

DAILY NEWSP APER ANALYSIS

DATE - 14/03/2026

**SOURCE
THE HINDU & INDIAN EXPRESS**

**CHANAKYA IAS ACADEMY
SECTOR 25 CHANDIGARH**

Centre sets aside ₹57,381 crore to address 'global headwinds'

Lok Sabha clears grant with around ₹2 lakh crore cash outgo; the 'Economic Stabilisation Fund' from supplementary grants will provide fiscal space amid global uncertainties, including 'unanticipated supply chain disruptions,' say Finance Minister

T.G.A. Sharad Raghavan
NEW DELHI

Amid the \$100-per-barrel oil shock and fears of energy shortage and supply chain disruptions arising out of the West Asia conflict, the Centre has allocated ₹57,381 crore for an Economic Stabilisation Fund that would provide it fiscal space to address global headwinds, including "the recent crisis or unanticipated supply chain disruptions", Finance Minister Nirmala Sitharaman said in the Lok Sabha on Friday.



The Lok Sabha on Friday passed the Centre's Second Supplementary Demand for Grants. Approval sought for gross additional expenditure of around ₹2.81 lakh crore. Savings and receipts expected to be around ₹80,000 crore. Around ₹2.01 lakh crore net cash outgo for additional expenditures.

ing the ₹57,381-crore allocation. Ms. Sitharaman said the Centre would meet its fiscal deficit target for 2025-26 even after taking these fresh allocations into consideration. The Centre had sought approval for spending around ₹2.81 lakh crore extra in the current fiscal. With ad-

ditional receipts of around ₹80,000 crore estimated in the supplementary, the net additional cash spending will be ₹2.01 lakh crore.

'Strong framework'
The Minister said policy initiatives undertaken post COVID-19 "made sure that the economy recovered

well" and helped the government strengthen the macroeconomic framework.

This has enabled the country to absorb economic shocks without deviating from the fiscal consolidation roadmap, she said.

"But I want to highlight the point that the proposed Economic Stabilisation Fund will provide fiscal headroom to allow India to respond to the global headwinds, such as the recent crisis, unanticipated supply chain disruptions, unexpected shocks to sub-sectors in the Indian economy and any other event that may have significant fiscal implications," Ms. Sitharaman said.

She added that the extra expenditure would not entail the Centre's fiscal deficit target being missed. In her Budget speech on

February 1, Ms. Sitharaman had stated that the government was targeting a fiscal deficit target of 4.4% of India's GDP.

"I wish to reiterate that with all these extras that we are coming up with, whether it is technical supplementaries or cash supplementaries, I don't want any Member of Parliament to wonder if I will be able to reach the fiscal deficit number that I have said while placing the Budget," Ms. Sitharaman said on Friday.

"The commitment given to this House, inclusive of the second supplementary demand for grants, will be within the fiscal deficit target that had been presented in this Parliament on February 1, 2025," she added.

'SLIGHT CONCERN'
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KEY HIGHLIGHTS

Context

- The Union Government proposed an Economic Stabilisation Fund (ESF) with an allocation of ₹57,381 crore while presenting the Second Supplementary Demand for Grants in Parliament.
- The announcement was made by Nirmala Sitharaman in the Lok Sabha.
- The move comes amid rising crude oil prices nearing \$100 per barrel, geopolitical tensions in West Asia, and concerns over global supply chain disruptions.
- The government also approved additional expenditure of ₹2.81 lakh crore, with a net cash outgo of ₹2.01 lakh crore after accounting for extra receipts.

Key Points

- Economic Stabilisation Fund (ESF)
 - Allocation: ₹57,381 crore.
 - Objective: Provide fiscal space to respond to external economic shocks.
 - Possible uses:
 - Global commodity price shocks (e.g., oil)
 - Supply chain disruptions
 - Crisis affecting specific sectors of the economy
 - Unexpected fiscal pressures.
- Second Supplementary Demand for Grants
 - Total additional expenditure sought: ₹2.81 lakh crore.
 - Additional receipts: ₹80,000 crore.
 - Net additional spending: ₹2.01 lakh crore.
- Fiscal Deficit Target
 - Government reiterated commitment to 4.4% of GDP fiscal deficit target for FY 2025-26.
 - Additional spending will not deviate from fiscal consolidation roadmap.

• Macroeconomic Context

- India imports around 85% of its crude oil requirement, making it vulnerable to global oil price shocks.
- Oil price rise can lead to inflation, current account pressure, and fiscal stress.

Static Points

- Article 115 of the Constitution deals with Supplementary, Additional, or Excess Grants.
- Demand for Grants can be voted only by the Lok Sabha.
- Fiscal Deficit = Total expenditure – Total non-borrowed receipts.
- The FRBM Act, 2003 mandates fiscal discipline and targets for fiscal deficit and public debt.
- India maintains Strategic Petroleum Reserves (SPR) to address emergency oil supply disruptions.

Critical Analysis

Significance

- Creates a fiscal buffer to manage global economic shocks.
- Enhances macroeconomic stability and crisis preparedness.
- Helps government respond quickly without revising the entire budget.

Concerns

- Additional expenditure may increase public debt burden.
- Reliance on such funds may delay structural reforms in energy and supply chains.
- Effectiveness depends on transparent utilisation and parliamentary oversight.

Way Forward

- Strengthen fiscal buffers and revenue mobilisation.
- Reduce vulnerability to oil shocks by expanding renewable energy capacity.
- Improve domestic manufacturing and logistics resilience.
- Maintain adherence to FRBM fiscal consolidation targets.
- Expand Strategic Petroleum Reserves to cushion oil price volatility.

INDIA bloc MPs submit notice in Parliament for removal of Chief Election Commissioner

Sobhana K. Nair
NEW DELHI

The INDIA bloc MPs on Friday submitted a notice in both the Houses of Parliament seeking the removal of Chief Election Commissioner (CEC) Gyanesh Kumar.

This is the first time that such a notice has been formally submitted in Parliament.

The 10-page notice lists seven charges against Mr. Kumar – ranging from “partisan and discriminatory conduct in office” to “deliberate obstruction of investigation of electoral fraud”, and “mass disenfranchisement”.

Opposition parties have accused the CEC of aiding the ruling BJP on several



The rules require at least 50 MPs to sign the notice if it is moved in the Rajya Sabha and 100 if moved in the Lok Sabha. ANI

occasions, particularly during the special intensive revision (SIR), which they allege is being used to benefit the ruling party. They have cited examples from West Bengal, Bihar, and other States where the SIR has been done.

The Trinamool Congress is considering releasing the transcript of its delegation's meeting with the Election Commission on February 2. After that meeting, West Bengal Chief Minister Mamata Banerjee had told reporters

that Mr. Kumar had “humiliated” the delegation.

Article 324(5) of the Constitution states: “Provided that the Chief Election Commissioner shall not be removed from his office except in like manner and on the like grounds as a Judge of the Supreme Court and the conditions of service of the Chief Election Commissioner shall not be varied to his disadvantage after his appointment.”

Under the Judges (Inquiry) Act, 1968, if notices for such a motion are submitted in both Houses on the same day, no inquiry committee may be constituted unless the motion is admitted in both Houses.

Once admitted, a committee must be constituted

jointly by the Speaker of the Lok Sabha and the Chairman of the Rajya Sabha.

The rules require at least 50 MPs to sign the notice if it is moved in the Rajya Sabha and 100 if moved in the Lok Sabha. The Opposition's notice exceeds these requirements, with 130 signatures in the Lok Sabha and 63 in the Rajya Sabha.

According to sources, the Trinamool Congress, which spearheaded the effort, debated whether to move the notice in only one House.

“[But] Opposition members of both Houses wanted to sign the notice to register their protest against the CEC's recent actions,” a senior leader said.

- Other Election Commissioners: Can be removed only on the recommendation of the CEC.

Static Linkages

- The Election Commission is a constitutional body responsible for conducting elections to Parliament, State Legislatures, and the offices of President and Vice-President.
- Electoral rolls and election conduct are governed by the Representation of the People Act, 1950 and 1951.
- Removal procedure of the CEC is similar to impeachment of Supreme Court judges under Article 124(4).
- The Election Commission currently consists of one Chief Election Commissioner and two Election Commissioners.
- The Commission functions under principles of free and fair elections, which form part of the basic structure of the Constitution (as recognized in judicial interpretations).

Critical Analysis

Importance

- Strong removal safeguards protect the independence of the Election Commission.
- Ensures the CEC cannot be removed arbitrarily by the executive.

Concerns

- Political use of removal motions may increase institutional confrontation.
- Allegations against the election authority may reduce public trust in electoral processes.

Way Forward

- Strengthen institutional transparency and accountability within election management.
- Ensure non-partisan functioning of constitutional authorities.
- Implement recommendations of electoral reform committees (e.g., Law Commission and Election Commission reports).
- Promote institutional checks and balances to preserve credibility of elections.

