory.

Origin:

The expression was coined in the **late 1970s (around 1978)** by **economist Raj Krishna** of the **Delhi School of Economics**, who used it to highlight India’s persistent economic stagnation during that era.

Key Characteristics:

- **Slow and Steady Growth:**
For nearly three decades, India’s GDP growth remained at about 3.5–4% per year. When adjusted for population growth, per capita income increased even more slowly, revealing structural weaknesses in the economy.
- **Consistency Despite Challenges:**
The growth rate showed little variation even in the face of wars, famines, political instability, and policy shifts. This stability signaled a system deeply entrenched in low productivity and limited

flexibility.

- **Licence–Permit–Quota Raj:**

India's economy during this time was governed by strict controls — industrial licensing, import restrictions, high tariffs, and a large public sector. These measures limited private enterprise, innovation, and competition, keeping growth subdued.

- **State-Dominated Mixed Economy:**

The government controlled key industries, trade, and finance while pursuing a planned development model. This heavy state presence curbed market-driven efficiency and discouraged foreign investment.

- **Comparison with East Asia:**

While India's growth hovered around 3.5%, nations like **South Korea and Taiwan** witnessed **7–10% annual growth**, highlighting India's underperformance relative to other post-colonial economies.

- **Gradual Acceleration in the 1980s:**

By the 1980s, growth rates rose to around **5.6–5.8%**, indicating that India had begun to move past its earlier stagnation. This improvement was largely due to **incremental liberalization and internal reforms** implemented before the watershed 1991 liberalization.

Recent Debate:

The term has faced criticism for being misleading. Some argue that calling it the "*Hindu rate of growth*" unfairly associates India's pre-reform economic sluggishness with Hindu culture or identity, giving the phrase a communal and colonial undertone.

Vande Mataram at 150: Rallying cry of freedom fighters to Sangh favourite

Syllabus:

Preliminary Examination: History of India and Indian National Movement

Mains Examination: General Studies-I: Modern Indian history from about the middle of the eighteenth century until the present – significant events, personalities, issues

What's the ongoing story: Metamorphosing from a song written by Bankim Chandra Chattopadhyay, Vande Mataram became the symbol of protest against the Partition of Bengal in 1905 and soon afterwards caught national imagination as the rallying cry of the freedom struggle, becoming a fixture at Congress sessions before Independence.

Key Points to Ponder:

— What is the cultural significance of Vande Mataram?

— Who sang Vande Matram for the first time?

— What is the significance of Vande Matram in the independence movement?

- What was the reason for the partition of Bengal in 1905?
- What were the aftermath of the partition of Bengal?
- Who was the Governor general at that time?
- Understand the historical background in which Vande Matram was written?
- What was the sanyasi movement?

Key Takeaways:

- On Monday, Parliament will discuss Vande Mataram for 10 hours on the occasion of its 150th anniversary, with Prime Minister Narendra Modi set to initiate the debate on the government's behalf.
- The song, which was partly written in Sanskrit and partly in Bengali, was composed in 1875 and included in Chattopadhyay's novel *Anandamath* in 1881 during its serialisation in the magazine *Bangadarshan*. During the 1896 Congress session in Calcutta, Rabindranath Tagore set it to tune and sang it for the first time.
- The widespread use of the song — Vande Mataram means "Mother, I bow to you" — began only after it captured popular imagination during the movement against Lord Curzon's Partition of Bengal of 1905. It transcended the province, with the use of Sanskrit making it relatable in large parts of the country.
- *Anandamath*, published as a book in 1882, tells the story of a rebellion of *sanyasis* against Muslim conquerors. The song appears in the novel when Mahendra, a householder, meets Bhavananda, a fighting monk, who sings the first few lines.
- A curious Mahendra then seeks to know who this mother was, but Bhavananda sings the next few lines instead of answering. When a perplexed Mahendra tells the monk he is singing about the country, not a mother, Bhavananda responds, his eyes welling up with tears, "We know no other mother... except the land that gave us birth."
- Even as the song acquired rapid popularity because it represented the zeal to free the country, it got mired in controversy. Objections began to emerge from sections of Muslims that it was an invocation to a Hindu goddess.
- The Congress Working Committee (CWC) stepped in and adopted a lengthy resolution in October 1937, R K Prabhu writes in *Bankim Chandra Chatterjee and the Vande Mataram Song* that is available at the Prime Minister's Museum and Library (PMML).

— The CWC, the resolution said, felt “that past associations, with their long record of suffering for the cause, as well as popular usage, have made the first two stanzas of this song a living and inseparable part of our national movement and as such they must command our affection and respect”.

— When the question of the choice of the national anthem came before the Constituent Assembly, Tagore’s Jana Gana Mana was chosen over Vande Mataram, with Nehru explaining in a note to the Cabinet on May 21, 1948, that Jana Gana Mana was more amenable to orchestral rendering than Vande Mataram, which was “deeply respected” by Indians. He said except for the Governor of Central Provinces, the other Governors also had the same opinion.

