



## Strengthening Regulatory Bodies

**For Prelims:** [Securities and Exchange Board of India \(SEBI\)](#), [Banking](#), [Insurance](#), [Capital Markets](#), [FSSAI](#), [TRAI](#), [RBI](#), [CCI](#), [IRDAI](#), [PFRDA](#), [National Pension System \(NPS\)](#), [PNGRB](#), [Consolidated Fund of India](#), [Parliament's Standing Committee](#), [Bonds](#), [Derivatives](#), [Securities Appellate Tribunal \(SAT\)](#), [National Institute of Securities Markets](#).

**For Mains:** Regulatory bodies, Concerns associated with them and way forward.

**Source:** [LM](#)

### Why in News?

Some experts called for studying the impact of regulatory bodies like [Securities and Exchange Board of India \(SEBI\)](#) so that it can be **factored into decision-making**.

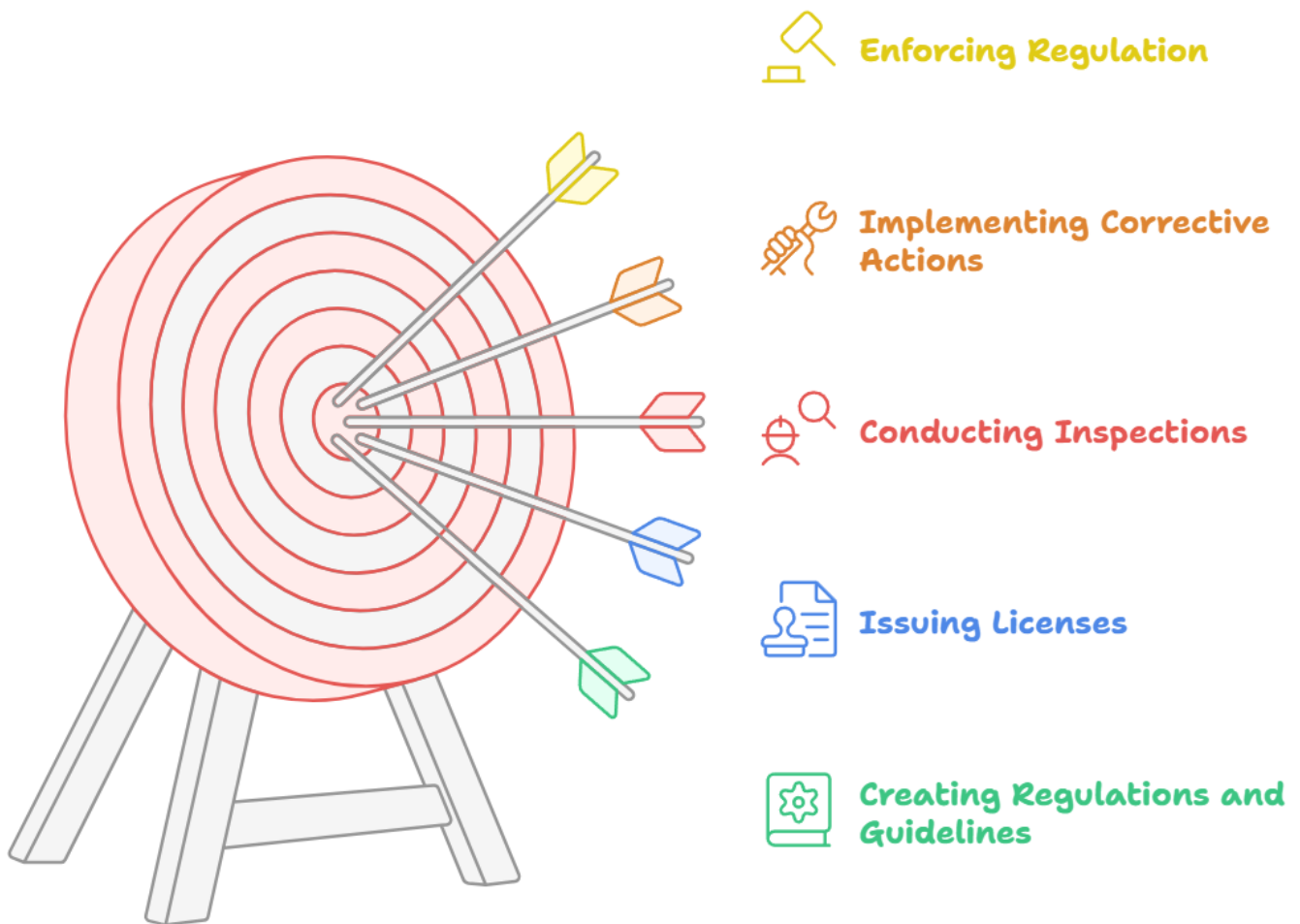
- They argued that regulatory bodies should **clearly explain their decisions** to ensure stakeholders feel satisfied, **not just in reality but also in perception**.

