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# THE HINDU

## ANALYSIS

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*Daily Current Affairs & Editorial Analysis for UPSC Civil Services — Prelims & Mains*

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# In This Issue

Eight high-priority topics · 2 Mains questions · 10 Prelims MCQs with answer key

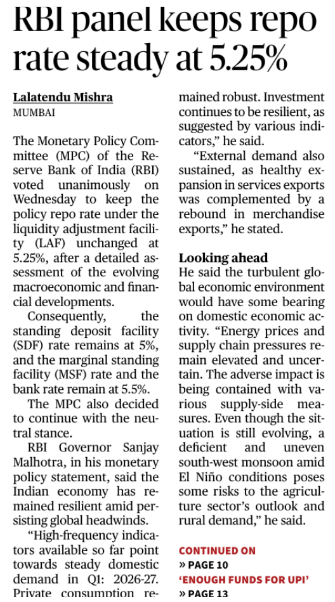
# 01 RBI keeps repo rate steady at 5.25%

GS III · Monetary Policy | The Hindu, Pg 1

**WHY IN NEWS**

The six-member **Monetary Policy Committee (MPC)** of the RBI voted **unanimously (6–0)** on Wednesday to keep the policy repo rate under the LAF unchanged at **5.25%**, retaining a **neutral stance** after assessing evolving macro-financial conditions.

- With the repo rate held, the **Standing Deposit Facility (SDF)** rate stays at **5.00%**, and the **Marginal Standing Facility (MSF)** rate and **Bank Rate** remain at **5.50%**.
- Governor **Sanjay Malhotra** said the economy has stayed **resilient amid persisting global headwinds**; high-frequency indicators point to steady domestic demand in Q1:2026-27, with resilient private consumption and investment.
- **External demand** held up as healthy services exports were complemented by a rebound in merchandise exports.
- **Risks flagged:** elevated energy prices, supply-chain pressures, and a **deficient, uneven south-west monsoon amid El Niño** that threatens agriculture and rural demand.
- A **neutral stance** signals the MPC can move **either way** — keeping optionality between a cut and a hike as data evolves.



RBI panel keeps repo rate steady at 5.25%

Lalatendu Mishra
MUMBAI

The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) voted unanimously on Wednesday to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 5.25%, after a detailed assessment of the evolving macroeconomic and financial developments.

Consequently, the standing deposit facility (SDF) rate remains at 5%, and the marginal standing facility (MSF) rate and the bank rate remain at 5.5%.

The MPC also decided to continue with the neutral stance.

RBI Governor Sanjay Malhotra, in his monetary policy statement, said the Indian economy has remained resilient amid persisting global headwinds.

"High-frequency indicators available so far point towards steady domestic demand in Q1: 2026-27. Private consumption remained robust. Investment continues to be resilient, as suggested by various indicators," he said.

"External demand also sustained, as healthy expansion in services exports was complemented by a rebound in merchandise exports," he stated.

**Looking ahead**

He said the turbulent global economic environment would have some bearing on domestic economic activity. "Energy prices and supply chain pressures remain elevated and uncertain. The adverse impact is being contained with various supply-side measures. Even though the situation is still evolving, a deficient and uneven south-west monsoon amid El Niño conditions poses some risks to the agriculture sector's outlook and rural demand," he said.

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'ENOUGH FUNDS FOR UPI'
» PAGE 13

*The Hindu · RBI panel keeps repo rate steady*

**POLICY STANCES AT A GLANCE**

| Stance | What it means | Rate bias |
|---|---|---|
| **Accommodative** | Ready to expand money supply to boost growth; growth needs support, inflation not the immediate concern | Cut likely / hike ruled out |
| **Neutral** | Equal priority to inflation and growth; guidance that action can go either way | Cut or hike possible |
| **Hawkish** | Top priority is keeping inflation low | Hike / hold bias |

**★ PRELIMS NUGGET — MPC**

- **Statutory basis:** Section **45ZB** of the RBI Act, 1934 (inserted by the 2016 amendment) empowers the Centre to constitute the MPC; it **determines the policy rate to achieve the inflation target** and its decision is **binding on the Bank**.
- **Composition (6):** RBI Governor (ex-officio Chair), Deputy Governor i/c monetary policy, one RBI officer nominated by the Central Board, and **three members appointed by the Central Government**.
- **Inflation target: 4% CPI ± 2%** band, set by the Government in consultation with RBI.
- **Instruments:** Repo, SDF (floor of LAF corridor), MSF (ceiling), Bank Rate, CRR, SLR, OMOs.

**PRELIMS PYQ LINKAGE (2020)**

An **expansionist** monetary policy would **not** raise the MSF rate — it would cut the Bank Rate/Repo and could optimise the SLR. (Answer to the 2020 PYQ: **Option (b) — statement 2 only**.) This item is directly examinable.

# 02 Meta's apology & the Safe Harbour debate

GS II · Governance | GS III · Cyber | The Hindu, Pg 1

**WHY IN NEWS**

Meta's global head of public policy **Joel Kaplan** met MeitY officials; the government summoned the firm over the temporary removal of the PM's video message and over **CSAM, deepfakes and "errors in operating the platform"**. Officials asserted Meta may be **"not covered under the intermediary definition"**, reviving the safe-harbour question.