KEY HIGHLIGHTS

Context of the News

- MPs from the INDIA opposition bloc submitted a notice in both Houses of Parliament seeking removal of Gyanesh Kumar.
- The notice alleges “partisan conduct”, “electoral irregularities”, and issues related to revision of electoral rolls.
- The motion has 130 signatures in Lok Sabha and 63 in Rajya Sabha, exceeding the minimum requirement.
- This is the first time a formal notice seeking removal of a Chief Election Commissioner has been submitted in Parliament.
- The removal procedure derives from Article 324(5) of the Constitution, which equates the removal process of the CEC with that of a Supreme Court judge.

Key Points

- Article 324: Provides for the Election Commission of India (ECI) and its powers related to elections.
- Article 324(5):
 - CEC can be removed only in the same manner and on the same grounds as a judge of the Supreme Court.
 - Conditions of service of the CEC cannot be varied to their disadvantage after appointment.
- Removal Procedure:
 - Motion must be signed by 100 MPs in Lok Sabha or 50 MPs in Rajya Sabha.
 - Governed by Judges (Inquiry) Act, 1968.
 - An inquiry committee is constituted after admission of the motion.
 - Removal requires special majority in both Houses and final approval by the President of India.
- Security of Tenure: Ensures independence of the Election Commission.

Paid menstrual leave may hurt women's careers: SC

CJI distinguishes between creating a legally enforceable statutory right and a spontaneous act or policy from employers towards their women employees; court encourages voluntary initiatives

Krishnadas Rajagopal
NEW DELHI

The Supreme Court on Friday expressed apprehensions that a law making paid leave during menstrual pain compulsory may damage the careers of young women and deprive them of equal opportunities.

"The moment you introduce this as a law and make it a compulsory condition, you may not be able to assess the amount of damage you may do to their career. Nobody may give them big responsibilities. In judicial services, people may not assign trials to them," Chief Justice of India Surya Kant, heading a Bench comprising Justice Joymalya Bagchi, voiced doubts.

The court, at the same time, encouraged "voluntary" initiatives in this regard by States like Odisha, Karnataka, and Kerala,



JUSTICE JOYMALYA BAGCHI
Judge, Supreme Court

which give leave to students in State-run universities and institutions up to 60 days annually for menstrual pain, and private entities.

Chief Justice Kant distinguished between creating a legally enforceable statutory right and a spontaneous act or policy from employers towards their women employees.

Plea seeks directions

The court was hearing a petition filed by advocate Shailendra Mani Tripathi seeking a direction to the government to enact a uniform law for paid men-

strual pain leave to working women and students in consonance with their fundamental right to dignity under Article 21 of the Constitution. Mr. Tripathi said a judicial order was necessary to fill up this legal vacuum in the Maternity Benefit Act, 1961.

Mr. Tripathi said various private entities and NLIU Bhopal and MNLU Aurangabad had implemented menstrual leave policies. Punjab University has also approved and granted menstrual leave to the students.

Justice Bagchi said the court was in principle in

complete agreement with the petitioner's cause, and the "cause for affirmative action was recognised". But it had to keep an eye on the "practical reality of the job market". "We see from the rights' regime, but look at it also from the business model. Will an employer be happy with the competing claims from the other gender?" Justice Bagchi asked.

Mr. Tripathi's petition had stressed the fact that India had signed and ratified the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), which recognises the need for non-discriminatory practices and for treating women with dignity.

"Countries like the United Kingdom, Wales, China, Japan, Taiwan, Indonesia, South Korea and Zambia have different policies or laws on the grant of menstrual leave," the petition had said.

- Punjab University allows menstrual leave for students.
- NLIU Bhopal and MNLU Aurangabad have similar policies.

- International Practices: Countries including Japan, Indonesia, South Korea, China, Taiwan, and Zambia have provisions related to menstrual leave.
- International Commitment: India is a signatory to CEDAW, which promotes gender equality and non-discriminatory practices.

KEY HIGHLIGHTS

Context

- The Supreme Court of India expressed concerns over making paid menstrual leave a compulsory statutory right for women employees and students.
- A Bench led by Chief Justice Surya Kant and Justice Joymalya Bagchi stated that mandatory provisions may unintentionally affect women's career prospects and workplace opportunities.
- The Court was hearing a petition seeking directions to the Union Government to enact a uniform law providing menstrual leave.
- The petitioner argued that such leave is necessary to uphold women's dignity under Article 21.
- The Court encouraged voluntary policies by employers and states instead of imposing a mandatory law.
- Some states such as Odisha, Karnataka, and Kerala provide menstrual leave for students in state-run educational institutions.

Key Points

- Issue: Proposal to create a statutory right to paid menstrual leave for working women and students.
- Court's Concern: Mandatory leave may result in employment discrimination or fewer opportunities for women.
- Petitioner's Argument:
 - Menstrual leave should be recognized as part of the right to dignity and health under Article 21.
 - Current laws such as the Maternity Benefit Act, 1961 do not provide menstrual leave.
- Institutional Practices in India:

Static Linkages

- Article 21 – Right to life and personal liberty (includes dignity and health).
- Article 14 & Article 15 – Equality before law and prohibition of discrimination.
- Article 42 – Provision for just and humane conditions of work and maternity relief.
- Maternity Benefit Act, 1961 – Provides maternity leave but no provision for menstrual leave.
- CEDAW (1979) – Global convention promoting elimination of discrimination against women.

Critical Analysis

Arguments Supporting Menstrual Leave

- Promotes women's health and workplace dignity.
- Recognizes menstrual health as a public health and labour issue.
- Helps reduce stigma and supports gender-sensitive workplaces.

Concerns Highlighted

- Risk of reduced hiring or promotion of women.
- May reinforce stereotypes about lower productivity of women employees.
- Implementation challenges in informal sector, where most women work.

Way Forward

- Encourage voluntary menstrual leave policies by employers.
- Provide flexible work arrangements (remote work, flexible hours).
- Integrate menstrual health awareness and workplace sensitivity programs.
- Consider evidence-based policy formulation before enacting nationwide legislation.

The India-Canada turnaround is about deliverables

When the Prime Minister of Canada, Mark Carney, visited India (February 27-March 2, 2026), the bilateral relationship saw a remarkable turnaround, especially in the backdrop of the no-nonsense style ties had taken under his predecessor, Justin Trudeau.

Mr. Carney's visit focused on deliverables and avoided getting bogged down by past issues. The visit also marked the culmination of bilateral efforts to put the relationship back on track, initiated by Prime Minister Narendra Modi's visit to Kananaskis (Canada) in June 2025 and, also the bilateral meeting in Johannesburg in November 2025. Canada has shown particular pragmatism in tiding over domestic politics to curate its relationship with India carefully, skirting some of the legacy issues.

Spotlight on economic issues

Coming on the back of significant geopolitical churn, the focus on economic issues was unmissable. Canada has faced pressure from its southern neighbour, the United States, which is among its largest trade partners, due to supply chains concentrated toward Washington. U.S. President Donald Trump's tariff policy, together with unending wars in Europe, West Asia, as well as the broader Levant region, have shaken global powers with economic momentum and purpose. India and Canada perhaps fall in the same spectrum of countries which want to avoid war and focus on deliverables for their countries.

However, with global supply chains deeply interconnected, it is virtually impossible for countries to avoid some of the fallout from conflicts and realignments. India and Canada see diversification in trade, energy, investment, and security as essential.



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The Canadian Prime Minister's visit has strengthened India-Canada ties, with a focus on India's needs

The Carney visit resulted in at least eight agreements and contracts, spread over a slew of important sectors. At the top was, of course, the Comprehensive Economic Partnership Agreement (CEPA), for which the terms of agreement have been signed, marking the road map and structure of negotiations. There was another memorandum of understanding (MoU) under the Australia-Canada-India Technology and Innovation Partnership on cooperation in technology and innovation, designed to support long-term partnership in these areas and enhance Ottawa's engagements with key Indo-Pacific countries.

The focus areas

There were other agreements on augmenting research partnership, cultural exchange, and collaboration in the areas of food and nutrition. Perhaps two of the most significant agreements were the commercial contract between India's Department of Atomic Energy and Canada's Cameco for the supply of uranium ore concentrates, as well as the MoU on critical minerals cooperation.

These areas of cooperation are aligned with the current needs of India, but also a future road map in which technology and critical minerals are indispensable. First, there is a global rush to secure critical mineral supply chains, vital for technology and everyday life in the modern age. Second, supply chains for critical minerals are concentrated in the hands of a few countries, most notably China.

After China showed its ability to leverage critical mineral supply chains – most recently against the U.S. in the face of tariffs imposed by the Trump administration – other nations have

recognised the need to secure their own supply chains that could be affected in times of crises. As such, the bilateral commitments on critical minerals between India and Canada are in sync with the U.S.-led Pax Silica coalition, strengthening strategic cooperation in AI and semiconductors, and which includes India among other 10-odd countries.