### What are Regulatory Bodies?

- **About:** Regulatory bodies are **organizations** established to **monitor and regulate specific sectors of the economy**, ensuring fair practices and protecting public interests.
  - Since **1991** (after [LPG reforms](#)), numerous authorities have been formed to **prevent monopolies** and **regulate** crucial sectors like [banking](#), [insurance](#), and [capital markets](#).
  - Most regulatory bodies are [quasi-judicial](#) in nature.
- **Types:** There are primarily **two types** of regulatory bodies i.e., **Statutory regulatory bodies** (e.g., SEBI) and **Self-regulatory bodies** (e.g., Bar Council of India).
- **Functions:**

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## Core Functions of Regulatory Bodies



### ▪ Need:

- **Protecting Consumer Interests:** Enforcing standards and ensuring fair practices (e.g., [FSSAI](#) for food safety, [TRAI](#) for telecom pricing).
  - Setting health and safety standards (e.g., [CPCB](#) for environment)
- **Market Stability:** Preventing fraud and promoting competition (e.g., [SEBI](#) for financial markets, [CCI](#) for fair competition).
- **Economic Growth:** Supporting sectoral growth (e.g., [RBI](#) for financial health, [IRDAI](#) for insurance), and attracting investments.
- **Legal Compliance:** Upholding laws and transparency (e.g., [CVC](#), [ED](#) for legal compliance).
- **Ethical Standards:** Regulating professional ethics (e.g., [Bar Council of India](#) for legal professionals).

### ▪ Examples: There are more than **30 regulatory bodies**. Some of the authorities are as under:

- **Reserve Bank of India (RBI):** Oversees **credit supply, banking operations**, and ensures financial stability.
- **SEBI:** Regulates the **securities market**, ensures fair practices, and protects investors.
- **Insurance Regulatory and Development Authority of India (IRDAI):** [IRDAI](#) regulates the **insurance sector**, ensuring fairness and consumer protection.
- **Ministry of Corporate Affairs (MCA):** Regulates [corporate governance](#) and safeguards stakeholders' interests.
- **Pension Fund Regulatory and Development Authority (PFRDA):** [PFRDA](#) oversees

the [National Pension System \(NPS\)](#) and pension industry development.

- **Petroleum and Natural Gas Regulatory Board (PNGRB):** [PNGRB](#) was set up under [PNGRB Act, 2006](#) that set technical and safety standards for **petroleum, petroleum products, natural gas**, and related **infrastructure projects**.
- **Central Electricity Regulatory Commission:** It regulates tariffs for Central Government-owned **electricity generating companies**, and oversees their inter-State transmission.

#### ▪ **Issues:**

- **Lack of Independence:** Indian regulators, like TRAI, face **interference from ministries**, compromising their autonomy and objectivity.
- **Absence of Financial Autonomy:** They depend on ministry **approval for budgets**, and surplus funds are **returned to the Consolidated Fund of India**, limiting financial independence.
- **Ineffective Appointment Processes:** Top officials are often filled by **retired civil servants** lacking regulatory expertise, affecting credibility and efficiency.
- **Lack of Parliamentary Accountability:** Regulators lack sufficient oversight from Parliament, weakening public accountability and transparency in their decisions.
  - E.g., **SEBI** is not directly accountable to [Parliament's Standing Committee on Finance](#).
- **Inadequate Stakeholder Engagement:** Indian regulators often fail to engage with stakeholders, resulting in decisions that **don't fully address public or industry needs**.
  - E.g., **SEBI's unclear communication** of regulatory decisions create uncertainty among market participants.
- **Fragmented Regulatory Framework:** Different financial segments (**insurance, bonds, derivatives**) are overseen by **separate regulators** that hinders market efficiency.
  - E.g., Separate regulators for **insurance and bonds** hinder **credit default swaps** (insurance against loan default) and corporate debt market growth.