- Officials argued that because the platform **selects who receives content** (algorithmic curation) and **monetises "boosting"** of certain content, **safe harbour under the IT Act may not apply** — potentially exposing it to liability for user posts.
- Sources said Meta **"accepted the mistake"** that illegal/paid-boosted content was promoted; the company will be **summoned again**.
- The Ministry of I&B is **reconsidering safe-harbour protections** under the IT Act, 2000 to tackle fake news, misinformation and deepfakes.

## SAFE HARBOUR & INTERMEDIARY LIABILITY

- **Safe harbour** = legal protection shielding platforms from liability for **third-party (user) content**.
- **Section 79, IT Act 2000** grants **conditional immunity** — contingent on the intermediary acting on **actual knowledge** (court/government order) and observing due diligence. It mirrors the US **Section 230**.

### Meta tenders apology for 'errors' as govt. summons senior official

**Nistula Hebbar**
**Aroon Deep**
NEW DELHI

Meta chief executive officer Mark Zuckerberg conveyed his "apologies" for child sex abuse material (CSAM), deepfake content, and "errors in operating the platform", government sources said, after Joel Kaplan, the technology giant's global head of public policy, met with officials from the Ministry of Electronics and Information Technology on Wednesday.

"Meta will be called again," the sources said, indicating that further meetings are on the slate. The delegation led by Mr. Kaplan also met Union Information Technology Minister Ashwini Vaishnaw.

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*The Hindu · Meta tenders apology*

**★ PRELIMS/MAINS NUGGET — IT RULES 2021**

- Regulated by the **IT (Intermediary Guidelines & Digital Media Ethics Code) Rules, 2021**.
- Significant social media intermediaries must appoint a **Grievance Officer, Nodal Contact Person and Chief Compliance Officer** in India, and publish **monthly compliance reports**.
- Immunity is **lost** on failure to comply with takedown obligations, esp. on misinformation, deepfakes and cyber-fraud.

**BALANCE OF ARGUMENTS**

**For safe harbour:** protects innovation/startups from liability overload and upholds free speech (avoids over-censorship).
**Against:** weak accountability for harmful/paid content; curation + monetisation blur the "passive intermediary" line the immunity presumes.

# 03 Mission Clouded Leopard & the Conservation Action Plan

GS III · Environment & Biodiversity | The Hindu, Pg 12

**WHY IN NEWS**

On **International Clouded Leopard Day**, MoEFCC launched the national **Clouded Leopard Conservation Action Plan (CAP)**. Separately, Meghalaya CM **Conrad K. Sangma** unveiled **Mission Clouded Leopard** for its State animal, the mainland clouded leopard (*Neofelis nebulosa*).

- **Mission (Meghalaya):** habitat protection & restoration, scientific research & long-term monitoring, stronger protection, landscape connectivity, frontline-staff capacity building, community participation and public awareness — guided by a State **Clouded Leopard Action Plan**.
- **National CAP** is a **multi-state strategic framework** to secure habitats, restore ecological corridors, standardize population assessments and empower local communities.
- **Aim:** halt population decline, protect NE forest landscapes, build India's **first reliable population baseline**, and mitigate human-wildlife conflict **outside formal protected areas**.

## Meghalaya launches mission to protect clouded leopards

Meghalaya has launched a dedicated programme for its State animal–the mainland clouded leopard (*Neofelis nebulosa*). On Tuesday, Chief Minister Conrad K. Sangma unveiled Mission Clouded Leopard. "The mission covers habitat protection and restoration, scientific research and long-term monitoring, stronger protection measures, landscape connectivity, capacity building of frontline staff, community participation, and public awareness. It will be guided by the Meghalaya Clouded Leopard Action Plan, now being prepared by the Forest and Environment Department," the Chief Minister said.

*Clouded leopard cubs*

- **14 Priority Landscapes** delineated across Assam, Arunachal Pradesh, Meghalaya, Nagaland, Mizoram, Manipur, Tripura, and northern fringes of West Bengal & Bihar.
- **Standardized monitoring:** non-invasive tech — **environmental DNA (eDNA)**, camera traps, genetic sampling and occupancy surveys.
- **Corridor connectivity:** restoring degraded corridors **outside** National Parks/Sanctuaries to reconnect isolated breeding populations.

*Mainland clouded leopard (Neofelis nebulosa)*

**★ SPECIES FILE — CLOUDED LEOPARD**

- **Evolutionary bridge** between big (*Panthera*) and small (*Felinae*) cats; branched from the Pantherinae lineage **>6 million years** ago.
- **Range:** Nepal, Bhutan, Bangladesh, NE India through SE Asia (Indochina, Sumatra, Borneo) to southern China.
- **IUCN: Vulnerable**.
- **WPA, 1972: Schedule I** (India).
- **State animal:** Meghalaya.