Energy at forefront

Among the sectors that India and Canada sought to strengthen, it was energy that took centre stage. Conventional and renewable energy are critical – Canada as a resource-rich nation, and India facing growing demand. For India, growth has to be a function of the usage of clean energy, given its sustainable development goals and zero-emission targets. The fastest way in which India can ensure energy sustainability and predictability is to reduce its reliance on external imports of energy and gradually increase homegrown production of energy. Arguably, the most efficient way to achieve this is by expanding the role of nuclear energy in India's energy mix. India's passing the Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Bill, 2025 was seen as a step toward that goal. If the U.S. could be a source country for nuclear reactors, the long-term agreement with Canada for the supply of uranium ore concentrates can add predictability to fuel supply.

Overall, India's dependence on external actors for its energy sources has left it vulnerable in the new era of unending wars. Thus, the uranium deal with Canada is most apt for India in order to reduce external risks, help meet its development goals and also reach its target of achieving 100 GW nuclear power capacity by 2047.

- Energy Cooperation
 - Supports India's plan to expand nuclear energy capacity.
 - India aims to reach 100 GW nuclear power capacity by 2047.

Static Linkages

- India-Canada diplomatic relations established in 1947.
- Canada is among the largest global producers of uranium.
- India follows a three-stage nuclear power programme:
 - Stage 1: Pressurised Heavy Water Reactors (natural uranium)
 - Stage 2: Fast Breeder Reactors
 - Stage 3: Thorium-based reactors
- India has pledged Net Zero emissions by 2070.
- Critical minerals are essential for energy transition, electronics, batteries, and defence technologies.
- Supply chains for many critical minerals are highly concentrated globally, particularly in China.

Critical Analysis

Advantages

- Diversifies energy and mineral supply chains.
- Strengthens India's nuclear energy expansion plans.
- Enhances technology cooperation in the Indo-Pacific region.
- Boosts bilateral trade prospects through CEPA negotiations.

Challenges

- Diplomatic sensitivities due to diaspora-related political issues in Canada.
- Global competition for critical minerals supply chains.
- Nuclear expansion concerns regarding safety, waste disposal, and costs.
- CEPA negotiations may face domestic political and economic concerns.

Way Forward

- Fast-track CEPA negotiations to boost trade and investment.
- Develop strategic critical mineral partnerships and reserves.
- Expand civil nuclear cooperation and technology sharing.
- Strengthen Indo-Pacific economic and technology alliances.
- Promote clean energy collaboration and research partnerships.

KEY HIGHLIGHTS

Context of the News

- Canadian Prime Minister Mark Carney visited India from February 27–March 2, 2026, signalling improvement in bilateral ties after tensions during the tenure of Justin Trudeau.
- The visit built on diplomatic engagements such as Narendra Modi's visit to Kananaskis (June 2025) and the bilateral meeting in Johannesburg (Nov 2025).
- The visit focused mainly on economic cooperation, supply-chain resilience, energy security, and technology partnerships.

Key Points

- Eight agreements/contracts signed across trade, technology, research, culture, and energy sectors.
- Comprehensive Economic Partnership Agreement (CEPA)
 - Roadmap signed for negotiations to expand trade, services, and investment flows.
- Technology and Innovation Cooperation
 - Under the Australia-Canada-India Technology and Innovation Partnership.
 - Focus: emerging technologies, R&D collaboration, and Indo-Pacific cooperation.
- Critical Minerals MoU
 - Cooperation in minerals like lithium, cobalt, nickel, rare earth elements essential for EVs, semiconductors, and renewable technologies.
- Uranium Supply Agreement
 - Commercial contract between India's Department of Atomic Energy (DAE) and Cameco Corporation.
 - Ensures supply of uranium ore concentrates to India for nuclear power generation.

Price pressures

India must find sources of sustainable energy to curb inflation

The new series of the Consumer Price Index (CPI), the second data release of which was issued on Thursday, does not yet have enough historical data for robust comparisons, but does include enough information to provide clues about the future. Retail inflation in India quickened to a 10-month high of 3.2% in February 2026, largely driven by food inflation and precious metal prices. This rise is something that the government should take note of early, avoiding any complacency that might have crept in due to the low inflation levels of the last year or so. Food has a lower weight in the new series as compared to the old one, but is nevertheless a major driver of inflation with a 36.75% weight in the overall CPI. Inflation in food and beverages rose to 3.35% in February from 2.1% in the previous month, driven by quickening price levels in the meat, oils, and fruits and nuts categories. Notably, inflation in tomato prices stood at more than 45%. Thankfully, this was accompanied by a contraction in prices of the two other staples – onions and potatoes – by 28% and 18%, respectively. A large part of the low inflation last year was due to a statistical base effect that is now gone. Looking ahead, there are various factors that could result in rapidly rising food inflation. The first is that climate scientists are predicting the return of the El Niño effect in the middle of the monsoon this year. A weak monsoon will naturally raise food prices. The second impact will depend on how long the conflict in West Asia continues. Sustained natural gas supply constraints will hurt fertilizer production, affecting food output and, eventually, prices.

The other factor that has driven inflation up, and which will likely remain a major driver in the near future, is the price of gold and silver. Gold jewellery saw inflation rise to 48.2% in February from an already blistering 46.8% in January. Inflation in silver jewellery stood at more than 160% in both January and February. With global uncertainty and anxiety skyrocketing, the demand for safe-haven precious metals is not going to let up any time soon. Rising oil prices and LPG and LNG shortages are already raising input prices for industry, which will eventually be passed on to consumers. The Reserve Bank of India's Monetary Policy Committee has a tough job in its next meeting in April. Inflation is being driven by supply constraints, so trying to reduce demand by raising interest rates will not only have a minimal impact on inflation but could also further hurt growth when fuel constraints are already impacting it. The onus lies with the government and its efforts to expedite alternative sources of fuel.

KEY HIGHLIGHTS

Context

- Retail inflation (CPI) increased to 3.2% in February 2026, the highest in 10 months.
- Increase mainly driven by food inflation and rising prices of precious metals (gold and silver).
- Inflation remains within the RBI target band (2–6%), but early warning signs of supply-driven inflation are visible.

Key Points

- Food inflation
 - Increased to 3.35% in February 2026 from 2.1% in January.
 - Weight of food in CPI: about 36.75%.
 - Price trends:
 - Tomato inflation: ~45%.
 - Onion prices: declined ~28%.
 - Potato prices: declined ~18%.
- Precious metals inflation
 - Gold jewellery inflation: ~48.2%.
 - Silver jewellery inflation: above 160%.
- Future inflation risks
 - Possible El Niño during monsoon, which may reduce agricultural output.
 - West Asia conflict causing natural gas shortages, affecting fertilizer production.

- Rising crude oil prices increasing transport and production costs.

- Policy challenge
 - Inflation mainly supply-side driven.
 - Interest rate hikes may not effectively control such inflation but could slow economic growth.

Important Static Points

- CPI (Consumer Price Index) measures retail inflation.
- Released by National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI).
- India follows Inflation Targeting Framework (2016) under RBI Act, 1934 amendment.
- Target inflation: 4% ± 2% (range 2–6%).
- Monetary Policy Committee (MPC):
 - 6 members (3 RBI + 3 Government nominees).
 - Determines the repo rate to control inflation.

Critical Issues

- Food inflation volatility due to dependence on monsoon.
- Global commodity shocks (oil, metals) affecting domestic inflation.
- Geopolitical conflicts influencing energy and fertilizer supply.
- Policy dilemma: controlling inflation vs sustaining economic growth.

Way Forward

- Improve agricultural supply chains and storage infrastructure.
- Promote climate-resilient agriculture to reduce monsoon dependence.
- Diversify energy and fertilizer supply sources.
- Strengthen buffer stock management for essential food commodities.
- Increase investment in renewable energy to reduce imported fuel dependence.

Duty of care

The state must not evade responsibility when it pushes for vaccination

The Supreme Court of India's directive in *Rachana Gangu* to the Ministry of Health and Family Welfare to design a no-fault compensation scheme for serious adverse events following immunisation (AEFI) arising from India's COVID-19 vaccination campaign marks a shift from a fault-based liability system to a no-fault one in state-run public health programmes. The case arose from writ petitions filed in various courts by families claiming that their relatives had died or suffered serious injury after receiving COVID-19 vaccines. *Rachana Gangu* was over the deaths, in 2021, of two women aged 18 and 20, allegedly from vaccine-induced immune thrombotic thrombocytopenia (VITT), a rare complication of the Covishield vaccine. Affected families contended that India had no dedicated mechanism to compensate those harmed in a state-run programme. For several years, the government resisted establishing a compensation policy because it held that vaccination was voluntary, serious AEFI rates were extremely low, and aggrieved citizens could sue vaccine manufacturers in civil court – a position the Court has since rejected as being impractical for ordinary individuals. The new ruling also builds on *Jacob Puliyel* (2022), in which the Court rejected challenges to emergency vaccine approvals but emphasised the need to make AEFI data publicly available.

