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The Hindu Daily Analysis

Current Affairs for UPSC Prelims & Mains

Wednesday · 19 August 2026

Article 142 | EU CBAM & BRICS | Death Penalty | Yoga Soft Power | Exercise MAITREE | UNCCD COP17 | VB-G RAM G / MGNREGA | US Tariffs | West Asia Security | PM CARES

COMPILED BY

Sapna Chauhan

Contents — 19 August 2026

★ QUICK REVISION SNAPSHOT

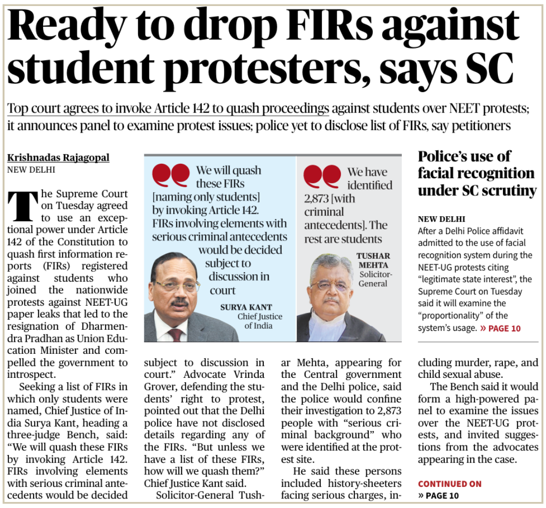
- **Article 142:** SC’s power to do “complete justice” — residuary, inherent, above ordinary statutes.
- **CBAM:** EU carbon import duty under “Fit for 55”; definitive phase from 1 Jan 2026; iron & steel = ~90% of India’s exposed EU exports.
- **Death penalty:** Hanging retained; Sec. 393(5) BNSS (earlier 354(5) CrPC).
- **MAITREE-XV:** India–Thailand joint exercise; jungle counter-insurgency; 9 Gorkha Rifles.
- **UNCCD:** Rio Convention (1994, Paris); COP17 Ulaanbaatar; target — Land Degradation Neutrality by 2030.
- **VB-G RAM G:** Successor to MGNREGA; ₹95,692 cr allocation; ~43% fall in Apr–Jul person-days.
- **PM CARES:** Corpus ₹8,453 cr (2024-25); spending fell to ₹87.85 lakh; created March 2020.

POLITY & JUDICIARY GS 2

Ready to Drop FIRs Against Student Protesters, says SC

WHY IN NEWS The Supreme Court agreed to invoke **Article 142** to quash FIRs against students who joined nationwide protests over NEET-UG paper leaks, while forming a high-powered panel to examine the protest issues.

- The Supreme Court on Tuesday agreed to use its exceptional power under **Article 142** of the Constitution to quash first information reports (FIRs) registered against students who joined the nationwide protests against NEET-UG paper leaks — protests that led to the resignation of Dharmendra Pradhan as Union Education Minister and compelled the government to introspect.
- A three-judge Bench led by **CJI Surya Kant** said it would quash the FIRs naming only students, but FIRs involving elements with serious criminal antecedents would be decided subject to discussion in court.
- **Solicitor-General Tushar Mehta**, for the Centre and Delhi Police, said the investigation would be confined to **2,873 people** with a "serious criminal background" identified at the protest site — including history-sheeters facing charges of murder, rape and child sexual abuse.
- The Court will also form a high-powered panel to examine issues over the NEET-UG protests and will scrutinise the police's use of **facial recognition technology**, testing the "proportionality" of its usage after a Delhi Police affidavit admitted its deployment citing "legitimate state interest."



Ready to drop FIRs against student protesters, says SC

Top court agrees to invoke Article 142 to quash proceedings against students over NEET protests; it announces panel to examine protest issues; police yet to disclose list of FIRs, say petitioners

Krishnadas Rajagopal
NEW DELHI

The Supreme Court on Tuesday agreed to use an exceptional power under Article 142 of the Constitution to quash first information reports (FIRs) registered against students who joined the nationwide protests against NEET-UG paper leaks that led to the resignation of Dharmendra Pradhan as Union Education Minister and compelled the government to introspect.

Seeking a list of FIRs in which only students were named, Chief Justice of India Surya Kant, heading a three-judge Bench, said: "We will quash these FIRs by invoking Article 142. FIRs involving elements with serious criminal antecedents would be decided subject to discussion in court." Advocate Vrinda Grover, defending the students' right to protest, pointed out that the Delhi police have not disclosed details regarding any of the FIRs. "But unless we have a list of these FIRs, how will we quash them?" Chief Justice Kant said.

Solicitor-General Tushar Mehta, appearing for the Central government and the Delhi police, said the police would confine their investigation to 2,873 people with "serious criminal background" who were identified at the protest site.

He said these persons included history-sheeters facing serious charges, including murder, rape, and child sexual abuse.

The Bench said it would form a high-powered panel to examine the issues over the NEET-UG protests, and invited suggestions from the advocates appearing in the case.

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"We will quash these FIRs [naming only students] by invoking Article 142. FIRs involving elements with serious criminal antecedents would be decided subject to discussion in court
SURYA KANT
Chief Justice of India

"We have identified 2,873 [with criminal antecedents]. The rest are students
TUSHAR MEHTA
Solicitor-General

Police's use of facial recognition under SC scrutiny

NEW DELHI
After a Delhi Police affidavit admitted to the use of facial recognition system during the NEET-UG protests citing "legitimate state interest", the Supreme Court on Tuesday said it will examine the "proportionality" of the system's usage. » PAGE 10

The Hindu, Page 1 — SC on quashing FIRs against student protesters

★ Value Addition & Key Facts

- **Article 142(1)** empowers the SC to pass any decree or order necessary for doing "*complete justice*" in any cause pending before it — a mechanism to fill legislative gaps where laws fail to provide a remedy.
- **Inherent & residuary power:** not conferred by ordinary statute but inherent to the apex court as custodian of the Constitution, letting it transcend procedural technicalities to prevent a travesty of justice.
- **Supremacy over ordinary laws:** In *Delhi Judicial Service Association v. State of Gujarat* (1991), the SC held statutory restrictions in ordinary laws cannot limit its powers under Article 142.
- **Not co-extensive with High Courts:** In *Anil Kumar Jain v. Maya Jain* (2009), the SC clarified High Court powers under Article 226 are not at par with the residuary powers vested exclusively in the apex court.