# 04 Fiscal federalism & the 16th Finance Commission

GS II · Federalism | GS III · Public Finance | The Hindu Ed., Pg 6

**WHY IN NEWS**

The report of the **16th Finance Commission (FC-16)**, chaired by **Arvind Panagariya** for **2026–31**, marks a decisive turning point — retaining vertical devolution at **41%** but fundamentally re-engineering grants-in-aid toward **efficiency and performance**, raising equity concerns.

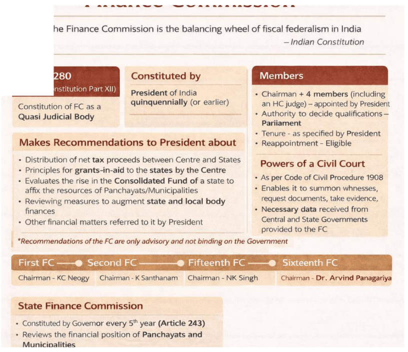
- Grants-in-aid cut to **₹9.47 lakh cr** (vs ₹10.1 lakh cr under FC-15); their share of total FC transfers **more than halved from 19.4% to 8.3%.**
- Grants-in-aid **restricted to local bodies and disaster management** — eliminating **Revenue Deficit Grants (RDGs)**, sector-specific and State-specific grants.
- Divisible-pool share retained at **41%** despite **18 States** demanding a rise to **50%.**
- The design presumes **fiscal discipline** lets States self-manage — a problematic assumption that **fiscal capacity is uniform** enough for devolution to be self-equalising.
- **Concern:** dismantling RDGs and shifting to performance-based transfers imports **market-like incentives** into what is a political-constitutional arrangement to manage diversity — efficiency may **trump equity**, widening regional disparities.


Fiscal federalism, efficiency versus equity concerns

The Hindu Editorial · Efficiency vs equity

## HORIZONTAL DEVOLUTION CRITERIA — FC-15 VS FC-16

| Criteria | FC-15 (2021–26) | FC-16 (2026–31) |
|---|---|---|
| **Income Distance** | 45% | 42.5% |
| **Population (2011)** | 15% | 17.5% |
| **Demographic Performance** | 12.5% | 10% |
| **Area** | 15% | 10% |
| **Forest & Ecology** | 10% | 10% |
| **Tax & Fiscal Efforts** | 2.5% | – |
| **Contribution to GDP** | – | 10% |
| **Total** | **100%** | **100%** |



*Finance Commission — at a glance*

## ★ PRELIMS FILE — FINANCE COMMISSION

- **Article 280** (Part XII): President constitutes the FC as a **quasi-judicial body**, normally **every 5 years**.
- **Composition:** Chairman + 4 members; qualifications decided by **Parliament**; members eligible for reappointment.
- **Mandate:** distribution of net tax proceeds, principles of grants-in-aid, measures to augment State/local-body finances (Art. 280(3)(bb)/(c)).
- Recommendations are **advisory**, not binding.
- **State FC: Article 243-I**, constituted by the Governor every 5 years for panchayats & municipalities.

**CONTRIBUTION-TO-GDP NOTE**

The **new 10% weight for "Contribution to GDP"**, combined with the removal of RDGs, creates a "double burden" for weaker States — lower devolution *and* loss of compensatory grants — the crux of the equity critique.

# 05 GST at ₹2.11 lakh cr — Highs and lows

GS III · Economy / Taxation | The Hindu Ed., Pg 6

**WHY IN NEWS**

July GST collections hit **₹2.11 lakh crore**, up **15.4% YoY** — the second-best growth in FY27. The editorial cautions that headline buoyancy conceals **uneven internal/external trajectories**: GST should be fuelled by **domestic production, not inflation or imports**.

- **Import IGST rose 26.9%** against just a **4.5%** rise in domestic revenues — exposing **trade-led (not production-led) buoyancy**.
- IGST's pickup reflects global commodity inflation, higher capital-goods imports and **rupee depreciation (10–12%)**; crude, electronics, machinery & chemicals (~**50% of imports**) raised the import bill.
- Gold lifted IGST even as bullion **imports fell 22%** (supply at a six-year low).
- High manufacturing **WPI (7.18% in June** vs 1.52% a year ago) lifted ad-valorem domestic revenue; services saw slowest growth in 53 months.
- Only **16 States/UTs** beat national post-settlement GST growth — manufacturing/organised services concentrate in a few jurisdictions, deepening dependence on **central transfers & FC devolution**.


**hs and lows**

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n, not inflation or imports

T grossed ₹2.11 lakh crore in July, ling by 15.4% year-on-year, the se- est growth in FY27, could indicate economy is resilient. But it con- en internal and external trajectories, and disparities within India. The 26.9% growth in import IGST *vis-à-vis* a 4.5% rise in domestic revenues ferrets out the criticality in the trade-led tax buoyancy. IGST's faster pickup started during the post-pandemic recovery, reflective of global commodity inflation, higher imports of capital goods and the rupee's depreciation. A 10%-12% depreciation of the Indian denomination over the past year had its reflection on the rupee cost of crude oil, electronics, machinery and chemicals – they collectively constitute as much as 50% of total imports – contributing to a higher import bill. Although gold imports added to higher IGST collections, supply fell to a six-year low, due to lower bullion imports, which fell 22%. High WPI inflation, notably at the manufacturing level, at 7.18% this June against 1.52% a year-ago period, explains the traction of domestic revenues in an ad valorem tax system amid five-year low manufacturing growth as seen from the HSBC Manufacturing PMI. The services witnessed slowest growth in 53 months with real estate and business services recording the strongest rise in charges, but the sector's GST buoyancy is concentrated geographically.