In 2024, a few years after scientists had established the same concern in medical literature, AstraZeneca acknowledged in a U.K. court document that Covishield could, in rare instances, cause VITT. Since most Indians were vaccinated with Covishield, the admission further undermined the government's position that links between the vaccine and certain deaths were unproven or coincidental. Despite operating one of the world's largest immunisation efforts, India has historically lacked a dedicated national vaccine injury compensation programme. Many countries, including the U.S. and the U.K., have such vaccine injury compensation programmes where claimants need not prove negligence, but only a plausible link to vaccination. Even the global COVAX facility established a no-fault mechanism for 92 low- and middle-income countries. During the pandemic, the government had reported over 1,100 deaths following vaccination across 219 crore doses administered. The Court ruled that for a welfare state, these represent individual human lives and that the absence of a formal policy left affected families in a legal vacuum. It has also been clear that its directive is not based on adjudicating whether the vaccines caused specific injuries or deaths nor does it replace all fault-based liabilities in public health. However, it sets an important precedent for future vaccination drives, including the new one for HPV, affirming the state's duty of care when endorsing medical interventions for the public good.

KEY HIGHLIGHTS

Context

- The Supreme Court directed the Ministry of Health and Family Welfare (MoHFW) to frame a no-fault compensation scheme for serious Adverse Events Following Immunisation (AEFI) during the COVID-19 vaccination programme.
- The directive came in the *Rachana Gangu* case, related to the 2021 deaths of two young women allegedly due to Vaccine-Induced Immune Thrombotic Thrombocytopenia (VITT) after receiving Covishield.
- Petitioners argued that India lacks a dedicated vaccine injury compensation mechanism, leaving affected families without relief.
- The Court rejected the government's argument that victims could file civil suits against manufacturers, stating it is impractical for ordinary citizens.
- The ruling builds on *Jacob Puliyel vs Union of India* (2022) which upheld vaccine approvals but stressed transparency in AEFI data.

Key Points

- No-Fault Compensation System: Claimants do not need to prove negligence; only a plausible causal link with vaccination.

- AEFI: Any untoward medical occurrence following immunisation, not necessarily causally related to vaccine use.
- India's COVID-19 Vaccination Drive:
 - Over 219 crore vaccine doses administered.
 - Around 1,100 deaths reported following vaccination (MoHFW data).
- Covishield and VITT:
 - In 2024, AstraZeneca acknowledged in a UK court document that Covishield may rarely cause VITT.
- Global Practice:
 - Countries such as USA and UK operate Vaccine Injury Compensation Programmes (VICP).
 - COVAX Facility introduced a no-fault compensation mechanism for 92 low- and middle-income countries.
- Judicial Observation: In a welfare state, absence of compensation leaves affected families in a legal vacuum.

Static Linkages

- Article 21 – Protection of life and personal liberty (includes right to health).
- Directive Principles of State Policy – Duty of the State to improve public health.
- Universal Immunisation Programme (UIP) – Launched in 1985, one of the largest immunisation programmes in the world.
- AEFI Surveillance System – Multi-tier structure: District, State, and National AEFI Committees.
- Welfare State Principle – State responsibility to protect citizens in public health programmes.

Critical Analysis

Significance

- Strengthens state accountability in public health programmes.
- Improves public trust in vaccination campaigns.
- Aligns India with international vaccine safety compensation frameworks.
- Ensures equitable relief to affected families.

Challenges

- Determining causality between vaccine and adverse event.
- Potential fiscal burden on the government.
- Risk of misinterpretation leading to vaccine hesitancy.
- Need for robust scientific and administrative mechanisms for claim assessment.

Way Forward

- Establish a National Vaccine Injury Compensation Programme.
- Strengthen AEFI surveillance and transparent data disclosure.
- Create independent medical review panels for evaluating claims.
- Ensure time-bound compensation mechanisms.
- Integrate compensation policies in future immunisation drives (e.g., HPV vaccination).

Bill on 'unlawful' conversion

rights of children born from such marriages, the Maharashtra Bill specifically defines the religion of the child, a feature not explicitly mentioned in many similar laws enacted in recent years.

"Any child born out of marriage or relationship in the nature of marriage, caused due to unlawful conversion shall be deemed to belong to the religion of mother before such marriage or relationship in the nature of marriage," states the Bill.

It also mandates that those intending to change their religion must give 60 days prior notice to the district magistrate and submit post-conversion declarations. It prescribes prison term of seven years and fine up to Rs 5 lakh for violations, with stricter punishment of 10 years and Rs 7 lakh fine for repeat offences.

If the Bill is passed, Maharashtra will become at least the tenth state in recent years to enact a law regulating religious conversions. Among the states that have passed similar laws are Jharkhand (2017), Uttarakhand (2018), Himachal Pradesh (2019), Uttar Pradesh (2020), Gujarat and Madhya Pradesh (2021), Haryana and Karnataka (2022), and Rajasthan (2025).

Citing the absence of such a law and increased instances of "unlawful" religious conversion, including mass conversions, the Maharashtra government had constituted a special panel to study legal issues related to religious conversion and examine laws enacted by other states.

The panel, which included the Director General of Police (DGP), had recommended enacting the Maharashtra Freedom of Religion Act.

According to the statement of objects and reasons attached to the Bill, although the Constitution guarantees freedom of religion, the right is not absolute and is subject to public order, morality and health.

Besides specifying the religion of the child born from such a marriage, Section 5 of the Bill also stipulates that the child will have inheritance rights to the properties of both parents according to the applicable succession laws. The child will also be entitled to maintenance under Section 144 (order for maintenance of wives, children and parents if any person with sufficient means neglects or refuses to maintain them) of the Bharatiya Nagarik Suraksha Sanhita (BNSS). The Bill provides that custody of the child will remain with the mother unless the court directs otherwise.

The Bill has provided that "unlawful" conversion includes converting a person through allurement, fraud, coercion, misrepresentation, undue influence, influencing through education or other

methods. It has also expanded the scope of "allurement" to include glorifying one religion over another, portraying the customs, rituals, ceremonies or any part of a religion in a harmful manner in comparison with another.

The Bill has widened the scope of "allurement" beyond material benefits of money, gift, employment, better lifestyle along with free education in institutions run by a religious institution, divine healing and promise of marriage.

As per the Bill, "coercion" includes threats of divine displeasure, social boycott, intimidation, or threats to life, property or reputation, along with any form of physical or psychological pressure.

The Bill treats conversion through fraud or misrepresentation, or impersonation as unlawful. This includes situations where a person conceals their religious identity, misrepresents the nature of religious beliefs or practices, or misleads a person about the purpose of a religious activity.

It identifies certain categories as vulnerable, including women, minors and members of Scheduled Castes and Scheduled Tribes. Conversions carried out by exploiting such vulnerability would attract stricter penalties.

The Bill also states that if a person converts another through marriage or under the promise of marriage, the conversion would be treated as unlawful. Where a marriage is undertaken solely for the purpose of religious conversion, the Bill provides that a competent court may declare the marriage null and void.

The proposed law introduces a system of prior declaration for individuals intending to change their religion. Any person wishing to convert must submit a written notice to the district magistrate at least 60 days before the proposed conversion. The notice must include personal details including age, occupation, address, present religion, the religion they intend to adopt, and details of the proposed conversion ceremony.

After receiving the notice, the district magistrate or an authorised officer may conduct an inquiry to determine whether the proposed conversion is voluntary and not the result of coercion, fraud or inducement. The district administration may also seek a police inquiry and invite objections regarding the proposed conversion.

The Bill further requires that after the conversion ceremony, both the individual who has converted and the person or organisation conducting the ceremony must submit a declaration to the district authorities within 60 days. The dec-

laration must contain detailed information including the convert's name, age, occupation, address, parents' names, the religion previously professed, the religion adopted, the date and place of conversion, and the procedure followed during the ceremony. District authorities will record such declarations and maintain an official register of conversions. If the declaration is not submitted within the prescribed period, the conversion may be treated as invalid under the law.

The legislation defines "mass conversion" as the conversion of two or more persons simultaneously. Such cases would attract stricter punishment under the proposed law.

Offences under the Bill would be cognizable and non-bailable, and investigations would be conducted by a police officer not below the rank of Sub Inspector.

Complaints regarding "unlawful" conversion may be filed by the person who has converted, their parents, brother, sister or any other person related by blood, marriage or adoption. For "unlawful" conversions, the Bill prescribes imprisonment of seven years and a fine of Rs 1 lakh. Where the offence involves a minor, woman, a person belonging to the Scheduled Castes or Scheduled Tribes, or those with unsound mind, the fine is increased to Rs 5 lakh. Mass conversions will attract penalties of seven years of jail term and Rs 5 lakh fine.

"It shall be mandatory for the police officer in charge of the police station to register a complaint made by any person related by blood, marriage or adoption. If the police officer is satisfied that the conversion is made or is being made in contravention of the provisions of the Act, then he shall take suo motu cognizance of such contravention," the Bill states.

The proposed law provides stricter punishment for repeat offenders, including an individual or an organisation, with imprisonment up to 10 years and fines up to Rs 7 lakh. If an institution or organisation is found to have facilitated "unlawful" conversions, the government may cancel its registration and withdraw any financial assistance or grants.