— Last month, at the inauguration of the year-long celebrations to commemorate 150 years of ‘Vande Mataram’, Prime Minister Narendra Modi spoke about important stanzas dropped from the national song in 1937, how the song “was broken and cut into pieces”, and that “its division sowed the seeds of the division of the nation and divisive politics, which remains a challenge”.

Do You Know:

— Of all the Viceroys of India, Lord Curzon is possibly the most criticised — he is the man who partitioned Bengal in 1905, and triggered a wave of Bengali nationalism that contributed to the wider Indian national movement.

— He was also one of the more openly imperialist of viceroys, and a man who saw Britain’s rule over India as critical to the survival of empire. In 1900, Curzon famously stated, “We could lose all our [white settlement] dominions and still survive, but if we lost India, our sun would sink to its setting.”

— Curzon created a separate Muslim majority province of the North-West Frontier Province, sent a British expedition to Tibet, established a separate police service, and established the Archaeological Survey of India, in order to study and protect historical monuments. (Barbara and Thomas Metcalf, ‘A Concise History of Modern India’)

— In July 1905, [Curzon announced the partition of Bengal](#) into two provinces. East Bengal and Assam, with a population of 38 million, was predominately Muslim, while the western province, called Bengal, was reduced to 55 million people, primarily Hindus.

— Protests began almost immediately after the announcement, with meetings taking place in more than 300 cities, towns, and villages across Bengal. (Ishita Banerjee-Dube, ‘A History of Modern India’) The educated Bengali bhadralok saw this move as an attempt to break apart their homeland, and curb their

influence in the region, while later nationalists would argue that it was indicative of the British's divide and rule policy.

Previous year UPSC Prelims Question Covering similar theme:

(1) The Partition of Bengal made by Lord Curzon in 1905 lasted until (UPSC CSE 2014)

- (a) the First World War when Indian troops were needed by the British and the partition was ended
- (b) King George V abrogated Curzon's Act at the Royal Durbar in Delhi in 1911
- (c) Gandhiji launched his Civil Disobedience Movement
- (d) the Partition of India in 1947 when East Bengal became East Pakistan

(2) Which among the following events happened earliest? (UPSC CSE 2018)

- (a) Swami Dayanand established Arya Samaj.
- (b) Dinabandhu Mitra wrote Neeldarpan.
- (c) Bankim Chandra Chattopadhyay wrote Anandmath.
- (d) Satyendranath Tagore became the first Indian to succeed in the Indian Civil Services Examination

Economy beyond headline numbers – better jobs, green growth needed

Syllabus:

Preliminary Examination: Current events of national and international importance

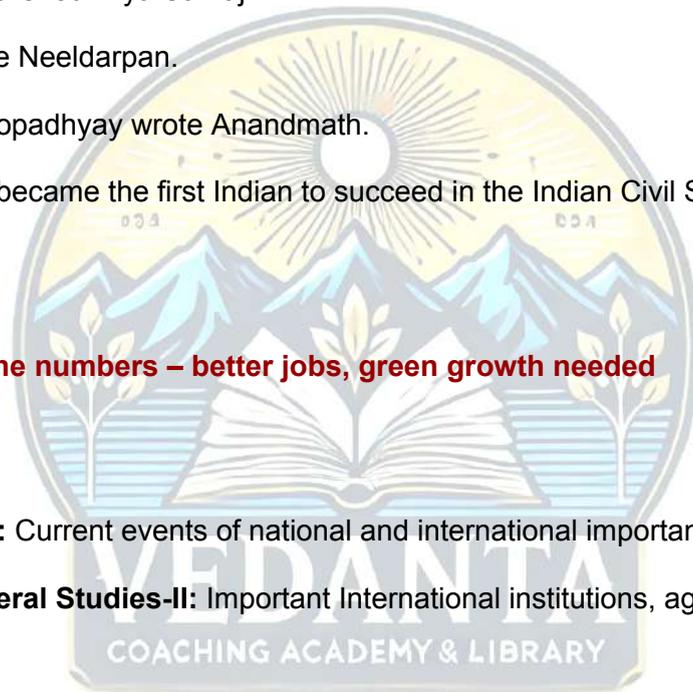
Mains Examination: General Studies-II: Important International institutions, agencies and fora- their structure, mandate

General Studies-III: Indian Economy and issues relating to planning, mobilisation, of resources, growth, development and employment

What's the ongoing story: Ashok Gulati and Bidisha Chanda wrote: A few months ago, US President Trump called India a "dead economy". But the second-quarter (Q2FY26) GDP growth of 8.2 per cent only underscores how ignorant his remarks were. However, even as we celebrate India's economic growth, the IMF has handed a "C" grade to the national accounts that underpin this claim.

Key Points to Ponder:

- What is the role and function of the International Monetary Fund (IMF)?
- What shortcomings has the IMF highlighted in India's GDP and other macroeconomic statistics?
- What is the significance of the revision of the GDP, CPI, and IIP base years?



- What are the implications of a C-grade for national accounts on India's international credibility?
- Why is providing transparent data on the domestic economy important for foreign investors' trust?
- What is the base year?
- What are the concerns related to the base year of GDP?