Syllabus Linkage: Structure, organisation and functioning of the Judiciary; separation of powers; landmark judgments.

ECONOMY & ENVIRONMENT GS 2/3

BRICS Calls EU's Carbon Tax 'Punitive, Unilateral'

WHY IN NEWS At the **12th BRICS Environment Ministers' Meeting** (New Delhi, under India's chairship), BRICS nations opposed the EU's Carbon Border Adjustment Mechanism (CBAM) and demanded a hike in climate adaptation finance.

- BRICS countries opposed what they described as "unilateral, punitive, discriminatory and protectionist" climate measures — including the EU's **Carbon Border Adjustment Mechanisms (CBAMs)** — while calling for a significant increase in international funding to help developing countries adapt to climate change.
- The joint statement (adopted at the 12th BRICS Environment Ministers' Meeting under India's chairship) said carbon border measures like CBAM could **"undermine developing countries' efforts"** to address climate change and build resilience.
- India has **significant exposure** to the mechanism, particularly through its steel exports; a recent analysis found iron and steel account for about **90% of India's exports to the EU** that fall within the CBAM framework.
- BRICS also urged developed nations to **triple adaptation finance** by 2035 and honour the commitment agreed at the 2025 UN climate conference — via grants and concessional finance that do not raise the debt burden of developing countries.

BRICS calls EU's carbon tax 'punitive, unilateral'

Ministers say it could undermine efforts of developing countries to address climate change; they urge developed nations to honour financial commitment agreed to at 2025 UN climate conference

Jacob Koshy
NEW DELHI

BRICS countries on Tuesday opposed what they described as "unilateral, punitive, discriminatory and protectionist" climate measures, including the European Union's Carbon Border Adjustment Mechanisms (CBAMs), while calling for a significant increase in international funding to help developing countries adapt to climate change.

The positions were contained in the joint statement adopted at the 12th BRICS Environment Ministers' Meeting in New Delhi, held under India's chairship. The Ministers specifically said that carbon border measures such as CBAMs could "undermine developing countries' efforts to address climate change and build resilience".

The statement comes as the European Union's CBAM entered its definitive phase from January 1 this year. The mechanism requires importers of carbon-intensive products, consisting of iron and steel, aluminium, cement, fertilizers, hydrogen and electricity, to account for the carbon emissions associated with their production. The EU says the measure is intended to prevent "carbon leakage" – the shifting of carbon-intensive production outside the bloc because of differences in climate policies.

Union Minister Bhupender Yadav at the 12th BRICS Environment Ministers' Meeting in New Delhi on Tuesday. ANI

Significant exposure

India is among the countries with significant exposure to the mechanism, particularly through its steel exports. A recent analysis found that iron and steel account for about 90% of India's exports to the EU that fall within the CBAM framework. A June 2026 analysis in *Nature Climate Change*, based on shipment-level trade data and facility-level emissions estimates, found that high-emission Indian steel firms had reduced their export quantities and revenues to the EU during the CBAM reporting phase, while lower-emission firms maintained their export levels.

The BRICS position therefore comes as the EU and India move to implement a free trade agreement negotiated earlier this year, while Indian exporters face the additional carbon-related compliance requirements in the European market.

Hike adaptation finance

The Ministers also called for an urgent increase in adaptation finance from developed countries. They said support should be "new, additional, predictable, adequate and accessible", and should be provided through grants and concessional finance without increasing the financial vulnerabilities of developing countries. They urged developed countries to meet the commitment agreed at the 2025 UN climate conference to triple adaptation finance to developing countries by 2035.

Adaptation finance is used to help countries and communities cope with climate impacts, including measures to strengthen water security, agriculture, infrastructure, and so on.

The Hindu, Page 12 — BRICS Environment Ministers on CBAM

★ Value Addition & Key Facts

- **CBAM** is an EU import duty on carbon-intensive goods produced outside the EU through processes emitting more carbon than EU standards allow.
- Part of the EU's **"Fit for 55"** package — cut greenhouse-gas emissions by at least 55% by 2030 vs 1990 levels.
- **Objective:** prevent "carbon leakage", ensure a fair carbon price on imports, and push cleaner industry abroad.
- **Coverage:** iron & steel, cement, fertiliser, aluminium and electricity (expandable in future).
- **Timeline:** rolled out 2023; transitional phase 2023–2025; **definitive, fully enforceable phase from 1 January 2026.**
- **Concern:** India, China & BRICS view it as unilateral and protectionist — hurting export competitiveness and weakening 'common but differentiated responsibilities'.

Syllabus Linkage: Effect of policies of developed countries on India's interests; climate change; trade & WTO-linked green protectionism.

POLITY & RIGHTS GS 2

SC Dismisses Plea Seeking Alternative to Execution by Hanging

WHY IN NEWS The Supreme Court rejected a plea to direct the government to find an alternative to **death by hanging**, holding the petitioner failed to show even a single botched execution in India.

- The Supreme Court on Tuesday rejected a plea to direct the government to find an alternative to execution by hanging; the court noted the petitioner failed to show even a single instance of a botched execution in India.
- A Bench of **Justices Vikram Nath and Sandeep Mehta** observed that methods like **lethal injection** (practised in the United States) have a history of botched executions.
- Justice Mehta clarified the judgment should **not be understood as foreclosing future constitutional scrutiny** if compelling scientific, medical or empirical evidence emerges against death by hanging.

- The plea (by senior advocate Rishi Malhotra) challenged the validity of **Section 354(5) CrPC**, now corresponding to **Section 393(5) of the Bharatiya Nagarik Suraksha Sanhita, 2023**, which prescribes hanging as the only method of execution.

SC dismisses petition seeking alternative to execution by hanging

The Hindu Bureau
NEW DELHI

The Supreme Court on Tuesday rejected a plea to direct the government to find an alternative to execution by hanging. The court said the petitioner failed to show even a single instance of a botched execution in India.

A Bench of Justices Vikram Nath and Sandeep Mehta said that methods like lethal injection, practised in the United States, have a history of botched executions.

Justice Mehta said the court's judgment should not be understood as foreclosing future constitutional scrutiny if compelling scientific, medical or empirical evidence emerges against death by hanging.