The Bill also places the burden of proof on the person who conducted the conversion, requiring them to establish that the conversion was voluntary and not carried out through coercion, fraud or inducement. In addition, provisions have been included for the rehabilitation of individuals who have been subjected to forced or fraudulent conversions. Victims may be provided assistance for rehabilitation, maintenance support and protection in matters relating to the custody of children.

- Includes promise of marriage, social pressure, or inducements such as money, gifts, employment or free education.

- Prior Permission
 - Individuals intending to convert must give a 60-day prior notice to the District Magistrate.
 - Authorities may conduct an inquiry to verify that the conversion is voluntary.
- Post-Conversion Declaration
 - Both the converted person and the person conducting the ceremony must submit a declaration within 60 days.
 - District authorities will maintain an official register of conversions.
- Marriage and Conversion
 - Conversion for the purpose of marriage or under promise of marriage is treated as unlawful.
 - Courts may declare such marriages null and void.
- Child's Religion
 - A child born from such a marriage will belong to the religion followed by the mother before marriage.
- Punishments
 - Up to 7 years imprisonment and fine up to ₹1 lakh for unlawful conversion.
 - Higher penalties if the victim is a minor, woman, SC/ST or person with unsound mind.
 - Mass conversion (two or more persons) attracts stricter punishment.
 - Repeat offenders: up to 10 years imprisonment and ₹7 lakh fine.
- Burden of Proof
 - Lies on the person conducting the conversion to prove that it was voluntary.
- Nature of Offences
 - Offences are cognizable and non-bailable.

KEY HIGHLIGHTS

Context

- The Maharashtra government introduced the Dharma Swatantrya Bill, 2026 to regulate religious conversions and prevent "unlawful" conversions.
- The Bill proposes strict penalties, prior declaration before conversion, and regulation of conversions linked to marriage.
- A new provision states that a child born from a marriage resulting from an unlawful religious conversion will be deemed to follow the religion of the mother before such marriage.
- If passed, Maharashtra will become around the 10th state with an anti-conversion law, after Jharkhand, Uttarakhand, Himachal Pradesh, Uttar Pradesh, Gujarat, Madhya Pradesh, Haryana, Karnataka and Rajasthan.

Key Provisions

- Definition of Unlawful Conversion
 - Conversion by allurement, fraud, coercion, misrepresentation, or undue influence.

Constitutional & Legal Linkages

- Article 25: Freedom of conscience and the right to profess, practice and propagate religion, subject to public order, morality and health.
- Public Order falls under the State List, enabling states to enact such laws.
- Rev. Stanislaus v. State of Madhya Pradesh (1977): Supreme Court held that the right to propagate religion does not include the right to convert another person by force, fraud or inducement.

Issues Analysis

- Freedom of religion vs state regulation.
- Privacy and individual choice concerns due to mandatory notice to authorities.
- Possibility of misuse against interfaith marriages.
- Ambiguity in terms like "allurement" or "undue influence".
- Administrative oversight vs personal liberty debate.

Way Forward

- Ensure clear legal definitions to prevent misuse.
- Balance religious freedom with protection against coercion.
- Strengthen judicial oversight in conversion disputes.
- Promote awareness of constitutional rights and voluntary religious choice.

Amid oil supply crunch, the big winner – Russia

Millions of barrels of Russian crude were languishing on the high seas. It is now in high demand as the war chokes energy flows & price spirals

- Estimated extra revenue around \$150 million per day due to price rise and increased demand.



SUKALP SHARMA
THIS WAR has no winners, except maybe one that is not even fighting in it. An Iran effectively chokes off the Strait of Hormuz in its escalating response to the US and Israel's attacks. Russia is making a windfall on the back of the reduced supply of crude oil as well as its agreeing to supply crude to a Financial Times report. Moscow is estimated to have earned around \$300 million a day in extra oil revenue since the effective closure of the narrow transit passage for a fifth of the world energy supplies.



According to industry watchers, the US could be forced to ease sanctions further on Russian crude if the disruption to global oil supplies via the Strait of Hormuz persists for an extended period.

Experts see these moves from Washington as part of Donald Trump's effort to prevent further and sustained spike in international oil prices — and the consequent rise in domestic fuel prices in the US — given the midterm elections later this year.

"So far, there is only one winner in this war — Russia. It steadily undermines Ukraine's position by floating international law. It gains new resources to finance its war against Ukraine as energy prices rise." European Council President Antonio Costa said earlier this week at the European Union Ambassadors Conference in Brussels.

And while Besant said in his 5-point on Friday that the temporary easing of sanctions on Russian oil on water will not provide significant financial benefit to Moscow, he said earlier that the financial gains Russia would accrue would be "unfortunate".

How has Russia benefited?

The Asia war has led to a sharp in crude oil prices, which remain extremely volatile. At noon on Friday, benchmark Brent crude was around \$100 per barrel, almost 3% higher than nearly \$73 per barrel just before the US and Israel launched military strikes on Iran on February 28. So, like any other oil producer who is able to sell in this market, Russia gains from

higher oil prices. But that's not all. The price of Russian crude grades — mainly its flagship Urals — have appreciated more given the availability in an otherwise tight market and buyer interest.

Russian oil used to trade at a discount to crude benchmarks. The discounts have now largely disappeared, and there are reports of Russian oil even selling at a premium in some cases. Add to that the fact that the easing of sanctions by the US has made large volumes of Russian crude kosher for international buyers.

Around 120 million barrels of Russian crude was estimated to be on ships on water as of early March. Some of those volumes would have already been gobbled up by India and China, the biggest buyers of seaborne Russian crude. Additional volumes are likely to have come on water over the past couple of weeks as well.

"From a market perspective, Russian crude currently acts as one of the best supply hedges for Asian refiners. With persistent risks around the Strait of Hormuz and Middle East supply routes, refiners in Asia are naturally looking for barrels that are more secure and priced competitively, and Russian crude fits that role," said Sumit Rishita, Lead Research Analyst, Refining & Modeling at Kpler, a commodity market analytics firm.

All this means Russia could rake in billions of dollars more as the war continues. And the longer the West Asian oil flows remain constricted, the more it benefits Russia,

which has been facing a slowing economy and expanding budget deficit owing to its Ukraine war expenditure.

How is India affected?

With the conflict — now into its second week — suspending traffic through the Strait of Hormuz, India's Russian oil imports have shot up. In the first 11 days of the month, India imported 1.6 million barrels per day (bpd) of Russian oil, up around 50% from February levels, as per ship tracking data from Kpler. These volumes could increase if regular West Asian oil volumes through the strait are not resumed soon. Around 2.5-2.7 million bpd of India's crude imports — accounting for around half of the country's total imports — have crossed the strait in recent months; the longer-term average is around 40%. This oil is mainly from Iraq, Saudi Arabia, the UAE and Kuwait.

India had, in recent months, significantly cut down its oil imports from Russia, its largest oil supplier, amid trade negotiations with the US, as Washington made it a prerequisite for scrapping its 25% additional penal tariff (see chart).

In February, India had imported just over one million bpd of Russian crude, almost half of the 2023 peak of over 2 million bpd. Loadings of Russian crude for Indian ports, which averaged 1.7 million bpd last year, was just 0.7 million bpd in February. India is the world's third-largest consumer of crude oil and depends on imports to meet over 88% of its oil requirement.

But now the US is counting on India to buy more Russian oil. On Wednesday, Ambassador Sergio Gora said, "India has been a great partner in maintaining stable oil prices around the world. The United States recognizes ongoing purchases of Russian oil are a part of this effort. India is one of the largest consumers and refiners of oil and it is essential for the United States and India to work hand in hand for market stability for Americans and Indians."

A senior government official had said last week that India never stopped buying Russian crude, and the "waiver" appeared to be more for Washington's own legal and procedural requirements.

"What the waiver does is reduce some of the uncertainty around the trade and could potentially open the door for other Asian buyers who had stayed away (from Russian oil) since 2022," said Rishita.

Surge price

At this stage, the US waiver on buying Russian oil does not change much for countries such as India, China and Turkey, which were already buying despite sanctions.

But now, increased competition for Russian barrels could lead to even higher prices.

Impact on India

- India is the third-largest oil consumer globally.
- Around 88% of India's crude oil demand is met through imports.
- Nearly 40–50% of India's oil imports pass through the Strait of Hormuz.
- India increased Russian crude imports to about 1.5 million barrels/day in early March 2026.

Static Linkages

- India maintains Strategic Petroleum Reserves (SPR) to manage supply disruptions.
- Global oil price fluctuations influence inflation, fiscal deficit, and current account deficit.
- Maritime chokepoints such as Hormuz, Malacca, and Bab-el-Mandeb are crucial for global trade and energy security.
- Energy security is a key component of economic stability and national security.

Critical Analysis

Advantages

- Temporary waiver ensures short-term global energy supply stability.
- Helps Asian refiners secure alternative crude supplies.
- Prevents extreme oil price spikes that could worsen global inflation.

Concerns

- Higher oil prices increase import bill and inflation risk for India.
- Russia's additional revenue may strengthen its war financing capacity.
- Prolonged disruption in Hormuz could trigger global energy crisis.
- Geopolitical tensions increase uncertainty in energy markets.