Key Takeaways:

- That should make us pause. If there are shortcomings in the data, we need to be more transparent to earn global trust in the final GDP numbers. That is also important, as global investors make their investment decisions based on the credibility of information about the economy's performance, as well as political stability.
- Two questions are important when we look at India's growth story beyond GDP numbers. First, is this growth creating enough productive jobs in the formal sector? And second, how green is this growth? Let us dig a little deeper for answers to these critical questions.
- On the jobs front, the picture is less comforting. Nearly 46 per cent of the workforce remains engaged in agriculture (PLFS, 2023-24), and this sector has grown by just 3.5 per cent in Q2FY26. That's not enough to support any meaningful structural transformation, and the potential revolution in manufacturing cannot take place without mass demand from rural areas.
- The Fund has flagged that India's GDP calculations continue to rely on a 2011-12 base year, now more than 13 years old, when global best practice is to update the base every five years to capture structural change.
- The deeper concern, however, is the persistent underestimation of the informal sector, which remains largely unregistered and outside formal statistical systems. As a result, it is chronically undercounted, leading to mismeasurement of GDP levels and economic growth, as well as employment trends and welfare outcomes.
- Our second question is: How green is our growth? On one hand, Prime Minister Narendra Modi articulates an ambitious green vision. On the other hand, IQAir, a Swiss-based air quality technology firm, ranks [Delhi](#) as the second most polluted city at this very moment. Data from AQI.in goes further — 45 of the top 50 most polluted cities globally are in India, with Delhi occupying the top spot.
- All this brings us back to a simple but crucial point: Headline numbers may shine, but having meaningful growth requires getting the fundamentals right. The first task is to generate productive, formal-sector jobs. It

requires accelerating private investment, improving ease of doing business, and aligning skilling programmes with actual labour-market demand.

— Second, India must modernise its statistics architecture, update the GDP base year, institutionalise high-frequency economic data, and strengthen national accounts to reflect the true economy. Third, environmental sustainability can no longer remain an afterthought.

Do You Know:

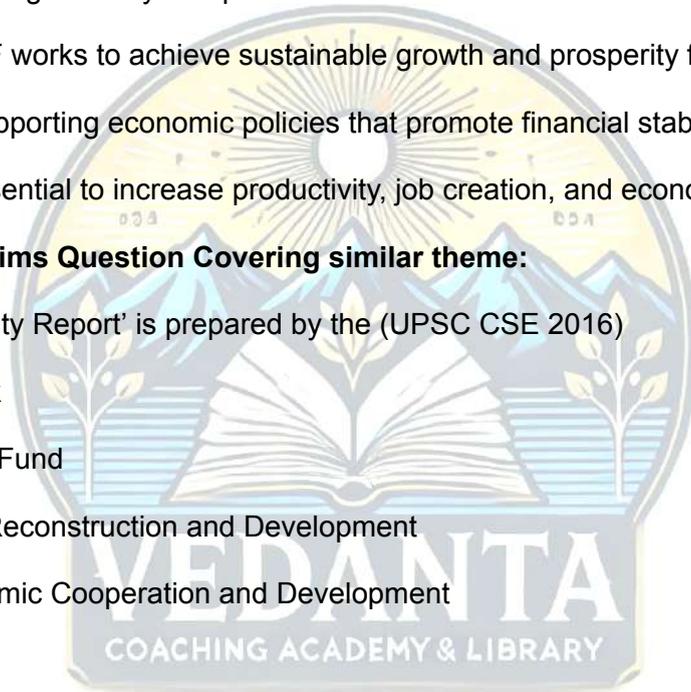
— IMF's ratings range from A to D. An A rating is given when the data is adequate for IMF surveillance, while B is used for data that has "some" shortcomings but is "broadly adequate". C rating is for data with "some" shortcomings which "somewhat hamper surveillance". Finally, a D rating is used when the data has "serious shortcomings that significantly hamper surveillance".

— Set up in 1945, the IMF works to achieve sustainable growth and prosperity for all of its 191 member countries. It does so by supporting economic policies that promote financial stability and monetary cooperation, which are essential to increase productivity, job creation, and economic well-being

Previous year UPSC Prelims Question Covering similar theme:

(3) 'Global Financial Stability Report' is prepared by the (UPSC CSE 2016)

- (a) European Central Bank
- (b) International Monetary Fund
- (c) International Bank for Reconstruction and Development
- (d) Organization for Economic Cooperation and Development



South Asia needs climate solidarity

Syllabus:

Preliminary Examination: Indian Polity and Governance – Constitution, Political System, Panchayati Raj, Public Policy, Rights Issues

Mains Examination: General Studies-II: Important International institutions, agencies and fora- their structure, mandate.

General Studies-III: Conservation, environmental pollution and degradation, environmental impact assessment

What's the ongoing story: Sanjay Jaiswal, Ugyen Tshering, LM Abeywickrama and Mohamed

Ibrahim wrote: With the conclusion of COP30 in Brazil, the message is unmistakable: The world has now slipped past the 1.5 °C threshold, and the window for meaningful action is rapidly narrowing. Despite urgent warnings from the UN Secretary-General and decades of promises, the Global North continues to fall short on its commitments to finance, equity, and climate justice — even 30 years after the Earth Summit first set a collective direction in this very country.