The court verdict clarified that it should not preclude the Union government from undertaking a comprehensive review of the existing method of execution through an expert body comprising specialists in law, forensic medicine and allied disciplines.

Court said methods like lethal injection, practised in the U.S., have a history of botched executions

The judgment was based on a petition filed by senior advocate Rishi Malhotra, challenging the constitutional validity of Section 354(5) of the Code of Criminal Procedure, which corresponds to Section 393 (5) of the Bhartiya Nagarika Suraksha Sanhita, 2023, which prescribed hanging as the only method of execution.

The court judgment relied on studies that "neither electrocution, nor lethal gas, nor shooting, nor even the lethal injection has any distinct or demonstrable advantage over the system of hanging".

The Hindu, Page 12 — SC on method of execution

★ Value Addition & Key Facts

- The verdict does not preclude a comprehensive review of the method through an **expert body** of specialists in law, forensic medicine and allied disciplines.
- Relied on studies holding that neither electrocution, lethal gas, shooting nor lethal injection has a demonstrable advantage over hanging.
- Recalls **Deena v. Union of India (1983)**, where the SC upheld hanging as constitutionally valid, and the **'rarest of rare'** doctrine of *Bachan Singh* (1980) governing award of the death penalty.

Syllabus Linkage: Fundamental Rights (Art. 21); criminal justice reform; new criminal laws (BNSS 2023).

CULTURE & DIPLOMACY | GS 1/2

International Day of Yoga — Yoga as India's Soft Power

WHY IN NEWS Yoga's evolving global themes and its 2016 UNESCO recognition underline its role as one of India's most significant instruments of **soft power** and cultural diplomacy.

- The first observance in **2015**, under the theme "Yoga for Harmony and Peace," reflected a shared aspiration to build more balanced and cohesive societies; the 2018 theme "Yoga for Peace" reinforced yoga as a unifying force in a fragmented world.
- This recognition was strengthened in **2016**, when yoga was inscribed on **UNESCO's Representative List of the Intangible Cultural Heritage of Humanity.**
- Yoga has emerged as one of India's most significant instruments of **soft power**; unlike conventional influence that relies on assertion, it operates through participation and shared experience.
- It creates moments of collective stillness in a fragmented world — fostering trust, mutual respect and global unity, values essential for lasting peace.

★ Value Addition — Yoga & Soft Power

- The International Day of Yoga (**21 June**) was declared by the **UN General Assembly in 2014**, following PM Narendra Modi's proposal, with a record co-sponsorship of 177 nations.
- 21 June is the **Summer Solstice** — the longest day in the Northern Hemisphere, of special significance in many cultures.
- **Soft power** (coined by Joseph Nye) is the ability to shape preferences through attraction and appeal rather than coercion — yoga, Ayurveda, cuisine and cinema are key Indian vectors.

Syllabus Linkage: Indian culture — salient aspects of art forms; India's soft power & cultural diplomacy.

DEFENCE & SECURITY GS 3

Exercise MAITREE-XV — India-Thailand Joint Military Drill

WHY IN NEWS An 85-personnel Indian Army contingent departed for Thailand to participate in the **15th edition of Exercise MAITREE (2026)**, the annual India–Thailand joint military exercise.

- An **85-personnel** Indian Army contingent, primarily from **9 Gorkha Rifles**, departed for Thailand to participate in the 15th edition of the India–Thailand Joint Military Exercise **MAITREE-XV (2026)**.
- Exercise MAITREE is an **annual bilateral** joint military exercise between the Indian Army and the **Royal Thai Army**, designed to improve tactical cooperation, share field expertise and build joint operational capabilities.
- **Aim:** foster military cooperation, deepen camaraderie and enhance combined capabilities in executing joint **counter-insurgency and counter-terrorist operations** in jungle and semi-urban environments under **Chapter VII of the UN Charter.**

EX MAITREE-XV — India–Thailand contingent before departure

★ Value Addition — India-Thailand Defence Ties

- **Chapter VII** of the UN Charter deals with action with respect to threats to and breaches of the peace — the basis for UN-mandated enforcement/peace operations.
- Other India–Thailand engagements: naval **Ex INDO-THAI CORPAT** (coordinated patrol) and multilateral **MILAN**.
- Thailand is a key **Act East Policy** partner and a founding member of both **ASEAN** and **BIMSTEC**, bridging India with mainland Southeast Asia.

Syllabus Linkage: Security challenges; India's bilateral defence exercises; Act East Policy.

ENVIRONMENT GS 3

UN Convention to Combat Desertification (UNCCD) — COP17

WHY IN NEWS The **17th Conference of the Parties (COP17)** to the UNCCD opened in **Ulaanbaatar, Mongolia**, under the theme "*Restoring Land, Restoring Hope.*"

- COP17 to the United Nations Convention to Combat Desertification opened in **Ulaanbaatar, Mongolia**, under the theme "Restoring Land, Restoring Hope."
- The **UNCCD** is the sole legally binding international agreement linking environment and development to **sustainable land management**; it is one of the **three Rio Conventions** (with UNFCCC on climate and CBD on biodiversity) from the 1992 Earth Summit.
- Formally recommended by **Agenda 21** at the 1992 Rio Earth Summit; adopted in **Paris on 17 June 1994** (now the World Day to Combat Desertification and Drought) and entered into force in December 1996.
- It has near-universal membership of **197 Parties** (196 countries + the European Union).

United Nations Convention to Combat Desertification

★ Value Addition — UNCCD & India

- **Aim:** combat desertification, reverse land degradation and mitigate drought in arid, semi-arid and dry sub-humid areas (drylands) to achieve **Land Degradation Neutrality (LDN) by 2030.**
- **LDN:** ensures the quantity and quality of land resources needed for ecosystem functions and food security remain stable or increase.
- **Proactive drought resilience:** frameworks such as the **Riyadh Global Drought Resilience Partnership** shift countries from post-disaster relief to preparedness and early-warning systems.
- **India & UNCCD:** India hosted **COP14 (2019, New Delhi)** and has pledged to restore **26 million hectares** of degraded land by 2030.

Syllabus Linkage: Conservation, environmental pollution and degradation; international environmental conventions.

ECONOMY & GOVERNANCE | GS 3

Employment Guarantee Slips into Limbo — MGNREGA to VB-G RAM G

WHY IN NEWS Evidence points to an **unprecedented crash** in rural employment generation during the transition from MGNREGA to its successor, the **Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin), 'VB-G RAM G'**.