Way Forward

- Diversify crude oil import sources beyond West Asia.
- Expand strategic petroleum reserves for emergency supply.
- Accelerate transition to renewable energy and green hydrogen.
- Strengthen energy diplomacy with multiple suppliers.
- Promote energy efficiency and alternative fuels to reduce import dependence.

KEY HIGHLIGHTS

Context

- Escalation of conflict involving Iran, the United States, and Israel has disrupted energy flows in West Asia.
- Iran has effectively restricted movement through the Strait of Hormuz, a key route for global oil trade.
- Global crude prices surged close to \$100 per barrel, before the conflict escalation (Feb 2026).
- The U.S. issued a temporary waiver allowing purchase of Russian oil already in transit, easing sanctions for about 30 days.
- As supply tightens, Russia is benefiting from higher prices and stronger demand for its crude.

Key Points

- Strategic importance of the Strait of Hormuz
 - Around 20% of global petroleum trade passes through this narrow maritime chokepoint.
 - Major exporters dependent on this route include Saudi Arabia, Iraq, United Arab Emirates, and Kuwait.
- US waiver on Russian oil
 - Permits countries to import Russian crude loaded before March 12, 2026.
 - Applies only to oil already on ships ("oil on water").
 - Aim: prevent supply shortages and stabilize global prices.
- Impact on Russia
 - Russia gains from higher global oil prices.
 - Earlier discounts on Urals crude have narrowed or disappeared.

OBC creamy layer: Why SC ruled against 'hostile'

Shyamal Yadav
New Delhi, March 13

THE SUPREME COURT on Wednesday ruled that income cannot be the sole criterion to decide the "creamy layer" among Other Backward Classes (OBCs), and settled the long-pending question of equivalence between public sector undertakings (PSUs) and private sector employees and those in the government sector. Those included in the creamy layer are not entitled to OBC reservation benefits.

What the top court said

The Division Bench of Justices PS Narasimha and R Mahadevan held: "The object of excluding the creamy layer is... not to create artificial distinctions between equally placed members of the same social class.... unequal treatment of similarly placed OBC candidates would not only be legally erroneous but constitutionally impermissible."

The Bench was hearing petitions arising due to an October 14, 2004, letter issued by the Department of Personnel and Training (DoPT) with regard to the creamy layer criterion, clarifying an Official Memorandum (OM) issued on September 8, 1993. The OM noted who is classified as OBC and who belongs to the creamy layer among them.

Creamy layer in OBC quota

The concept of creamy layer within the OBCs was introduced following the landmark 1992 SC ruling in *Indra Sawhney v. Union of India*, also known as the Mandal verdict.

For those in government jobs, the creamy layer specifies groups such as persons occupying constitutional posts; Group-A/Class-I officers of All India Services, Central services and state services; Group-B/Class-II services of Centre and state; employees of PSUs; officers of Armed Forces; professionals and those from trade and industry; property owners; and an income/wealth test. In a nutshell, if either parent is a direct recruit of Group-A, or is promoted before the age of 40, their children cannot take advantage of the OBC quota. Similarly, if both parents are Group-B direct recruits, their children will be covered under the creamy layer. The criterion for those not in the government sector was set at Rs 1 lakh per annum in 1993. It was revised in due course and since 2017, this income limit is Rs 8 lakh.

DoPT's clarification

Para 9 of DoPT's October 2004 clarification said that "the creamy layer status of sons and daughters of persons employed in organisations where equivalence or comparability of posts vis-à-vis posts in Government has not been evaluated is determined as follows: Income of the parents from the salaries and from the other sources (other than salaries and agriculture land) is determined separately. If either the income of the parents from the salaries or the income of the parents from other sources (other than salaries and agricultural land) exceeds the limit of Rs 2.5 lakh per annum (as it was then) for a period of three consecutive years, the sons and daughters of such persons shall be treated to fall in creamy layer."

The court noted that while the OM had excluded income from salary and agricultural income from the income/wealth test for determination of creamy layer status, the October 2004 letter directed inclusion of salary income of PSU and private sector employees. This resulted in hostile discrimination between wards of government servants and those of PSU and private sector employees, "thereby attracting the rigour of the equality doctrine under Articles 14, 15 and 16". FULL REPORT ON WWW.INDIANEXPRESS.COM/EXPLAINED

KEY HIGHLIGHTS

Context

- The Supreme Court of India ruled that income alone cannot be the sole criterion for determining the creamy layer among Other Backward Classes (OBCs).
- The judgment addressed disputes arising from the 2004 clarification by the Department of Personnel and Training (DoPT) regarding the 1993 Office Memorandum on creamy layer criteria.
- The Court held that treating children of government employees differently from those of PSU/private sector employees violates equality principles under Articles 14, 15 and 16 of the Constitution.

Key Points

- Creamy Layer Concept:
 - Refers to the socially and economically advanced section within OBCs excluded from reservation benefits.
- Origin:
 - Introduced by the Supreme Court in *Indra Sawhney v. Union of India*.
- Court's Observations
 - Income cannot be the only determinant of creamy layer status.

- Nature of parental employment and social status must also be considered.
- Unequal treatment between government employees vs PSU/private sector employees is unconstitutional.
- Current Income Limit
 - Creamy layer income ceiling: ₹8 lakh per annum (since 2017).
- Categories Included in Creamy Layer
 - Children of constitutional post holders
 - Group A/Class I officers
 - Certain Group B/Class II officers
 - Armed Forces officers
 - Professionals, businesspersons and property owners exceeding income/wealth limits.

Static Points

- Article 14 – Equality before law.
- Article 15(4) – Special provisions for advancement of socially and educationally backward classes.
- Article 16(4) – Reservation in public employment for backward classes.
- Article 340 – Appointment of a commission to investigate conditions of backward classes.
- Mandal Commission (1979) recommended 27% reservation for OBCs in central government services.
- Indra Sawhney Judgment (1992):
 - Introduced creamy layer exclusion.
 - Upheld 27% OBC reservation.
 - Fixed 50% ceiling on total reservations (with later exceptions).

Prelims Focus

- Creamy layer applies only to OBC reservations, not to SC/ST reservations.
- Income threshold presently ₹8 lakh annually.
- Salary income and agricultural income treatment has been debated in policy interpretations.

Mains Focus

Significance of the Judgment

- Ensures equitable distribution of reservation benefits within OBCs.
- Prevents dominant groups within OBCs from monopolising quotas.
- Reinforces constitutional equality principles.

Issues

- Difficulty in assessing equivalence of private sector positions with government posts.
- Debate over appropriate income limit for creamy layer.
- Lack of updated socio-economic data on OBCs.

Way Forward

- Periodic revision of creamy layer income limit based on economic conditions.
- Develop clear equivalence criteria for PSU and private sector posts.
- Use multi-dimensional indicators (education, occupation, social status) rather than only income.
- Strengthen data collection on backward class socio-economic conditions.

LPG cylinder crunch hits home, sings stories of welfare and aspiration

SINCE THEIR introduction in 1958, two implements of Indian domestic life have remained steadfastly rooted in the national imagination as symbols of well-being as well as intergenerational class mobility. One is the pressure cooker and the other is the LPG cylinder. Their non-Indian origins notwithstanding, they have iconic status as objects that both represent modernity and give rise to the idea of family. In popular culture, the idea of the modern Indian family is indispensible built around the idea of a kitchen equipped with one or more pressure cookers and (and even more desirably) multiple LPG cylinders. The plump red cylinder with faded company logo is the object of both domestic aspirations and welfare. It is nothing that old films wanting to show domestic poverty would do it through a scene of a woman blowing into a smoke-spewing *chulha*, tears streaming down her face.

The political importance of the LPG cylinder — or, rather, the fuel that gives it meaning — was recognised in the 2016 Pradhan Mantri Ujjwala Yojana (PMUY), intended to provide clean cooking fuel to rural and poor households. The BJP's publicity strategy centred around billboards that showed women in poses of happiness and gratitude as they receive cylinders from the Prime Minister. But the route to the well-being of the Indian kitchen and family is entangled in the global geopolitics of the US-



SANJAY SRIVASTAVA

Israel war with Iran and the subsequent blocking of the Strait of Hormuz by the latter. The majority of LPG supplies are made up of imports and around 90 per cent of these pass through the Strait of Hormuz. While global media outlets give considerable airtime to experts who fret over the effect of petrol price increases in the US and Europe and the growing consumer anger, there is far less coverage of the effects of the war on some of the world's most vulnerable populations.

Multiple studies indicate that while the burning of solid fuel — wood, for example — adds to the overall air pollution, its health effects are most severe on the poor. There are four intertwined aspects to this: Class, caste, gender, and the rural-urban divide. At the most general level, biomass fuels affect the poor much more than the better-off both due to the density of the population where the poor are forced to live and the congested nature of their residential dwellings. Individual households with a high level of biomass use suffer disproportionately whereas those who live in the locality but have a lower instance of using such fuel also suffer due to exposure to the outdoor air pollution in their locality.