Key Points to Ponder:

- What is regional climate multilateralism as proposed by the authors?
- What is the Paris Agreement?
- What are the major climate initiatives taken at a global level? How have they performed?
- What is the One Sun One World One Grid initiative?
- “Climate action is no more a matter of policy debate but more a matter of how we do it most cost effectively.” Elaborate.
- What were the major outcomes of COP30?
- What is the role played by the Global South in taking climate actions?

Key Takeaways:

- With the Paris Agreement struggling to deliver ambition at the scale and pace required, the calls for a renewed, reimagined form of climate multilateralism, one shaped by the priorities, realities, and leadership of the Global South, have become more compelling than ever.
- In this moment of reckoning, we — parliamentarians from some of the world's most climate-vulnerable South Asian countries — put forward the idea of regional climate multilateralism as a concrete response to that call.
- Such a framework must enable South Asian nations to pool scale, resources, knowledge, and diverse climate needs, while sharing technological and financial capacities in sectors where transformation cannot wait.
- South Asia has been living with the intensifying impacts of climate change for well over a decade. Studies show that by 2050, the region could face economic losses amounting to nearly 1.8 per cent of its annual GDP due to floods, sea-level rise, extreme heat, and droughts — alongside irreversible non-economic losses in the form of lives, livelihoods, cultural practices, and traditions.

— It is therefore imperative that South Asian countries create robust institutional mechanisms to respond to the climate emergency. Moving in this direction would mean that willing South Asian nations take the initiative to establish a shared regional body — potentially named the South Asian Climate Cooperation Council (SACCC) or the South Asian Climate Change Coalition — hosted on a rotational basis and guided by clearly defined priority areas for collaborative action.

— The idea of such a regional coalition on urgent security, climate and disaster risk is not new. For instance, the Quad coalition of disparate countries was born following the 2004 Indian Ocean tsunami. Other regions from the Global South have also demonstrated this.

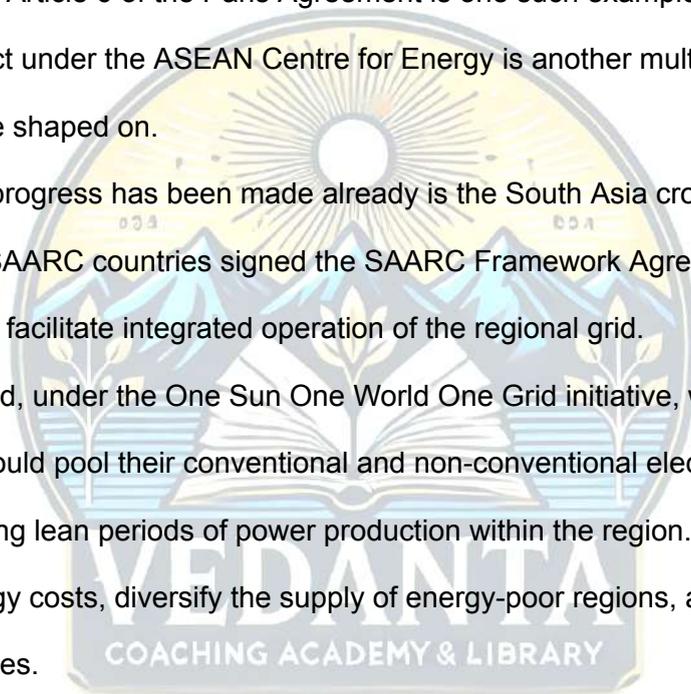
— The Eastern (or Western) Africa Alliance on Carbon Markets and Climate Finance formed to facilitate the market mechanisms under Article 6 of the Paris Agreement is one such example. The ASEAN Climate Change and Energy Project under the ASEAN Centre for Energy is another multilateral initiative that the proposed SACCC could be shaped on.

— One area where some progress has been made already is the South Asia cross-border power system connectivity. In 2014, the SAARC countries signed the SAARC Framework Agreement for Energy Cooperation (Electricity) to facilitate integrated operation of the regional grid.

— It could also be extended, under the One Sun One World One Grid initiative, wherein Bangladesh, Bhutan, Nepal and India could pool their conventional and non-conventional electricity resources and transmit to each other during lean periods of power production within the region. Further, it carries the potential to lower the energy costs, diversify the supply of energy-poor regions, and tap renewables and low-carbon energy resources.

— Among the many provisions, there are three themes or pillars that could serve as the contours of the proposed body: First, a **regional knowledge sharing and innovation hub**. South Asia should establish regional innovation centres co-managed by multiple nations to gain from the complementarity of neighbouring countries' practice-based knowledge.

— A critical second pillar could be a **South Asia Green Climate Finance Facility**. It is evident that translating these solutions into climate action remains contingent on the availability of finances (regional and international). A regional financing facility is a mode of pooling financing resources, building the capacity to absorb and monitor international finance, and building a pipeline of high priority, bankable project pipelines.