- Evidence is mounting of an unprecedented crash in employment generation under **MGNREGA** and its successor **VB-G RAM G**.
- One aspect widely noted: a **50% decline** in employment generation under VB-G RAM G in July 2026 vis-à-vis MGNREGA the same month last year — based on a premature figure of 7.7 crore person-days (latest 8.3 crore; final likely ~9 crore). Even so, the decline would exceed **40%**.
- In 2024-25 and 2025-26, the first four months (Apr–Jul) accounted for nearly 50% of annual generation (128 crore & 119 crore person-days). In 2026-27, only **70 crore person-days** were generated in the same months — a **43% decline** from the two-year average.
- The Ministry blamed States that suspended VB-G RAM G under Section 6, but these account for a small share; the July decline is the continuation of a crisis that began earlier. VB-G RAM G wages were notified on 30 June at a minimum of **₹300/day.**

Employment guarantee has slipped into limbo

Jean Drèze

Independent scholar based in Ranchi, Jharkhand

Mohammad Zameer

Independent scholar based in Ranchi, Jharkhand

VB-G RAM G has driven employment guarantee into the ditch

Rural workers are paying a heavy price for the Union Government's ill-conceived tinkering with India's employment guarantee law. Indeed, evidence is mounting of an unprecedented crash in employment generation under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and its successor, the Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin) alias VB-G RAM G Act.

One aspect of this crash has been widely noted: the 50% decline in employment generation under VB-G RAM G in July 2026, *vis-à-vis* MGNREGA in the same month last year. The 50% estimate is actually based on a premature figure of 7.7 crore person-days for July 2026. The latest figure is 8.3 crore, and the final figure is likely to be around 9 crore according to the Ministry of Rural Development. But even if we accept this anticipated total for July, the decline *vis-à-vis* July 2025 would be above 40%, which is a massive setback.

Misleading excuse

The Ministry of Rural Development made a lame attempt to attribute this setback to the fact that a few States explicitly suspended VB-G RAM G in parts of July 2026 under Section 6 of the Act, but this is the mother of all red herrings. For one thing, these States account for a small share of total MGNREGA employment, and the July 2026 decline looks much the same in proportionate terms when these States are left out. For another, the July decline is just the continuation of a crisis that began earlier.

Some background may help. A Bill paving the way for the replacement of MGNREGA with VB-G RAM G was rushed through Parliament in December 2025. The Rural Development Minister announced, at that time, that the replacement would take place on April 1, 2026. However, nothing of the sort happened on April 1. Evidently, the Ministry was not ready for the transition. The Rules, in particular, had not been framed. MGNREGA continued, by default.

On May 22, 2026, the Ministry released draft VB-G RAM G Rules for public consultation. These Rules are mainly a rehash of MGNREGA rules and orders. Release of the final Rules began at the end of June, just on time for the official replacement of MGNREGA with VB-G RAM G on July 1. VB-G RAM G wage rates were also notified on June 30, with a minimum norm of ₹300 per day – much the same as the earlier MGNREGA norm of ₹100 per day at 2009-10 prices.

The transition, the ground reality

During the first three months of this financial year (April to June), confusion prevailed. To paraphrase Gramsci, the old world of MGNREGA was dying, and the new world of VB-G RAM G was struggling to be born. In some districts, MGNREGA functionaries refused to open new works. In many areas, there was no MGNREGA work at all. This was a serious lapse, as MGNREGA is normally at a peak during these summer months (a slack agricultural season in large parts of India). The limbo continued in July 2026, when VB-G RAM G made a faltering start.

In 2024-25 and 2025-26, the first four months of the financial year (April to July) accounted for nearly 50% of annual employment generation – 128 crore and 119 crore person-days, respectively. In 2026-27, however, MGNREGA and VB-G RAM G generated only 70 crore person-days of employment in the same months – a decline of 43% from the average of the preceding two years.

Employment declined in all major States, but the decline was far from uniform across States (see *chart*). It was relatively small in a few States (example, Andhra Pradesh, Assam and Telangana), but larger than 40% in most States. In 10 out of 19 major States, the decline ranged between 60% and 85%. States where employment generation came to a virtual standstill in April-July 2026 include Madhya Pradesh, Uttar Pradesh and Jharkhand, some of India's largest and poorest States.

This crash in employment is all the more startling as the transition to VB-G RAM G was supposed to lead to a huge increase in employment generation. The VB-G RAM G allocation in the 2026-27 Union Budget is ₹95,692 crore – a little more than the actual MGNREGA expenditure in 2025-26. The total VB-G RAM G budget, inclusive of State contributions (40% of the total for most States), was due to shoot up to ₹1.5 lakh crore or so – an increase of about 70% *vis-à-vis* MGNREGA expenditure in 2025-26. With wages more or less unchanged in real terms, one would expect this enhanced budget to trigger a big increase in employment generation. Instead, the first four months of 2026-27 witnessed an unprecedented crash.

An uncertain road ahead

It is, of course, too early to pass judgement on VB-G RAM G. But the launch is certainly a damp squib as things stand. The fact that employment generation has been virtually nil for months in some of India's largest and poorest States is particularly alarming.

The situation may improve in the next few months, but it is hard to see how the projected VB-G RAM G expenditure of ₹1.5 lakh crore in 2026-27 is going to materialise. Wage payments may face serious problems too, with the imposition of facial recognition at the worksite and Centre-State cost-sharing. The outlook is bleak.