Government data show that access to clean fuels such as LPG is crucially dependent on caste. In both urban and rural areas, for

example, the percentage of upper-caste homes that use LPG as the main cooking fuel can be three to four times higher than those belonging to SC and ST families. A key factor relates to the places of residence of each of the above groups. In rural areas in particular the socially marginalised are forced to live in localities that suffer from forbidding topography and poor transport infrastructure. LPG cylinders are unwieldy containers requiring pedal-powered or motorised transport and, notwithstanding government subsidies, the location factor adds another layer of discrimination when it comes to energy access.

Among the poor — whether urban or rural — women and young girls shoulder the greatest burden of diseases connected to extended exposure to the pollution that results from solid and biomass fuel use. While the responsibility for food preparation is given over to women, the power to make decisions about what kind of fuel to use is usually in the hands of men. Given gender norms, women's health does not usually figure as a priority when it comes to deciding on the distribution of the household budget. Add to this the fact that daughters of the household join their mothers in sharing kitchen responsibilities from a young age and you have a lifetime of exposure to particulates and other forms of pollution in extremely confined spaces.

In addition to reducing the burden of disease, women's access to LPG is also linked to another well-being effect. Studies suggest that the time that is saved — no gathering of firewood and faster cooking periods — releases them from the enforced drudgery of household work, allowing for leisure activities. Not only are women able to devote more time to activities that improve health outcomes but also utilise it for activities that generate income. This, in turn, secures a measure of personal autonomy that is denied by unpaid household work. Control over time is a crucial measure of the capacity to control and fashion one's life chances. There is evidence that the red cylinder has been an important contributor to this aspect of women's lives.

India is heavily reliant on imports to meet domestic LPG requirements and the current shortage has had significant effects on commercial activities, such as restaurants and hotels having to curtail operating hours. However, a more significant crisis relates to the welfare effects on the poor. Popular culture portrayals of the LPG cylinder as harbinger of personal and collective well-being are not far off the mark: The transition from the wood-burning *chulha* to the bright blue flame of the LPG stove is also a transition to better life chances.

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KEY HIGHLIGHTS

Context of the News

- Escalation of geopolitical tensions in West Asia and Iran's disruption of shipping through the Strait of Hormuz has raised concerns over global energy supplies.
- India imports a large share of its LPG requirements, and a significant portion of these imports passes through this strategic chokepoint.
- The issue has implications for India's clean cooking fuel programme, especially the Pradhan Mantri Ujjwala Yojana (PMUY), which aims to expand LPG access among poor households.
- Supply disruptions or price increases could push vulnerable households back to biomass fuels, increasing health and environmental risks.

Key Points

- PMUY Launch: 2016, by Ministry of Petroleum and Natural Gas.
- Objective: Provide clean cooking fuel (LPG) to poor households, especially women.
- Coverage: Over 9 crore LPG connections released under PMUY (PIB).
- Energy Import Dependence: India imports around 60% of LPG demand.
- Strategic Risk: Around 90% of India's LPG imports transit through the Strait of Hormuz.
- Health Impact: Biomass burning causes indoor air pollution leading to respiratory diseases (WHO estimates millions of deaths globally).
- Social Dimension: Access to LPG is lower among SC/ST households and rural populations due to affordability and distribution challenges.
- Gender Dimension: Women and girls face higher exposure to indoor air pollution due to cooking responsibilities.

Static Linkages

- Energy Security: Availability, accessibility, affordability, and sustainability of energy resources.
- Indoor Air Pollution: Major contributor to diseases like COPD and lung infections.
- Energy Ladder Theory: Transition from traditional fuels (wood, dung) to modern fuels (LPG, electricity) with rising income.
- Sustainable Development Goal (SDG-7): Ensure access to affordable, reliable, sustainable and modern energy for all.
- Direct Benefit Transfer (DBT): Used for LPG subsidy to reduce leakages.

Critical Analysis

Benefits

- Reduces indoor air pollution and improves health outcomes.
- Saves time for women previously spent collecting firewood.
- Enhances women's productivity and economic participation.
- Supports environmental protection by reducing biomass burning.

Challenges

- High LPG refill costs reduce sustained adoption among poor households.
- Heavy dependence on imports exposes India to geopolitical disruptions.
- Distribution challenges in remote rural areas.
- Social and gender norms affect fuel decision-making in households.

Way Forward

- Ensure targeted LPG subsidies for poor households.
- Strengthen domestic LPG storage and strategic reserves.
- Promote alternative clean fuels such as biogas and electric cooking.
- Improve rural LPG distribution infrastructure.
- Integrate gender-sensitive energy policies.

The many limitations of a social-media ban



ANGELINA DASH

THE KARNATAKA and Andhra Pradesh governments have announced their intention to introduce measures to restrict social-media access for children below the ages of 16 and 13 years respectively. With law-making powers relating to internet and communications governance typically falling under the Union List, it is unclear whether states can, in fact, regulate children's access to social media through legislation.

Fragmented approaches to social-media bans can present challenges in applicability, particularly in the case of non-uniform age thresholds across different states. It is also unclear how different states may intend to assign the onus with respect to enforceability. A broader social media ban for children is also contentious due to several constraints. It is challenging to identify an age threshold, as it could be onerous to ascertain the extent of agency and evolving capacity that an individual child may demonstrate. Moreover, online age verification raises several privacy concerns, since such regulation would require every user to verify their age to access platforms, through mechanisms which have not fully been specified. Such a ban also fails to account for challenges such as shared device usage. A ban may also further limit online expression for girls and LGBTQIA+ children.

As per India's data protection law, which is yet to be enforced, even when children are past an identified age threshold, they will still need parental consent to access most platforms. Notwithstanding the prevailing law in their state, parents may choose to exercise caution in a manner that disregards their child's individual capacity and agency. Social-media bans, coupled with existing parental consent requirements under data protection frameworks, may shift the narrative entirely towards restricting children's access, whereas the real question relates to how we can safeguard children from the very real harms that present themselves online. With children continuing to be exposed to inherent platform design choices that can foster safety harms, the crux of the problem often remains unaddressed.

Rather than restricting access, policies and legal frameworks should empower children and parents to navigate these platforms safely. The Centre is reportedly looking to introduce a law that attempts to take a "nuanced and graded approach" to regulating access to social media for children. However, it is imperative that consultative processes take a multi-stakeholder approach, including consultation with civil society, academia, and children. Any law must acknowledge different harms, such as grooming, sexual content, addiction, and mental-health challenges, and explore targeted mitigation strategies as opposed to a sweeping ban. The law must also build pathways towards equipping children, parents and educators with tools for responsible social media use. It is crucial that legislation consider factors such as India's linguistic diversity, which may not only impact how platforms detect children's accounts but can also dictate the accuracy with which safety measures used by platforms work. Additionally, a narrow focus on social-media platforms alone ignores risks that may present themselves on alternative mediums such as gaming platforms and large language models. Policies and legal frameworks must, therefore, safeguard the best interests of children in a manner that accounts for emerging technologies and India's unique considerations and challenges.

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Any law must acknowledge different harms, such as grooming, sexual content, addiction, and mental-health challenges, and explore targeted mitigation strategies as opposed to a sweeping ban

KEY HIGHLIGHTS

Context

- Karnataka and Andhra Pradesh governments proposed restrictions on children's access to social media (below 16 and 13 years respectively).
- Objective: Protect children from online harms such as cyberbullying, addiction, grooming, and harmful content exposure.
- Debate has emerged over legislative competence, since internet and communications fall under the Union List.
- The Union government is considering a graded regulatory framework for children's digital safety.

Key Points

- Non-uniform age limits across states may create regulatory fragmentation.
- Age-verification mechanisms may require identity authentication → raises privacy concerns.
- Enforcement challenges due to shared devices and anonymous accounts.
- Blanket bans may restrict digital participation and expression, especially for girls and vulnerable groups.
- Need to focus on platform design and safety mechanisms rather than only restricting access.

Static Linkages

- Article 246 & Seventh Schedule: Distribution of legislative powers between Union and States.
- Union List Entry 31: Communication infrastructure (telecommunication, internet governance).
- Article 19(1)(a): Freedom of speech and expression.
- Article 21: Right to life and privacy.
- Justice K.S. Puttaswamy v. Union of India (2017) recognized privacy as a Fundamental Right.
- Digital Personal Data Protection Act, 2023:
 - Defines children as individuals below 18 years.
 - Requires parental consent for processing children's data online.

Critical Analysis

Advantages

- Protects children from online exploitation and harmful content.
- Encourages platform accountability.
- Promotes awareness about digital well-being.

Concerns

- Federal issue: States may not have legislative competence.
- Privacy risks due to mandatory age verification.
- Implementation challenges due to shared devices and fake accounts.
- Blanket bans may limit digital access for education and expression.

Way Forward

- Adopt a graded regulatory framework instead of blanket bans.
- Strengthen online safety features and platform accountability.
- Promote digital literacy programs for children and parents.
- Develop privacy-preserving age-verification systems.
- Encourage multi-stakeholder consultations (government, civil society, academia, tech platforms).