— Thirdly, a **Scientific Commission to offer independent advice** on the type, scale and speed of climate action needed to safeguard South Asia's infrastructure, economy and people on all three fronts of resilience, mitigation and adaptation.

— Climate action is no more a matter of policy debate but more a matter of how we do it most cost effectively. As COP after COP falters, it is time for the Global South to define its own future. South Asia faces an unmatched developmental paradox i.e. expanding climate-ready infrastructure while ensuring low carbon emission. A home grown, regional, institutional response to this paradox can help pave the way for not just peaceful co-existence but co-production of a prosperous future.

Do You Know:

— Shashi Tharoor writes: The old compact — where the North pays and the South complies — is crumbling. In its place, a new compact is emerging: One based on mutual respect, shared innovation, and co-created solutions. COP30 must be where this compact is formalised: Where delivery replaces delay, capability is recognised alongside crisis, and the South's sovereignty not just acknowledged, but amplified.

— The 30th edition of the Conference of the Parties to the UN Framework Convention on Climate Change (COP30), the annual two-week climate talks, concluded in Belem, Brazil on 22nd November. The Presidency has framed this year's conference as the "implementation COP,"—was meant to focus less on what the world must do, rather on how to make it all happen.

— The conference ended with the adoption of the Belem Political Package. However, the final statement diverged significantly from the earlier draft by removing references to a fossil fuel phase-out and instead focusing on a two-year process to negotiate climate finance, including Article 9.1 obligations. India has welcomed the key outcomes from the conference.

Previous year UPSC Prelims Question Covering similar theme:

(4) "Climate Action Tracker" which monitors the emission reduction pledges of different countries is a:
(UPSC CSE 2022)

- (a) Database created by coalition of research organisations
- (b) Wing of "International Panel of Climate Change"
- (c) Committee under "United Nations Framework Convention on Climate Change"
- (d) Agency promoted and financed by United Nations Environment Programme and World Bank

Previous year UPSC Mains Question Covering similar theme:

Describe the major outcomes of the 26th session of the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC)? What are the commitments made by India in this conference? (UPSC CSE 2021)

Why the rupee has a capital account problem

Syllabus:

Preliminary Examination: Current events of national and international importance.

Mains Examination: General Studies-III: Government Budgeting

What's the ongoing story: India has a structural current account deficit (CAD) problem in its external balance of payments (BOP) transactions.

In the last 25 years and more, there have been only four fiscal years (April-March) of surpluses on the current account: 2001-02 (\$3.4 billion), 2002-03 (\$6.3 billion), 2003-04 (\$14.1 billion) and 2020-21 (\$23.9 billion).

Key Points to Ponder:

- What are CAD and BOP?
- What are the components of a Capital Account?
- What is the difference between a current account and capital account?
- Remittances are included in which account?
- What are the factors behind the fall of the Indian Rupee currency?
- What are the various components of the [Budget](#)?

Key Takeaways:

- In all other years, the current account — which captures the value of the country's exports and imports of goods and services as well as receipts from and payments against international transfers and investments has been in deficit.

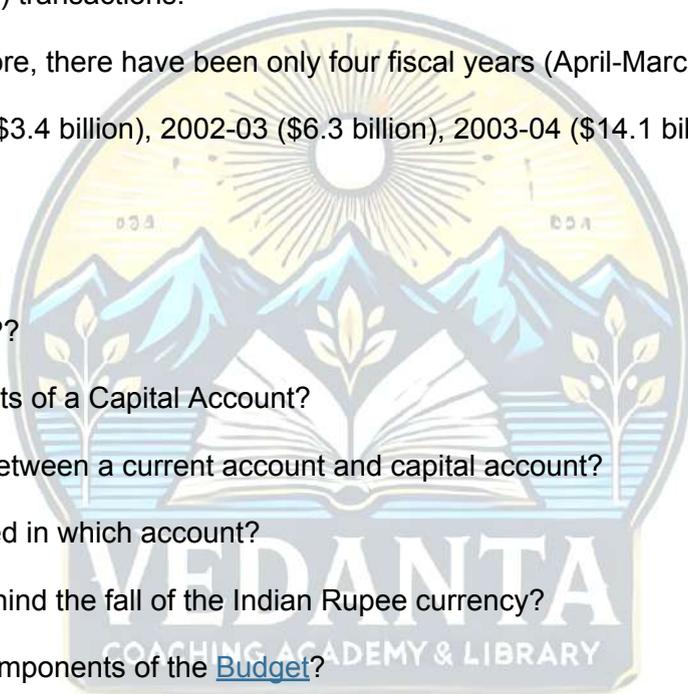
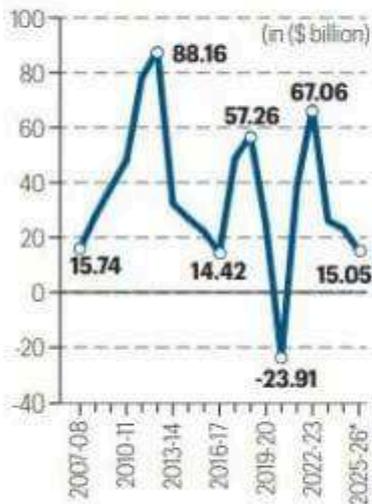