At Honnakiranagi village in Kalaburagi district, Karnataka. ARUN KULKARNI

Employment decline in April-July 2026

Percentage change in person-days, April-July 2026 versus average of previous two years (same months)

Andhra Pradesh	-1.9
Assam	-7.7
Telangana	-9.2
Tamil Nadu	-17
Chhattisgarh	-29
Keralam	-32
Bihar	-43.5
Rajasthan	-46.2
Maharashtra	-47.3
Gujarat	-60
Odisha	-62.2
Karnataka	-68.3
Madhya Pradesh	-68.8
Uttar Pradesh	-74.3
Haryana	-75
Jharkhand	-75.5
Punjab	-76.9
Uttarakand	-80
Himachal Pradesh	-84.6

Source: Calculated from Report 5.1.4, MGNREGA and VB-G RAM G portals

The Hindu, Page 6 — Employment decline in April–July 2026 across States

★ Value Addition — MGNREGA / VB-G RAM G

- The 2026-27 Union Budget allocation for VB-G RAM G is **₹95,692 crore** — a little more than the actual MGNREGA expenditure in 2025-26.
- Employment generation has been virtually **nil for months** in some of India's largest and poorest States (Madhya Pradesh, Uttar Pradesh, Jharkhand).
- It is hard to see how the projected VB-G RAM G expenditure of **₹1.5 lakh crore** in 2026-27 will materialise; wage payments may face problems from facial recognition at worksites and Centre–State cost-sharing.
- **MGNREGA (2005)** guarantees 100 days of wage employment per rural household — a legal right and the world's largest work-guarantee programme.

Syllabus Linkage: Government policies & interventions for development; issues relating to poverty, employment and rural welfare.

ECONOMY & IR | GS 2/3

'Time to Push Back' — US Tariff Pressure & the China-Route Charge

WHY IN NEWS A White House report naming ~40 countries alleges **India is among the top 'enablers'** of China's evasion of US tariffs — an accusation with the potential to seriously harm the Indian economy.

- A recent White House report, naming around 40 countries, said India ranks among the top 'enablers' of China's evasion of US tariffs — the charge being that such countries import Chinese goods, make **minor modifications**, and re-export to the US at lower tariffs than Chinese goods would face.
- The nature of India's imports from China is changing: away from finished products with cosmetic changes toward a rising share of **intermediate goods** — India doing more of its own assembly and manufacturing while relying on China for parts, an important step toward full-scale **Make in India**.
- The fear of India bowing to US pressure rests on precedent: motorcycle tariffs cut from 60–75% to 50% (2018) then 40% (Feb 2025); shrimp-feed, frozen duck and turkey duties slashed — each a key US ask.
- The **50% punitive tariffs** pushed India to diversify away from Russian oil — Russia's share in India's oil imports fell below 20% in January 2026, from nearly double six months earlier. The editorial argues India must **resist bowing** and start pushing back.

Time to push back

The U.S. has been emboldened to make increasing demands on India

The latest accusation levelled by the United States against India has the potential to be the most harmful to the Indian economy. A recent White House report, naming around 40 countries in all, has said that India ranks among the top 'enablers' of China's evasion of U.S. tariffs. The accusation is that India and these other countries are importing Chinese goods, making minor modifications to them, and then exporting them to the U.S. at lower tariffs than what Chinese goods would have faced. The fact that Chinese imports form a significant pillar of Indian manufacturing is no secret. Yet, the nature of these imports is slowly changing. India is gradually moving away from importing finished products, making cosmetic changes, and selling them. Instead, the share of intermediate goods in Indian imports from China has been steadily rising. That is, India is doing much of its own assembly and manufacturing in several sectors now, relying on China and other countries for the parts needed. This shift is an important step towards full-scale manufacturing in India. The U.S. has not yet announced punitive actions based on its assessment of apparent Chinese tariff evasion, though that eventuality is conceivable. However, should it do so, India must resist bowing to U.S. pressure on this issue. As even the government has admitted, Chinese imports right now are an important part of the Make in India story.

The fear of India bowing to U.S. pressure is based on precedent. In his first term as U.S. President, Donald Trump railed against India's tariffs on high-end motorcycles. In 2018, India cut these tariffs to 50% from the earlier 60%-75%, and then cut them further to 40% in February 2025, before trade deal talks had even started. Similarly, it slashed the import duties on shrimp feed and its components in the February 2024 Budget, a key ask of the U.S. It did the same with tariffs on frozen duck and turkey. The pressure of the 50% punitive tariffs pushed India to diversify away from Russian oil, despite India's strident claims of energy sovereignty and the discount it was receiving. Russia's share in India's oil imports fell to below 20% in January 2026, from nearly double that when the 50% tariffs were imposed six months earlier. This had happened with Venezuelan oil in 2019 as well. It was the West Asia crisis, and the U.S.'s temporary reprieve, that has seen India turning back to Russian oil. Allowing FDI in the e-commerce inventory model, as India recently did, was something Amazon had been lobbying for for a decade, and a dilution of India's long-held stance. The U.S. can wield immense pressure and so concessions are understandable. But that has emboldened it to make increasing demands. India needs to start pushing back.

The Hindu Editorial, Page 6 — 'Time to push back'

Key Concepts

- **Tariff engineering / transshipment:** the practice the US alleges — routing or lightly modifying goods to change their country of origin and duty treatment.
- **Intermediate goods:** inputs used to produce final goods; a rising share signals deeper domestic value addition rather than mere re-labelling.
- **Rules of Origin:** criteria determining a product's 'economic nationality' — central to any transshipment dispute.

Syllabus Linkage: Bilateral, regional & global groupings involving India; effect of developed-country policies on India's interests.

INTERNATIONAL RELATIONS GS 2

‘Beyond America’ — West Asia’s Security Realignment

WHY IN NEWS An editorial argues that after the US-led war on Iran, **Arab states can no longer depend on the US** for their security and must build a new regional order.

- Donald Trump’s threat to bomb **Oman**, a long-standing US ally in the Persian Gulf, reflects both his administration’s frustration with the war against Iran and Washington’s declining influence in the region — the second such threat against Oman, which had hosted US–Iran talks before the war launched on **28 February.**
- Oman, under US influence, has been talking to Iran seeking a settlement; as Iran — which survived two rounds of US bombing — refused major concessions, US frustration with Oman deepened.
- Trump repeatedly claimed the **Strait of Hormuz** was open, but traffic (through which one-fifth of the world’s seaborne oil once passed) is nowhere near pre-war levels; US threats did little to advance American goals or deter Iran.
- The old security architecture has been shaken: **American bases turned out to be a liability** and the decades-old policy of containing Iran has failed. The Gulf states, the editorial argues, must look beyond the US umbrella and build a new order shaped by a **‘cold peace’** between Arab states and Iran.