Tariffs to LPG, a shape-shifting crisis

THE 1997 Asian Contagion, triggered by the collapse of the Thai baht before spreading to other countries in the region and beyond, was a financial crisis. So was the American subprime mortgage crisis leading to the global Great Recession from late 2007 to mid-2009. India's twin-deficit and twin-balance-sheet problems of the last decade were also primarily "financial" crises. Financial imbalances — from currency devaluations and capital flight, the bursting of housing and asset bubbles or high fiscal and external current account deficits — spilled over into the real economy, causing growth and investment slowdowns. The "real" impact of over-leveraged private corporates not investing and bad loans-saddled banks not lending on the Indian economy was felt through much of the 2010s.

The present decade, in contrast, has seen more "real" crises. The Covid pandemic, Russia's invasion of Ukraine and the ongoing US-Israel-versus-Iran conflict have all originated from the physical, as opposed to the financial, world. These have profoundly disrupted physical human interaction or movement of goods. Just as the virus made people afraid of meeting one another, the wars have created anxiety among exporters and importers, and producers and consumers alike. The movement of vessels through the Strait of Hormuz, which handles about a fifth of the world's total petroleum liquid consumption and liquefied natural gas trade, has stopped due to non-availability of war risk insurance for hull and cargo. The very reports of attacks on ships and their sailors being stranded at sea are enough to freeze international trade. The ripple effects on other real economic activities don't take long in coming.

Like with Covid and the Russia-Ukraine war, which sent global oil and food prices skyrocketing, the current West Asia conflict will have a spillover from the "real" to the "financial". For India, it could entail a further weakening of the rupee and renewed pressures on both the balance of payments and government finances. This, just when the Centre as well as states have been working on fiscal consolidation and reduction of debt-GDP ratios that had spiked to all-time-highs in 2020-21, because of pandemic-time spending and economic contraction. Financial crises resulting from debt-fuelled growth, over-investment and speculative bubbles are normal — even considered part of the business cycle — in most market economies. The "real" crises of the kind seen in this decade, including those emanating from Donald Trump's tariff wars, have more to do with geopolitics. It makes economic policymaking much more complicated.

KEY HIGHLIGHTS

Context of the News

- Earlier global economic crises such as the 1997 Asian Financial Crisis and the Global Financial Crisis originated primarily in the financial sector.
- In the 2010s, India experienced financial-sector stress through the Twin Balance Sheet problem (over-leveraged corporates and stressed banks).
- The current decade (2020s) is witnessing crises originating in the real economy due to pandemics and geopolitical conflicts.
- Major triggers include the COVID-19, the Russia-Ukraine War, and tensions in West Asia affecting trade through the Strait of Hormuz.
- These disruptions affect global trade, supply chains, and commodity markets, which then spill over into financial instability.

Key Points

- Financial Crises
 - Origin: Financial market imbalances such as banking failures, asset bubbles, excessive debt.
 - Examples: 1997 Asian Financial Crisis, 2008 Global Financial Crisis.
 - Impact: Credit crunch, currency devaluation, banking instability.
- Real Economy Crises
 - Origin: Physical disruptions such as pandemics, wars, and supply chain breakdowns.
 - Impact: Disruption of production, transport, and international trade.

- Spillover Effects
 - Real crises often trigger financial instability through:
 - Inflationary pressures
 - Currency depreciation
 - Capital flight
- Strategic Importance of the Strait of Hormuz
 - Handles around 20% of global petroleum liquids consumption and LNG trade.
 - Disruptions can sharply increase global oil prices and shipping costs.
- Implications for India
 - India imports about 85% of its crude oil needs.
 - Possible outcomes:
 - Higher Current Account Deficit (CAD)
 - Pressure on Indian rupee
 - Rising inflation and fiscal stress

Static Linkages

- Business cycles involve expansion, peak, recession, and recovery phases.
- Supply shocks can cause cost-push inflation.
- Balance of Payments consists of the current account and capital account.
- Fiscal consolidation aims to reduce fiscal deficits and public debt relative to GDP.
- Strategic maritime chokepoints play a crucial role in global trade and energy security.

Critical Analysis

Challenges

- Geopolitical conflicts create persistent supply-side shocks.
- Rising energy prices increase import bills and inflation in developing countries.
- Global trade disruptions can slow investment and economic growth.

Opportunities

- Encourages energy diversification and renewable energy expansion.
- Strengthens the case for resilient supply chains and domestic manufacturing.
- Promotes strategic policies such as energy reserves and trade diversification.

Way Forward

- Diversify energy import sources and expand renewable energy capacity.
- Strengthen strategic petroleum reserves to cushion supply shocks.
- Enhance supply chain resilience and domestic production.
- Maintain prudent fiscal management while supporting economic growth.
- Integrate geopolitical risk assessment into economic policymaking.

On climate change, mind the science-policy gap

IN 2023, scientists began debating the need to quantify the extent of global warming. Natural fluctuations, such as El Niño, made it difficult to ascertain if the faster rise in temperatures was due to climate change. Now, an analysis by Stefan Rahmstorf of the University of Potsdam, Germany, and US statistician Grant Foster has confirmed the links between the two. The researchers isolated the influence of phenomena such as El Niño, volcanic eruptions and solar irradiance to affirm that the pace of global warming has doubled since 2014, compared to the decade before it. Their study, published in *Geophysical Research Letters* a few days ago, reckons that the Paris Pact's target of keeping temperature rise to below 1.5 degrees Celsius below pre-industrial levels could be out of reach by 2030. The study comes in the wake of a *Nature* paper that concludes that sea-level rise — caused by global heating — could be far higher than previously understood, including in IPCC reports. The two studies confirm the fears of scientists — the climate system is already in uncharted territory. As another analysis, published on Tuesday in the journal *Environmental Research: Health*, points out, a third of the world's population now lives in areas — including large parts of India — where heat severely limits human activity.

It took careful diplomacy to include the 1.5-degree target in the Paris Pact. Since then, diplomacy has not kept pace with science. Take the net-zero target. Two different methodologies are used to calculate this goal — one deployed by IPCC scientists and a much looser method adopted by national policymakers. The latter, criticised for not reckoning with the fact that multiple entities can claim the same emission cuts, has found its way into climate negotiations. Scientists who framed the net-zero concept warn that reliance on this method will artificially inflate progress.

Every fraction of a degree of warming will make adaptation more expensive. As the *Environmental Research: Health* study warns, extreme heat will affect not only the elderly but also the young and healthy. Public health experts, agriculture scientists and energy specialists have blueprints to increase resilience. It's up to policymakers to make optimum use of their inputs.

KEY HIGHLIGHTS

Context

- A 2026 study by Stefan Rahmstorf (University of Potsdam) and Grant Foster published in *Geophysical Research Letters* found that the rate of global warming has doubled since 2014 compared with the previous decade.
- The researchers removed the effects of El Niño, volcanic eruptions, and solar irradiance to measure the actual trend of anthropogenic warming.
- The study warns that the Paris Agreement target of limiting warming to 1.5°C above pre-industrial levels may be crossed around 2030.
- Another *Nature* study indicates sea-level rise may be higher than earlier IPCC projections.
- A report in *Environmental Research: Health* states that about one-third of the global population lives in regions where extreme heat severely limits human activity, including parts of India.

Key Points

- Rate of warming: Global warming has accelerated significantly since 2014.
- Human influence: After removing natural factors, warming is primarily due to greenhouse gas emissions from human activities.
- Paris Agreement target:
 - Aim: limit warming to well below 2°C, preferably 1.5°C above pre-industrial levels.
 - Current trend suggests 1.5°C may be breached by 2030.

- Extreme heat: Rising temperatures are increasing heat stress and reducing human productivity in many regions.
- Sea-level rise: Accelerated melting of glaciers and thermal expansion of oceans may increase coastal flooding risks.
- Net-zero debate:
 - IPCC uses strict carbon accounting methods.
 - Some national approaches allow double counting of emission reductions, potentially overstating climate progress.

Static Points to Remember

- Greenhouse gases: CO₂, methane (CH₄), nitrous oxide (N₂O), and fluorinated gases trap heat in the atmosphere.
- El Niño: Periodic warming of the Pacific Ocean affecting global weather patterns.
- Paris Agreement (2015): International treaty under UNFCCC to combat climate change through Nationally Determined Contributions (NDCs).
- IPCC: Intergovernmental scientific body assessing climate change science.
- Sea-level rise causes: Thermal expansion of seawater and melting of polar ice/glaciers.

Critical Issues for Exam

- Gap between scientific evidence and climate diplomacy.
- Weak net-zero accounting methods in global negotiations.
- Increasing heat stress impacts on health, agriculture, and labour productivity.
- Rising adaptation costs for developing countries.

Way Forward

- Strengthen global climate commitments and NDC implementation.
- Improve transparent carbon accounting standards.
- Expand climate adaptation strategies (heat action plans, resilient agriculture).
- Invest in renewable energy and low-carbon technologies.
- Enhance international climate finance and technology transfer.