CHART 1

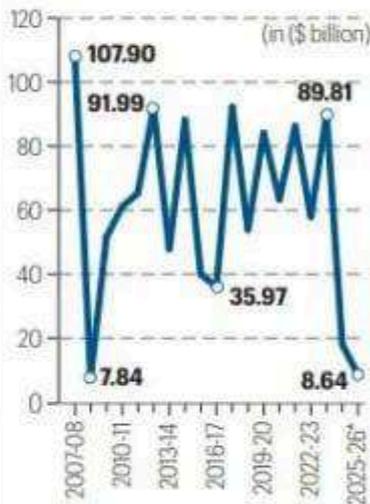
● **India's Current Account Deficit**

**CHART 2**

● **Goods Deficit vs. Invisibles Surplus**

**CHART 3**

● **Net Foreign Capital Inflows to India**



*APR-SEP 2025.

SOURCE: RESERVE BANK OF INDIA

CHART

— The CAD peaked at \$78.2 billion in 2011-12 and \$88.2 billion in 2012-13, but was contained within \$50 billion for most years thereafter, except in 2018-19 and 2022-23 when it touched \$57.3 billion and \$67.1 billion respectively (Chart 1).

— The current account in the BOP has two subcomponents. The first is merchandise trade — exports and imports of physical goods.

— India's goods trade balance has always been negative, with the deficit more than doubling from \$91.5 billion in 2007-08 to \$195.7 billion in 2012-13. It narrowed to \$112.4 billion in 2016-17 and \$102.2 billion in 2020-21, only to shoot up and reach \$286.9 billion in 2024-25.

— The widening goods trade deficit has, however, been significantly offset by the second so-called invisibles subcomponent. The “invisibles” trade has to do with the global flows of services, people, data and ideas, as opposed to the movement of tangible stuff (“visible”) across national borders through sea and by air.

— In the case of invisible transactions, India has consistently enjoyed surpluses, thanks to receipts from private remittances or transfers and exports of software, business, financial and miscellaneous services. These receipts have considerably exceeded the outflows from payment of interest, dividends and royalty to foreign lenders/investors, and also other sources such as Indians studying abroad.

— The large invisibles surpluses almost counterbalancing the ballooning merchandise trade deficits is what has kept India's CAD in check. While there are years (2011-12 and 2012-23 particularly) when the CAD has surged, it hasn't really exploded to unsustainable or unmanageable levels.

— The rising invisibles trade surplus is reflective of India emerging as the "office of the world". Its information technology engineers, accountants, auditors, doctors and nurses have, to an extent, been what goods from China are, as the "factory of the world".

— The [rupee's recent slide](#) — it has in the past one year depreciated against the US dollar (from 84.73 to 89.92) as well as the euro (89.20 to 104.82), British pound (107.76 to 120), Japanese yen (0.5658 to 0.5815) and Chinese yuan (11.66 to 12.72) — has been more courtesy of the capital, not current, account of the BOP.

— Chart 3 shows net foreign capital flows into India hitting an all-time-high of \$107.9 billion in 2007-08. In subsequent years too, they were mostly higher than the CAD, thereby not only comfortably financing it, but adding to the country's official foreign exchange reserves.

— Capital flows include foreign investment (both direct and portfolio), commercial borrowings, external assistance and non-resident Indian deposits. The chart reveals net foreign capital inflows plunging to a 16-year-low of \$18 billion in 2024-25, which was below the CAD of \$23.1 billion for the fiscal.

— Among the components of capital flows, it is foreign investment into India that has taken the major hit. In net terms, foreign investment stood at just \$4.5 billion in 2024-25 and \$3.6 billion in April-September 2025. This was as compared with \$54.2 billion in 2023-24, \$22.8 billion in 2022-23, \$21.8 billion in 2021-22 and \$80.1 billion in 2020-21.

— Net foreign direct investment — which typically entails building of new factories, infrastructure and other physical assets, leading to creation of jobs — amounted to \$43 billion in 2019-20, \$44 billion in 2020-21, \$38.6 billion in 2021-22 and \$28 billion in 2022-23, as per the Reserve Bank of India's BOP data.

— The drying up of foreign capital flows is, at one level, surprising given India's high GDP growth rates. These averaged 8.2% per year from 2021-22 to 2024-25 and 8% for the first half of 2025-26. An economy growing at these rates would normally also attract capital flows from overseas investors keen to partake in that growth process.

Do You Know:

— The Balance of Payments (BoP) is essentially a ledger of a country's transactions with the rest of the world. As Indians trade and transact with the rest of the world, money flows in and out of the country. The

BoP shows how much money (shown here in billions of US dollars) went out of the country and how much money came in. All the money coming into the country is marked positive and all the money going out is marked negative. As such, in the BoP table, a minus sign points to a deficit.