The fiscal reality is that only 16 States/UTs have reported post-settlement GST growth exceeding the national average and a little over a dozen States saw higher than average growth in GST, showing an increasingly chequered path as manufacturing and organised services are concentrated in a few jurisdictions; others, especially those with a larger unorganised sector, struggle to generate tax buoyancy, becoming dependent on central transfers and Finance Commission devolution. GST 3.0 should ensure that the benefits of economic expansion are geographically broad-based and fiscally inclusive. The faster domestic refunds, in comparison to IGST refunds, imply that formal businesses are expanding their GST compliance and also carrying larger credit balances as the government improved the GST ecosystem, even as faultlines such as input tax credit disputes and litigation are yet to be resolved. The July numbers warrant a closer reading as a healthy GST trajectory should reflect domestic production, growing incomes and broad-based consumption rather than exchange-rate-induced gains in import taxation and piggyback riding on local inflation. Otherwise 'Make in India' remains a tall claim as imported inputs do much of the heavy lifting in the GST metrics.

*The Hindu Editorial · Highs and lows*

**★ CONCEPT CLARIFIER**

- **IGST** = Integrated GST on inter-State supplies & imports; **CGST/SGST** on intra-State supplies.
- **Tax buoyancy** = responsiveness of tax revenue to GDP growth; import-led buoyancy is **less durable** than production-led.
- **Ad valorem** tax = levied as a % of value — so higher prices (WPI) mechanically raise collections without more output.
- **Takeaway:** for a robust "Make in India", GST growth must reflect **domestic production, rising incomes and broad-based consumption**, not exchange-rate-driven import taxation.

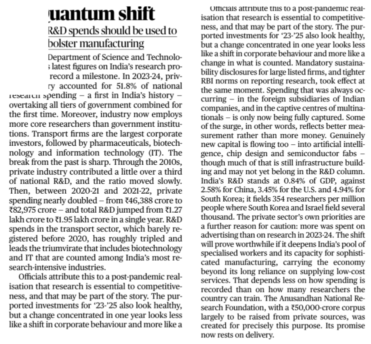
# 06 Private R&D crosses 50% — The quantum shift

GS III · Sci-Tech & Economy | The Hindu Ed., Pg 6

**WHY IN NEWS**

DST figures show that in **2023-24**, **private industry accounted for 51.8%** of national research spending — a first in India's history, overtaking all tiers of government combined. Industry now employs more core researchers than government institutions.

- **Top corporate investors:** transport firms, followed by pharmaceuticals, biotechnology and IT.
- Through the 2010s private industry funded ~a third of R&D; between **2020-21 and 2021-22** private spend nearly doubled (₹46,388 cr → ₹82,975 cr), and total R&D jumped from ₹1.27 to **₹1.95 lakh cr** in a single year.
- New capital is flowing into **AI, chip design and semiconductor fabs** — though much is still infrastructure-building.
- **Caution:** part of the surge reflects **better measurement** (sustainability disclosures, tighter RBI reporting) rather than more money; and firms **spent more on advertising than research** in 2023-24.


uantum shift

R&D spends should be used to bolster manufacturing

Department of Science and Technolo- ; latest figures on India's research pro- record a milestone. In 2023-24, priv- ry accounted for 51.8% of national research spending – a first in India's history – overtaking all tiers of government combined for the first time. Moreover, industry now employs more core researchers than government institutions. Transport firms are the largest corporate investors, followed by pharmaceuticals, biotechnology and information technology (IT). The break from the past is sharp. Through the 2010s, private industry contributed a little over a third of national R&D, and the ratio moved slowly. Then, between 2020-21 and 2021-22, private spending nearly doubled – from ₹46,388 crore to ₹82,975 crore – and total R&D jumped from ₹1.27 lakh crore to ₹1.95 lakh crore in a single year. R&D spends in the transport sector, which barely registered before 2020, has roughly tripled and leads the triumvirate that includes biotechnology and IT that are counted among India's most research-intensive industries.

Officials attribute this to a post-pandemic realisation that research is essential to competitiveness, and that may be part of the story. The purported investments for '23-'25 also look healthy, but a change concentrated in one year looks less like a shift in corporate behaviour and more like a