Beyond America

Arab states can no longer depend on the U.S. for their security needs

Donald Trump’s threat to bomb Oman, a long-standing American ally in the Persian Gulf, reflects both his administration’s deepening frustration with the war against Iran and Washington’s declining influence in the region. This is the second time that the U.S. leader has threatened to attack Oman, which hosted talks between Washington and Tehran before he launched the war on February 28. When Mr. Trump backed down from a threatened escalation after 13 days of bombing on Iran in July, he said the U.S. and Iran were close to a deal on reopening the Strait of Hormuz, which was closed by Iran after it was attacked. But Iran never said that it had agreed to a deal with the U.S. over the Strait and instead issued several demands, including releasing frozen funds and issuing sanctions relief, as preconditions for any agreement. Ever since, Oman, under U.S. influence, has been talking to Iran seeking a settlement. As Iran, which survived two rounds of U.S. bombings, refused to offer major concessions, the U.S.’s frustration with Oman has deepened. Mr. Trump has repeatedly claimed that the Strait of Hormuz was open, but traffic through the waterway, through which one-fifth of the world’s seaborne oil passed before the war, is nowhere near its pre-war levels.

The war has raised questions about America’s regional security strategy and its commitment to the security of its allies. Over the years the U.S. had built military bases across the Persian Gulf. However, Tehran has turned these bases into a liability by repeatedly striking them and their host countries. At least 15 American bases, including the Fifth Fleet Headquarters in Bahrain, are either damaged or destroyed, which has substantially reduced the U.S.’s strategic presence. But Mr. Trump does not seem to grasp the seriousness of the situation. Instead of reassuring the allies, he is now threatening to bomb them because they are not able to deliver on his push for a face-saving deal with Iran. From day one of the war, his threats and rhetoric did little to advance America’s strategic goals or deter Iran. But Mr. Trump, stuck deep in the Persian sands, appears unable to change tack. Whether he acknowledges America’s growing limitations in West Asia or not, countries in the region confront a new strategic reality: the foundations of the old security architecture have been shaken. In their hour of need, American bases have turned out to be a liability. They should also recognise that the decades-old policy of containing Iran has failed. To ensure their own security and regional stability, the Persian Gulf countries need to look beyond the American security umbrella and lay the foundations for a new regional order, shaped by a cold peace between the Arab states and Iran.

The Hindu Editorial, Page 6 — 'Beyond America'

★ Value Addition — West Asia & India’s Stakes

- **Strait of Hormuz:** chokepoint between the Persian Gulf and Gulf of Oman; carries a large share of global seaborne crude — any disruption spikes oil prices and hits India’s energy security.
- **Oman:** traditionally a neutral interlocutor in West Asia; hosts the strategically vital **Duqm port**, where India has berthing access.
- India’s stakes: ~**9 million Indians** in the Gulf, major remittance and energy links — regional instability directly affects India.

Syllabus Linkage: India and its neighbourhood; effect of West Asian developments on India’s energy & diaspora interests.

GOVERNANCE & TRANSPARENCY GS 2

PM CARES — Donations Drop, Utilisation Abysmal

WHY IN NEWS Audited statements of the **PM CARES Fund** for FY 2023-24 and 2024-25, released after a two-year delay, show **donations dropped** while **utilisation of funds collapsed**.

- The audited financial statements of the **PM CARES Fund**, released for FY 2023-24 and 2024-25 after a delay of two years, showed donations had dropped and utilisation of available funds was abysmally low.
- The corpus grew **25.8%** between 2022-23 and 2024-25 (from ₹6,722 cr to ₹8,453 cr); yet in the same period utilisation fell from ₹437.9 cr to just **₹87.5 lakh** — about 10,000 times smaller than the available corpus.
- Money flowing in via donations and interest far exceeded money disbursed since 2022-23; growth in the corpus is now driven mainly by **interest earnings** (₹475 cr interest in 2024-25 — almost equal to the ₹480 cr in donations).
- Since its creation as a public charitable trust in **March 2020**, PM CARES has faced criticism for lack of transparency, refusal to share information, and inordinate delays in releasing financial statements.

★ Value Addition — PM CARES by the Numbers

- Total contributions fell to **₹479.96 cr** in FY 2024-25; interest income was ₹475.14 cr and ₹324.65 cr came as 'refund from implementing agencies'.
- Total spending fell to **₹87.85 lakh** — almost entirely the PM CARES for Children Scheme (₹87.84 lakh) plus ₹451 in bank/SMS charges.
- Spending trajectory: ₹15.59 cr (2023-24); ₹437.87 cr (2022-23); ₹3,716 cr (2021-22); ₹3,976 cr (2020-21).
- In 2023-24 the government moved the corpus from savings accounts to **fixed deposits** (~93% of corpus) — the likely reason for rising interest income.

Prelims + Mains Angle

- **Debate — is it a 'public authority' under RTI?** PM CARES is not audited by CAG and does not accept RTI queries, arguing it is a private trust; critics point to its use of the state emblem, PMO domain and ex-officio trustees.
- **Contrast with PMNRF:** the Prime Minister's National Relief Fund is an older relief fund also outside CAG audit — both raise questions of public accountability.

Syllabus Linkage: Transparency & accountability; role of civil services & institutions; RTI; charitable trusts and public funds.

PM CARES donations have dropped, and utilisation is abysmal

The corpus of PM CARES grew by 26% in two years despite drop in donations due to accrual of interests. However, utilisation of the funds has reduced

DATA POINT

Pon Vasanth B.A.

The audited financial statements of the Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM-CARES) Fund, released for the financial years of 2023-24 and 2024-25 after a delay of two years, showed that donations had dropped and the utilisation of available funds was abysmally low.

The corpus grew by 25.8% between 2022-23 and 2024-25 from ₹6,722 crore to ₹8,453 crore. However, in the same period, the utilisation dropped from ₹437.9 crore to just ₹87.5 lakh, which was 10,000 times smaller than the available corpus **(Chart 1)**. The money flowing into funds through donations and interests from corpus far exceeded the money disbursed since 2022-23 **(Chart 2)**.

Moreover, "refunds" from "implementing agencies" were far higher than the money utilised **(Chart 3)**. Neither the details of these implementing agencies nor the purpose for which the refunded money was originally allotted has been made available.

Additionally, donations have also dropped sharply. The growth in the corpus was mainly due to earnings through interests. In 2024-25, the income received through interest payments (₹475 crore) was almost the same as donations (₹480 crore) **(Chart 4)**. The sharp increase in interests' income could be attributed to the Union government moving the corpus from savings account to fixed deposits in 2023-24 **(Chart 5)**.