— The BoP matters because it captures the relative demand of the rupee vis-à-vis the demand for foreign currencies (represented in dollar terms). Hypothetically, if there were only two countries in the world, India and the US, every time an Indian wanted to buy an American good or service, or to invest in the US, they would have to hand over a certain number of rupees to first buy the dollars needed to complete that transaction.

— In the end, the exchange rate would be determined by the relative demand of the two currencies — if Indians demanded more dollars than Americans demanded rupees, the 'price' (or the exchange rate) of the dollar relative to the rupee would go up.

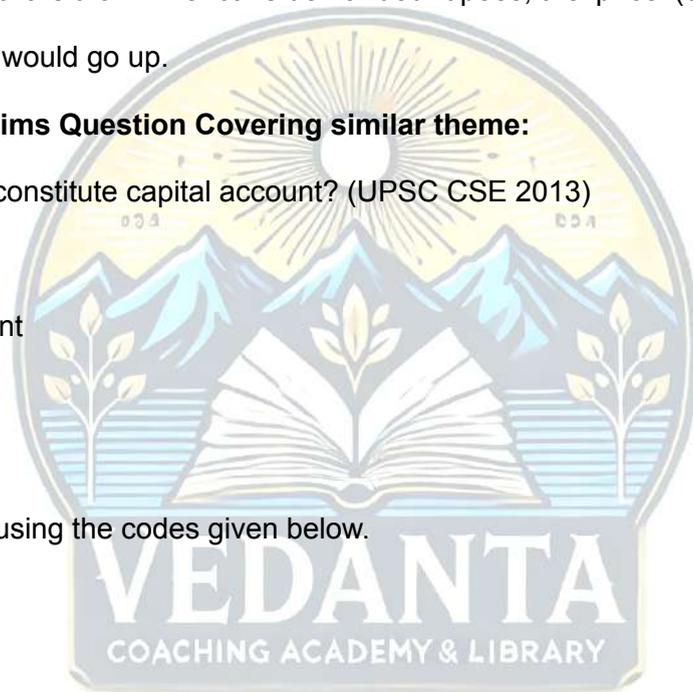
Previous year UPSC Prelims Question Covering similar theme:

(5) Which of the following constitute capital account? (UPSC CSE 2013)

1. Foreign loans
2. Foreign Direct Investment
3. Private Remittances
4. Portfolio Investment

Select the correct answer using the codes given below.

- (a) 1, 2 and 3 only
- (b) 1, 2 and 4 only
- (c) 2, 3 and 4 only
- (d) 1, 3 and 4 only



How hate speech is regulated in India, and what a Karnataka Bill has proposed

Syllabus:

Preliminary Examination: Current events of national and international importance

Mains Examination: General Studies-II: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

What's the ongoing story: The Karnataka Hate Speech and Hate Crimes (Prevention) Bill, 2025, set to be introduced in the upcoming legislative session, proposes imprisonment ranging from two to 10 years for offenders and introduces the concept of collective liability for organisations.

Key Points to Ponder:

- What are the laws against hate speech in India?
- What are cognisable offenses?
- What is Section 66A of the IT Act?
- What are the challenges in defining hate speech?
- Know about the 2018 Tehseen Poonawalla judgment
- What are the necessary limitations on the Freedom of Speech in the constitution?

Key Takeaways:

- In the absence of a specific statute, Indian law enforcement agencies invoke a cluster of provisions from the Bharatiya Nyaya Sanhita to deal with cases involving hate speech. These sections are primarily meant to maintain “public order”, rather than to penalise hate speech as a distinct category.
- The most frequently invoked provision is Section 196, which is the successor to Section 153A of the Indian Penal Code. It penalises “promoting enmity between different groups on grounds of religion, race, place of birth, residence, language, etc., and doing acts prejudicial to maintenance of harmony.”
- However, data suggest that while arrests are common, convictions are rare. According to National Crime Records Bureau data cited in previous reports, the conviction rate for Section 153A in 2020 was merely 20.2%.
- The other BNS provision often used to deal with hate speech is Section 299, which penalises “deliberate and malicious acts, intended to outrage religious feelings of any class by insulting its religion or religious beliefs.” It is similar to Section 295A of the IPC.
- Further, Section 353 of the BNS penalises statements or false information that may induce or incite someone to commit offences against the State or a community or disturb public order.
- On November 25 this year, another bench of Justices Vikram Nath and Sandeep Mehta ruled that the apex court was “not inclined to monitor every incident of hate speech.” The bench noted that police stations and High Courts were competent to deal with such cases, referring back to the guidelines laid down in the top court’s 2018 Tehseen Poonawalla judgment, which mandated the appointment of nodal officers to prevent mob violence and lynching.

— In its 267th Report in March 2017, the Law Commission of India recommended the insertion of new sections – 153C and 505A – into the IPC to specifically criminalise incitement to hatred and provocation of violence.

— In 2022, a Private Member’s Bill called “The Hate Speech and Hate Crimes (Prevention) Bill” was introduced in the [Rajya Sabha](#) by Bharat Rashtra Samithi MP KR Suresh Reddy. The Bill sought to define hate speech as any expression that “incites, justifies, promotes or spreads discrimination, hatred, hostility, or violence against a person or group.”