Officials attribute this to a post-pandemic realisation that research is essential to competitiveness, and that may be part of the story. The purported investments for '23-'25 also look healthy, but a change concentrated in one year looks less like a shift in corporate behaviour and more like a change in what is counted. Mandatory sustainability disclosures for large listed firms, and tighter RBI norms on reporting research, took effect at the same moment. Spending that was always occurring – in the foreign subsidiaries of Indian companies, and in the captive centres of multinationals – is only now being fully captured. Some of the surge, in other words, reflects better measurement rather than more money. Genuinely new capital is flowing too – into artificial intelligence, chip design and semiconductor fabs – though much of that is still infrastructure building and may not yet belong in the R&D column. India's R&D stands at 0.84% of GDP, against 2.58% for China, 3.45% for the U.S. and 4.94% for South Korea; it fields 354 researchers per million people where South Korea and Israel field several thousand. The private sector's own priorities are a further reason for caution: more was spent on advertising than on research in 2023-24. The shift will prove worthwhile if it deepens India's pool of specialised workers and its capacity for sophisticated manufacturing, carrying the economy beyond its long reliance on supplying low-cost services. That depends less on how spending is recorded than on how many researchers the country can train. The Anusandhan National Research Foundation, with a ₹50,000-crore corpus largely to be raised from private sources, was created for precisely this purpose. Its promise now rests on delivery.

*The Hindu Editorial · Quantum shift*

## R&D INTENSITY (GROSS EXPENDITURE ON R&D AS % OF GDP)

| Country | India | China | USA | South Korea |
|---|---|---|---|---|
| **R&D as % of GDP** | 0.84% | 2.58% | 3.45% | 4.94% |

**★ PRELIMS NUGGET — ANRF**

- India fields **354 researchers per million** people — where South Korea and Israel field several thousand.
- The **Anusandhan National Research Foundation (ANRF)**, with a **₹50,000-crore corpus** (largely to be raised from private sources), was created to catalyse exactly this private-led research push. Its promise now rests on **delivery**.
- **Mains angle:** the shift is worthwhile only if it deepens India's pool of specialised workers and its capacity for **sophisticated manufacturing**, moving beyond low-cost services.

# 07 A climate resilience pathway between India and China

GS II · IR | GS III · Environment | The Hindu Ed., Pg 6

**WHY IN NEWS**

An **El Niño-delayed, then intense monsoon** flooded Mumbai, Surat, Assam and Odisha; similar extremes hit China's Guangxi, Shaanxi and Gansu. The editorial argues **climate resilience** could become a low-risk pathway for **India–China cooperation** amid a tentative thaw.

- Both face similar stresses: rapid urbanisation replacing wetlands/forests with concrete; outdated drainage, poor waste management and loss of green spaces aggravating **waterlogging and flooding**.
- Coastal megacities face compound risks — extreme precipitation, storm surge, sea-level rise — while inland cities face heatwaves, droughts and flash floods in quick succession.
- **April 2026:** China's Special Envoy for Climate Change visited New Delhi, signalling climate cooperation remains a priority (green tech, critical minerals, disaster & urban resilience).
- **Precedent:** sister-city pacts — Delhi-Beijing, Mumbai-Shanghai, Chennai-Chongqing — and past MoUs on hydrological/seismic data-sharing (though many lapsed; shared-water agreements ceased in 2022).

*mate resilience pathway between India and China*

r, El Niño delayed the monsoon in ... When the rains arrived, they were ..., with cities such as Mumbai and ... a month's rainfall in a matter of ... in Assam and Odisha have ... severe flooding, resulting in loss of ... to infrastructure. Similar ... recently affected large swathes of ... ces, particularly Guangxi, Shaanxi and Gansu. Such extreme weather events are becoming increasingly common, threatening economic growth, food security, and public well-being in the two most populous countries.

In both cases, experts attribute these short, high-intensity bursts to climate change which is causing higher atmospheric temperatures and rapidly warming oceans. Mitigating and recovering from these frequent and large-scale events will become increasingly important for China and India to address. Given the scale of the challenge, could climate resilience become an opening for India-China cooperation?

**Similar climate extremes**

India and China confront remarkably similar challenges. Rapid urbanisation has replaced wetlands, forests, and permeable surfaces with concrete. Changing weather patterns, combined with outdated drainage systems, poor waste management, rapid urbanisation, and a lack of green spaces, have aggravated waterlogging and flooding. Coastal megacities face the combined risks of extreme precipitation, storm surges, and sea-level rise, while inland cities grapple with heatwaves, droughts, and flash floods occurring in quick succession. These challenges demand scientific collaboration, technological innovation, stronger local governance, and community participation. The costs of inaction include disrupted supply chains, economic losses, declining productivity, and mounting public health risks. This may be the right moment for renewed engagement between India and China. After years of strained ties, bilateral relations are showing tentative and slow signs of improvement.

**Shruti Jargad**
Non-Resident Research Associate at the Centre for Social and Economic Progress (CSEP)

**Pooja Ramamurthi**
Fellow at the Centre for Social and Economic Progress (CSEP)

Shared climate challenges create opportunities for India-China cooperation

In April 2026, the visit by a Chinese delegation led by China's Special Envoy for Climate Change to New Delhi suggests that climate cooperation remains a priority. Within the area of climate and clean energy, identifying key issues for engagement is important. Collaboration in areas such as green technology and critical minerals remains challenging due to economic competition and geopolitical tensions. Disaster mitigation and urban resilience could offer a relatively low-risk pathway for rebuilding trust.