Ever since its creation as a public charitable trust in March 2020, PM-CARES has come under criticism for its lack of transparency, refusal to share information, and inordinate delays in releasing financial statements. The prolonged delay **(Chart 6)** in the release of statements coincided with the Centre changing the auditors.

Transparency deficit

The delays in the release of financial statements were calculated using Internet Archive and the metadata available in the official website of PM-CARES Fund

CHART 1: While the corpus of the PM-CARES Fund continued to grow, the utilisation has dropped sharply after COVID-19 pandemic (values in ₹ crore)

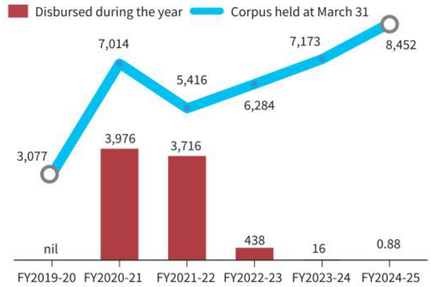

CHART 2: Since 2020-23, the money flowing into the fund has far exceeded the money disbursed (values in ₹ crore)

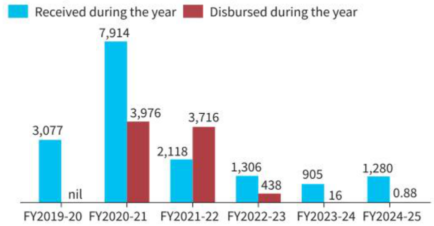

CHART 3: In 2023-24 and 2024-25, the money refunded by "implementing agencies" was much higher than the money utilised (values in ₹ crore)

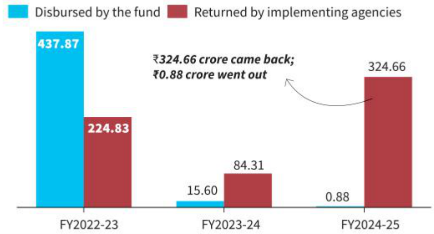

CHART 4: Donations to PM-CARES Fund has considerably reduced. In 2024-25, the income through interests' was almost the same as the donations received

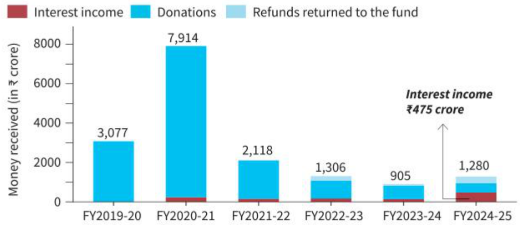

CHART 5: In 2023-24, the government moved the corpus from savings accounts to fixed deposits, which was the likely reason for increase in income through interests

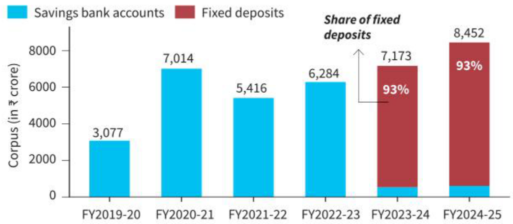

CHART 6: The table shows the delays in the release of audited statements. The last two were approved together by auditors

Financial year	Date published	Delay (days)
FY2019-20	Aug 19, 2020*	141
FY2020-21	Feb 8, 2022	314
FY2021-22	Nov 1, 2022*	215
FY2022-23	Dec 28, 2024	638
FY2023-24	Aug 17, 2026	869
FY2024-25	Aug 17, 2026	504

The Hindu, Page 7 — PM CARES 'Transparency deficit' data point

• Contributions received in the PM CARES Fund and closing balance (amount in Rs Crore)

	Receipts		Opening Balance	Total Receipts	Total Payments	Closing Balance
	Domestic	Foreign				
2019-20	3076.85	0.39	0	3076.62	0.0002	3076.62
2020-21	7183.77	494.93	3076.62	10990	3976.17	7013.99
2021-22	1896.76	40.12	7013.99	9131.94	3716.29	5415.65
2022-23	909.64	2.57	5415.65	6721	437.87	6283.68
2023-24	681.81	1.13	6283.68	7188.63	15.59	7173.03
2024-25	479.04	0.92	7173.03	8452.94	0.87	8452.06

Contributions received & closing balance, PM CARES Fund (₹ crore)

Mains Practice Questions

Q1 · GS PAPER II · 15 MARKS

Article 142 of the Constitution has been described both as a 'guardian of complete justice' and as a potential source of judicial overreach. Critically examine, with reference to recent instances.

Approach: Introduce Art. 142 as the SC's residuary/inherent power for "complete justice." **Body — as guardian:** fills legislative gaps, delivers equity (quashing FIRs of student protesters; environmental & humanitarian relief); backed by *Delhi Judicial Service Association* (1991). **As overreach risk:** unelected discretion vs separation of powers; unpredictability; tension with statutory law (e.g., debates over the Bhopal settlement, bar-council/liquor cases). Note *Anil Kumar Jain* (2009) — not co-extensive with HC powers. **Conclude:** a "great equaliser" that demands judicial self-restraint and principled, transparent use.

Value addition: "complete justice" · residuary power · separation of powers · judicial restraint · *Supreme Court Bar Assn. v. Union of India (1998).*

Q2 · GS PAPER II/III · 15 MARKS

The EU's Carbon Border Adjustment Mechanism (CBAM), now in its definitive phase, poses a distinct challenge to India's export competitiveness and to the principle of climate equity. Discuss India's concerns and possible response strategies.

Approach: Define CBAM (EU carbon import levy under "Fit for 55", definitive phase from Jan 2026). **India's concerns:** ~90% of exposed EU exports are iron & steel; higher compliance costs; unilateral & extraterritorial; erodes 'common but differentiated responsibilities'; hits MSMEs. **Response strategies:** negotiate under the India–EU FTA; build a domestic carbon market/credible MRV; green steel & decarbonisation incentives (PLI); WTO consultations; BRICS/Global South coalition (as at the 12th BRICS meet); demand adaptation finance. **Conclude:** balance trade defence with genuine decarbonisation.

Value addition: carbon leakage · CBDR-RC · Fit for 55 · MRV · India's carbon credit trading scheme · green steel.