— It also proposed to define “hate crime” as an offence motivated by prejudice against a victim’s real or attributed status, including religion, caste, gender identity or sexual orientation.

— It proposed omitting Sections 153A and 295A of the IPC in favour of these more specific provisions, but it was not passed.

— Karnataka is the first state in India to introduce a Bill specifically for targeting hate speech. The proposed legislation appears to mirror some of the concepts found in the Law Commission’s recommendations and the 2022 Private Member’s Bill.

Do You Know:

— Article 19(1)(a) in Part III of the Constitution guarantees the fundamental right to freedom of speech and expression. But this freedom is not absolute or unfettered. It is followed by Article 19(2), which lists exceptions or “reasonable restrictions” on that right.

— Following the amendment, Article 19(2) was changed to read as follows: “Nothing in sub clause (a) of clause (1) shall affect the operation of any existing law, or prevent the State from making any law, in so far as such law imposes reasonable restrictions on the exercise of the right conferred by the said sub clause in the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality or in relation to contempt of court, defamation or incitement to an offence...”

Previous year UPSC Mains Question Covering similar theme:

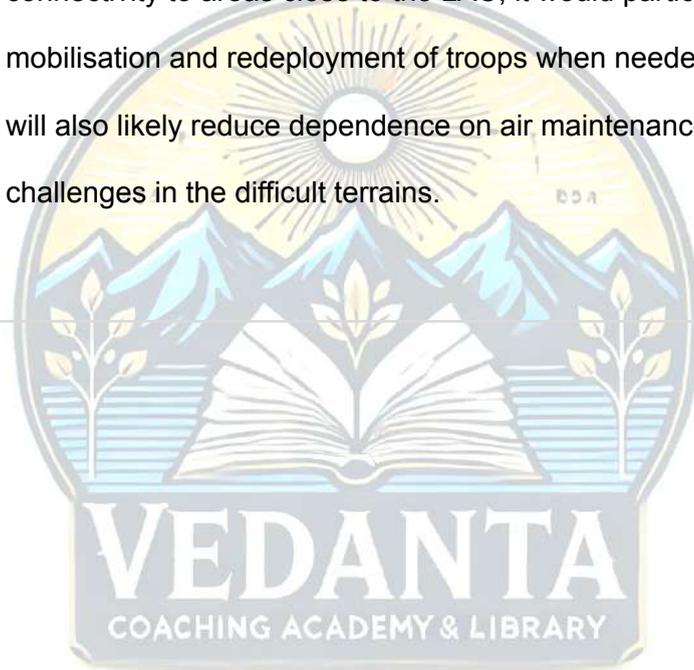
What do you understand by the concept “freedom of speech and expression”? Does it cover hate speech also? Why do the films in India stand on a slightly different plane from other forms of expression? (UPSC CSE 2014)

ALSO IN NEWS

Defence Minister inaugurates Shyok Tunnel in eastern Ladakh, 124 other strategic border infra projects

Defence Minister [Rajnath Singh](#) Sunday inaugurated 125 infrastructure projects of the Border Roads Organisation (BRO), including the Shyok Tunnel on the Durbuk-Shyok-Daulat Beg Oldie Road that runs along the [Line of Actual Control](#) (LAC) in eastern Ladakh. He also virtually inaugurated the Galwan War Memorial in eastern Ladakh to honour the Army personnel killed in the clash with Chinese soldiers in 2020.

The Shyok Tunnel is of key strategic significance as it would provide all-weather connectivity to areas close to the LAC; it would particularly help in the quick mobilisation and redeployment of troops when needed. Sources said the tunnel will also likely reduce dependence on air maintenance and resolve logistical challenges in the difficult terrains.



What is the Hindu rate of growth mentioned by PM Modi

The term “Hindu” in the Hindu rate of growth does not, in fact, have a negative connotation. According to *The New Oxford Companion to Economics in India*, economist Raj Krishna coined the expression as “a polemical device intended to draw attention to the meagre 3.5 per cent growth rate experienced by India over the long run. The fact that this rate of growth remained steady through changes in governments, wars, famines, and other crises, made it for him an inherently cultural phenomenon—hence the name.”

Notably, Krishna’s views diverged from the ideologies of the Congress-led governments of the time. Fellow economist Pulapre Balakrishnan described him as “Chicago-trained and, in the political climate of the time, with a reputation for being somewhat of a right-winger” in his essay, “The recovery of India: Economic growth in the Nehru era”.

GDP growth data indicate that India had surpassed the Hindu rate of growth long before the 1991 liberalisation reforms were introduced. This was argued by economist Baldev Raj Nayar in a 2006 *Economic and Political Weekly* article. He said while liberalisation accelerates growth, “it is equally true, as more recent work by economists has shown, of the within-system economic policy reforms of the 1980s.”

PRELIMS ANSWER KEY

1. (b) 2. (b) 3. (b) 4. (a) 5. (b)