**Past engagement, sister city agreements**

A mapping of India and China's climate engagement in a recent paper by the Centre for Social and Economic Progress (CSEP) shows that there is precedent for such engagement. Beginning from the early 1990s until 2020, there were several summit-level joint statements, agreements and Memoranda of Understanding (MoUs) calling for practical cooperation on climate change. Topics included climate-induced disasters such as floods, earthquake, droughts and extreme weather events. These MoUs promised facilitation of joint research and development, hydrological, oceanic and seismic data sharing, and exchange of governance practices. During the six Strategic Economic Dialogues, policymakers discussed sustainable urban planning, waste management, sewage treatment, water efficiency and capacity building.

Practical implementation of joint projects in these areas was formally agreed upon in the multiple sister city agreements – Delhi-Beijing, Mumbai-Shanghai, and Chennai-Chongqing. Yet, disruptions in diplomatic engagement resulted in little on-ground action.

China demonstrates the importance of embedding resilience into core urban and rural planning investment decisions. This includes using data-driven approaches to drive policies in transport, housing and drainage systems. India's strength lies in adaptive governance, spearheading community-led strategies for targeted interventions in vulnerable populations.

Successes in India have been seen in early warning systems, heat action plans, cool roofs and nature-based solutions. There has to be engagement between state and non-state actors. Officials from municipal governments can enable knowledge and policy exchanges on urban design such as sponge cities, drainage modernisation and waste management.

Beyond urban issues, rural livelihoods and resilient agricultural practices for food security become salient points for mutual learning. Joint collaboration between planning agencies and academic institutions can improve systems for hydrological modelling and integrating regional and indigenous knowledge into climate adaptation strategies. A critical aspect will be addressing challenges of the melting glacial systems in the shared Himalayan ecosystem. While India and China had agreements on shared water resources, they ceased to function in 2022.

**The finance gap**

A major barrier to climate adaptation remains financing, with both countries relying heavily on public funds to carry out their policies. Bridging this gap requires greater private sector participation through tools such as blended finance, municipal bonds, and credit enhancement. However, these are nascent ecosystems, constrained by limited local capacity and regulatory gaps. Evidence-based studies and knowledge exchanges between India and China on these models could provide an innovative avenue for engagement. Such cooperation would not only benefit both countries but also enable them to shape climate resilience norms across the Global South through stronger standards, metrics, and fiscal frameworks.

Climate change impacts transcend national borders, from Europe's heatwaves to Asia's heavy monsoon floods. Greater coordination and cooperation could provide India and China with a pathway for a low-risk, win-win engagement.

*The views expressed are personal*

*The Hindu Editorial · India–China climate pathway*

**★ THE FINANCE GAP**

- A major barrier is **adaptation financing** — both rely heavily on public funds; bridging it needs **blended finance, municipal bonds and credit enhancement**.
- Cooperation on urban design (**sponge cities**, cool roofs, nature-based solutions), hydrological modelling and Himalayan **glacial-systems** monitoring offers mutual learning and could shape **Global South** resilience norms.

# 08 India's cancer focus must shift to early detection

GS II · Health | The Hindu Ed., Pg 7

**WHY IN NEWS**

Over **70% of Indian patients** present with **advanced-stage cancer**, when cure is least likely. Despite world-class tertiary centres, outcomes lag because **most patients arrive too late** — the solution lies **upstream** in prevention and early detection.

- Five-year survival for **lung cancer** in India is only ~**4%** vs ~**33% in Japan** — gaps reflect the **stage at diagnosis**, not merely treatment quality.
- **2024 burden:** ~**1.56 million** new cases and over **8.74 lakh** deaths; lifetime risk ~**11%** nationally, exceeding **20%** in some north-eastern States.
- More than three-quarters of cancer-affected households face **catastrophic health expenditure** — late diagnosis also drives **poverty**.

### THE THREE-STEP REFORM

- **1. Prevention as a lifelong priority** (nearly half of cancers are preventable) — embed "life skills", diet, addictions and vaccination literacy from school.
- **2. Earlier diagnosis** — awareness that symptoms persisting **>3 weeks** warrant evaluation; expand screening & blood-based **Multi-Cancer Early Detection (MCED)** tests.
- **3. India-specific solutions** — a layered model of community health workers, AI risk-assessment, mobile diagnostics and referral pathways, not a single centralised programme.

Every day, oncology clinics across India confront the same heartbreaking reality. More than 70% of patients present with advanced-stage cancer, when treatment is more complex, more expensive, and far less likely to achieve a cure. Over the past two decades, India has invested substantially in building world-class tertiary cancer centres and has expanded access to sophisticated surgery, radiation therapy, and systemic treatments. Yet these advances cannot deliver their full potential because most patients arrive too late.

The solution to this challenge lies upstream.

Cancer in India is still diagnosed predominantly after symptoms become severe enough to disrupt daily life. By then, opportunities for curative treatment have often been lost. The consequences extend far beyond health. More than three-quarters of cancer-affected households experience catastrophic healthcare expenditure. Late diagnosis is therefore not only a medical problem – it also drives poverty.

Moreover, five-year survival for lung cancer in India is only about 4%, compared with nearly 33% in Japan. Similar gaps exist across several common cancers, reflecting differences not merely in treatment quality but in the stage at which patients enter the healthcare system. A delayed diagnosis is thus a poor outcome on all fronts.