Prelims MCQs

Q1. Consider the following statements regarding Article 142 of the Indian Constitution:
1. It empowers the Supreme Court to pass any order necessary for doing 'complete justice'.
2. High Courts enjoy identical powers under Article 226.
3. Statutory restrictions in ordinary law can limit this power.
Which is/are correct?

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

Q2. **With reference to the EU's Carbon Border Adjustment Mechanism (CBAM), consider:**
1. It is part of the EU's 'Fit for 55' package.
2. It entered its definitive, fully enforceable phase on 1 January 2026.
3. It currently covers iron & steel, cement, fertiliser, aluminium and electricity.
Which are correct?

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

Q3. **'Land Degradation Neutrality (LDN) by 2030' is the flagship target of which international agreement?**

(a) UNFCCC
(b) Convention on Biological Diversity
(c) UN Convention to Combat Desertification
(d) Ramsar Convention

Q4. **The three 'Rio Conventions' established around the 1992 Earth Summit are:**

(a) UNFCCC, CBD and UNCCD
(b) UNFCCC, CITES and Ramsar
(c) CBD, CITES and UNCCD
(d) UNFCCC, Ramsar and Montreal Protocol

Q5. **Section 393(5) of the Bharatiya Nagarik Suraksha Sanhita, 2023, recently before the Supreme Court, relates to:**

(a) Right to legal aid
(b) Method of execution of the death sentence
(c) Anticipatory bail
(d) Preventive detention

Q6. **Exercise MAITREE is a joint military exercise between India and:**

(a) Malaysia
(b) Thailand
(c) Myanmar
(d) Indonesia

Q7. **The successor scheme to MGNREGA discussed in the news is the:**

(a) PM-KISAN Gramin Mission
(b) Viksit Bharat–Guarantee for Rozgar and Ajeevika Mission (Gramin)
(c) Deen Dayal Antyodaya Yojana
(d) National Rural Livelihoods Mission

Q8. **Consider the following about the PM CARES Fund:**
1. It was created in March 2020 as a public charitable trust.
2. Its corpus fell in absolute terms between 2022-23 and 2024-25.
3. Interest income in 2024-25 was almost equal to donations received.
Which are correct?

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

Q9. **The 'Strait of Hormuz', frequently in the news, connects the Persian Gulf with the:**

(a) Red Sea
(b) Gulf of Aden
(c) Gulf of Oman
(d) Arabian Peninsula's Gulf of Aqaba

Q10. **Yoga was inscribed on UNESCO's Representative List of the Intangible Cultural Heritage of Humanity in the year:**

(a) 2014
(b) 2015
(c) 2016
(d) 2018

Answer Key & Rationale

Q1	**A**	Only statement 1 is correct. High Court powers under Art. 226 are *not* co-extensive with Art. 142 (*Anil Kumar Jain*, 2009), and ordinary statutory restrictions cannot limit this constitutional power (*Delhi Judicial Service Association*, 1991).
Q2	**D**	All three are correct. CBAM is under 'Fit for 55' (55% emission cut by 2030 vs 1990), moved to its definitive phase on 1 Jan 2026, and covers those five carbon-intensive sectors.
Q3	**C**	LDN by 2030 is the central goal of the UNCCD — the only legally binding agreement linking environment and development to sustainable land management.
Q4	**A**	The three Rio Conventions are the UNFCCC (climate), CBD (biodiversity) and UNCCD (desertification). UNCCD was adopted in Paris in 1994 as recommended by Agenda 21.
Q5	**B**	Section 393(5) BNSS (earlier Section 354(5) CrPC) prescribes hanging as the method of execution; the SC declined to direct an alternative, finding no botched execution shown in India.
Q6	**B**	MAITREE is the annual India–Thailand joint military exercise (Indian Army & Royal Thai Army), focused on jungle counter-insurgency and counter-terrorism.
Q7	**B**	VB-G RAM G (Viksit Bharat–Guarantee for Rozgar and Ajeevika Mission, Gramin) replaced MGNREGA, with a 2026-27 allocation of ₹95,692 crore and a ₹300/day minimum wage.
Q8	**B**	Statements 1 and 3 are correct. The corpus actually *grew* ~25.8% (to ₹8,453 cr), so 2 is wrong. Interest (₹475 cr) was nearly equal to donations (₹480 cr) in 2024-25.

Q9	**C**	The Strait of Hormuz links the Persian Gulf to the Gulf of Oman — a critical oil chokepoint through which a large share of the world's seaborne crude passes.
Q10	**C**	Yoga was inscribed on the UNESCO list in 2016. The International Day of Yoga (21 June) was declared by the UNGA in 2014 and first observed in 2015.

One-Liner Revision — Prelims Pointers

Article 142	SC power for 'complete justice'; residuary & inherent; above ordinary statutes; not co-extensive with HC (Art. 226).
EU CBAM	Carbon import levy under 'Fit for 55'; definitive phase from 1 Jan 2026; iron & steel ~90% of India's exposed EU exports.
Death penalty	Hanging retained; Sec. 393(5) BNSS (ex-354(5) CrPC); SC found no botched execution in India.
Yoga	Intl Day of Yoga 21 June (UNGA 2014); UNESCO ICH listing 2016; instrument of India's soft power.
MAITREE-XV	India–Thailand Army exercise; 9 Gorkha Rifles; jungle counter-insurgency; UN Charter Ch. VII.
UNCCD	Rio Convention (Paris, 1994); COP17 Ulaanbaatar; target — Land Degradation Neutrality by 2030; 197 Parties.
VB-G RAM G	MGNREGA successor; ₹95,692 cr allocation; ₹300/day min wage; ~43% fall in Apr–Jul person-days.
US tariffs	White House report names India a top 'enabler' of China's tariff evasion; rising share of intermediate goods.
West Asia	Post-war realignment; US bases a liability; Strait of Hormuz traffic below pre-war; 'cold peace' sought.
PM CARES	Corpus ₹8,453 cr (2024-25); spending crashed to ₹87.85 lakh; created Mar 2020; transparency concerns.

★ MAINS THREAD FOR THE DAY

- Judicial power & accountability (Art. 142) · green trade barriers & climate equity (CBAM) · rights & new criminal laws (BNSS).
- Welfare delivery under transition (MGNREGA→VB-G RAM G) · transparency of public funds (PM CARES) · India's neighbourhood & energy security (West Asia).