**Need for fundamental change**

The scale of the challenge continues to grow. India recorded an estimated 1.56 million new cancer cases and over 8,74,000 cancer deaths in 2024. The lifetime risk of developing cancer has now reached approximately 11% nationally and exceeds 20% in some northeastern States. As the population ages and lifestyles change, this burden will continue to rise unless our national strategy

**Dr. Harit K. Chaturvedi**
CEO & Clinical Head, Apollo Oncology Network

Cancer in India is still diagnosed predominantly after symptoms become severe enough to disrupt daily life. By then, opportunities for curative treatment have

The first step is to redefine prevention as a lifelong public health priority rather than as an occasional awareness campaign. Nearly half of all cancers are preventable. However, efforts to spread awareness among adults give poor results as lifestyle wiring happens at an early age. Once habits are coded, it is extremely difficult to course correct them through awareness campaigns. Health education must therefore begin in schools, where "life skills" should receive the same importance as other mainstream subjects such as mathematics or social sciences. These life skills would not only help in cancer prevention but also other major health issues such as cardiac, neurological, vascular, and bowel diseases. Such education would comprehensively cover all aspects related to physical, mental and social health, addictions, diet, vaccinations, financial literacy, and responsibilities towards the family, society, and nation.

The second step is the need to receive earlier diagnoses. Public awareness about the fact that persistent symptoms lasting more than three weeks deserve medical evaluation can substantially reduce diagnostic delays. However, symptom awareness alone is insufficient. Screening remains our most powerful tool for identifying cancer before symptoms appear. Until recently, organised screening was largely confined to cancers such as cervical, breast, and prostate cancer. Scientific advances are now expanding these possibilities. Blood-based Multi-Cancer Early Detection (MCED) tests have the potential to detect biological signals from multiple malignancies – including colorectal, lung, liver, pancreatic, ovarian, gastric, oesophageal, breast, prostate, and bladder cancers – through a single blood sample.

While these technologies still require careful evaluation for population-wide implementation, they represent one of the most research and deserve focused Indian validation.

**Future plan for India**

India must also develop solutions suited to its own healthcare realities. A single centralised screening programme cannot effectively serve a country of 1.4 billion people with enormous geographical and socioeconomic diversity. Instead, we need a layered model combining community health workers, digital risk assessment, AI, mobile diagnostic services, and strong referral pathways linking primary care with cancer centres.

Encouragingly, important foundations are already being laid. NITI Aayog is supporting the development of a large imaging biobank comprising more than 20,000 cancer patient profiles. Such datasets can accelerate the development of AI tools capable of assisting frontline healthcare workers in identifying suspicious lesions and prioritising patients who require specialist evaluation.

The Draft National Health Research Policy 2026 provides an opportunity to accelerate this transformation. By prioritising diseases that contribute the most to India's health burden and encouraging research with measurable impact, the policy signals a welcome shift from publication-driven research towards implementation science. This approach should encourage innovation in affordable screening technologies, risk prediction models, digital health platforms, and implementation research that improves cancer detection across India's diverse healthcare settings.

India should not measure progress in cancer care solely by the sophistication of treatments delivered during advanced stages. The true measure of success is how many cancers never reach an advanced stage. And that success will require coordinated partnerships between government agencies, medical colleges, technology companies, and

*The Hindu Editorial · Shift to early detection*

**★ POLICY HOOKS**

- **Draft National Health Research Policy 2026** — shifts focus from publication-driven research to **implementation science** tied to disease burden.
- **NITI Aayog** is backing a large **imaging biobank** (>20,000 cancer-patient profiles) to train AI tools for frontline detection.
- Existing platforms: population-based screening under **Ayushman Bharat – HWCs** for oral, breast and cervical cancers.

## ♦ Mains Practice Questions

**1** GS Paper II — **10 Marks · 150 words**

The recommendations of the 16th Finance Commission mark a shift from **need-based equalisation towards performance-based incentivisation**. In light of the dismantling of Revenue Deficit and sector-specific grants, critically examine whether this shift is consistent with the **constitutional intent of fiscal federalism** in India.

**ANSWER POINTERS:** Intro — FC as the balancing wheel of fiscal federalism (Art. 280), FC-16 (2026-31, Panagariya). Body — the shift: 41% devolution retained but grants-in-aid halved (19.4%→8.3%), RDGs/sector/State-specific grants removed, new 10% "Contribution to GDP" weight; efficiency logic vs the equity/diversity rationale; "double burden" on weaker/NE States; assumption of uniform fiscal capacity is flawed. Way forward — anchor federalism in fairness, protect structurally disadvantaged States, reward reform without penalising capacity gaps. Conclude with cooperative federalism.

**2** GS Paper III — **15 Marks · 250 words**

"Robust GST buoyancy must be powered by domestic production, not by imported inflation or a depreciating rupee." Discuss this statement in the context of the **uneven inter-State distribution of GST** and its implications for India's **fiscal federalism and the "Make in India" goal**.

**ANSWER POINTERS:** Intro — July GST ₹2.11 lakh cr (+15.4%), yet headline conceals structure. Body — import IGST +26.9% vs domestic +4.5%; role of rupee depreciation (10-12%), WPI 7.18%, ad-valorem effect; only 16 States/UTs beat national growth; concentration of manufacturing/organised services → laggard States grow dependent on central transfers & FC devolution → vertical & horizontal imbalance. "Make in India" risk if imported inputs do the heavy lifting. Way forward — GST 3.0 for geographically broad-based, fiscally inclusive growth; strengthen unorganised-sector formalisation, resolve ITC/ litigation. Conclude: durable buoyancy = production + incomes + broad consumption.

## ♦ Prelims MCQs

**Q1. If the RBI decides to adopt an expansionist monetary policy, which of the following would it not do?**

**1. Cut and optimise the SLR 2. Increase the MSF Rate 3. Cut the Bank Rate and Repo Rate**

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

**Ans: (b)** — Expansion means easing: cut SLR/Bank Rate/Repo. Raising the MSF rate would tighten money — so only statement 2 is what it would NOT do. (UPSC Prelims 2020)

**Q2. Consider the following about the Monetary Policy Committee (MPC):**

**1. It is a statutory body under the RBI Act, 1934. 2. It has six members, three nominated by the Central Government. 3. Its decisions are only recommendatory to the RBI.**

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

**Ans: (a)** — MPC is statutory (Sec. 45ZB); 6 members with 3 govt-appointed. Its decision is BINDING on the RBI — so statement 3 is wrong.

**Q3. With reference to the present policy corridor of the RBI, which is correct?**

(a) SDF is the ceiling and MSF the floor
(b) MSF and Bank Rate are currently at 5.5%
(c) Repo rate is lower than the SDF rate
(d) CRR forms the upper bound of the LAF corridor

**Ans: (b)** — SDF (5%) is the floor, MSF (5.5%) the ceiling; repo (5.25%) sits between. MSF and Bank Rate are both 5.5%.

**Q4. 'Safe harbour' protection for online intermediaries in India is provided under:**

(a) Section 66A of the IT Act, 2000
(b) Section 79 of the IT Act, 2000
(c) Section 69A of the IT Act, 2000
(d) Article 19(2) of the Constitution

**Ans: (b)** — Section 79 grants conditional immunity to intermediaries for third-party content, mirroring the US Section 230. (Sec. 66A was struck down in Shreya Singhal.)

**Q5. The IT (Intermediary Guidelines and Digital Media Ethics Code) Rules were notified in the year:**

(a) 2011
(b) 2018
(c) 2021
(d) 2023

**Ans: (c)** — The 2021 Rules mandate a Grievance Officer, Nodal Contact Person and Chief Compliance Officer, and monthly compliance reports for significant social media intermediaries.

**Q6. Consider the following about the Clouded Leopard (*Neofelis nebulosa*):**

**1. It is the State animal of Meghalaya. 2. It is listed as 'Endangered' on the IUCN Red List. 3. It is placed in Schedule I of the Wild Life (Protection) Act, 1972.**

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

**Ans: (b)** — It is Meghalaya's State animal and is Schedule I (WPA 1972). IUCN status is VULNERABLE, not Endangered — so statement 2 is wrong.

**Q7. The Finance Commission is constituted under which Article, and by whom?**

(a) Article 263, by Parliament
(b) Article 280, by the President
(c) Article 293, by the Union Cabinet
(d) Article 243-I, by the Governor

**Ans: (b)** — Art. 280 (Part XII) empowers the President to constitute the FC as a quasi-judicial body, normally every five years. Art. 243-I is the STATE Finance Commission (by the Governor).

**Q8. Which criterion was introduced for the first time in the horizontal-devolution formula by the 16th Finance Commission (2026-31)?**

(a) Demographic Performance
(b) Forest & Ecology
(c) Contribution to GDP
(d) Tax & Fiscal Efforts

**Ans: (c)** — FC-16 introduced a 10% weight for 'Contribution to GDP' and dropped 'Tax & Fiscal Efforts'. Income Distance still carries the highest weight (42.5%).

**Q9. With reference to GST collections, 'IGST' is levied on:**

(a) Only intra-State supplies of goods
(b) Inter-State supplies and imports
(c) Only export of services
(d) Supplies within a Union Territory

**Ans: (b)** — IGST applies to inter-State supplies and imports; CGST+SGST apply intra-State. Import-IGST buoyancy signals trade-led (not production-led) revenue.

**Q10. The Anusandhan National Research Foundation (ANRF) is associated with which of the following?**

(a) A ₹50,000-crore corpus, largely from private sources
(b) Funding only defence R&D under DRDO
(c) Replacing the University Grants Commission
(d) A body under the Ministry of Finance

**Ans: (a)** — ANRF seeds India's research ecosystem with a ₹50,000-cr corpus, much to be raised privately — aligned with private R&D crossing 51.8% of national spend in 2023-24.

## ANSWER KEY

| Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | Q7 | Q8 | Q9 | Q10 |
|---|---|---|---|---|---|---|---|---|---|
| b | a | b | b | c | b | b | c | b | a |