## Steps to Reform Regulatory Bodies

- **12<sup>th</sup> Report of the 2<sup>nd</sup> ARC Suggested:**
  - **Simplify, streamline**, and make regulatory procedures **transparent, citizen-friendly, and less discretionary** to reduce corruption.
  - Strengthen **internal supervision and independent assessments** of regulatory agencies.
  - Promote **self-regulation** in sectors like taxation and public health to ease enforcement.
- **13<sup>th</sup> Report of the 2<sup>nd</sup> ARC Recommended:**
  - Ministries should create a '**Management Statement**' outlining regulators' **objectives and roles**.
  - Ensure **uniformity in the appointment, tenure, and removal** of regulatory authorities for consistency and independence.
  - Strengthen **parliamentary oversight** of regulators through Standing Committees for accountability.

## SEBI

- **About:** SEBI is a [Statutory Body](#) (a **Non-Constitutional body**) established under the **SEBI Act, 1992**.
  - It was constituted as a **non-statutory body** on **12th April 1988** through a **resolution** of the Government of India
  - Prior to SEBI, the **Controller of Capital Issues**, governed under the **Capital Issues (Control) Act, 1947**, was the regulatory authority for capital markets.
- **Purpose:** SEBI's main functions are to **protect the interests of investors** in securities and to promote and regulate the securities market in India.
- **Structure:** SEBI's board includes a **Chairman**, and other whole-time, and part-time members.
  - The [Securities Appellate Tribunal \(SAT\)](#) handles appeals against SEBI's decisions, with powers similar to those of a **civil court**.

- **Key Responsibilities:** It enables issuers to **raise finance, ensure safety and accurate information for investors**, and promotes a competitive market for intermediaries.

## Way Forward

- **Accountability:** Regulatory bodies should be accountable to **Parliament's Standing Committee**, providing a mechanism for **scrutiny, transparency, and public confidence**.
  - The annual expenditure of the regulator must be audited by the **CAG** and its report should be laid before Parliament.
  - Regular reviews with input from **experts, academics, and analysts** would assess their actions and effectiveness.
- **Independent Assessments:** Collaborate with research institutions like the **National Institute of Securities Markets** (public trust established by SEBI in 2006) and major academic institutions such as the **Indian Institutes of Management (IIMs)** for **rigorous research**, market monitoring, and informed decision-making.
- **Interdisciplinary Collaboration:** Regulatory bodies like **SEBI, RBI, IRDAI**, and others should create **cohesive regulatory frameworks** that enhance market stability and **prevent conflicting regulations** that stifle innovation.
- **Building Research Capacity:** They should build a **deeper pool of expertise** by forming an **advisory council of specialists in economics, finance, and law** for better decision-making and interventions.
- **Leveraging International Best Practices:** Regulatory bodies can look to successful case studies such as **the UK's Regulatory Policy Committee, Australia's Productivity Commission**, that encourage **regulatory coherence, and enhanced market efficiency**.
  - **Brazil's** telecom regulator is independent, with council members **chosen by the president and approved by the Parliament**.
- **Independent Umbrella Body:** Former **CJI NV Ramana** emphasized the need for an **independent umbrella body** to bring agencies like the **CBI, SFIO**, and **ED** under one roof, created under a statute with defined powers, functions, and jurisdictions.
- A similar body is needed for **regulation of these regulatory bodies**.

### Drishti Mains Question:

Discuss the challenges faced by Indian regulatory bodies and suggest measures to enhance their accountability, transparency, and effectiveness in decision-making.

## UPSC Civil Services Examination, Previous Year Question (PYQ)

### Prelims

#### Q. Consider the following statements: (2019)

1. Petroleum and Natural Gas Regulatory Board (PNGRB) is the first regulatory body set up by the Government of India.
2. One of the tasks of PNGRB is to ensure competitive markets for gas.
3. Appeals against the decisions of PNGRB go before the Appellate Tribunals for Electricity.

#### Which of the statements given above are correct?

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

(d) 1, 2 and 3

**Ans: (b)**

**Q. In India, which of the following is regulated by the Forward Markets Commission? (2010)**

(a) Currency Futures Trading

(b) Commodities Futures Trading

(c) Equity Futures Trading

(d) Both Commodities Futures and Financial Futures Trading

**Ans: (b)**

### **Mains**

**Q. What is a quasi judicial body? Explain with the help of concrete examples. (2016)**

**Q. The product diversification of financial institutions and insurance companies, resulting in overlapping of products and services strengthens the case for the merger of the two regulatory agencies, namely SEBI and IRDA. Justify (2013)**

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## **Gender Budget 2025-26**

**For Prelims:** [Gender Budget Statement](#), [Gender Gap Report](#), [SDG 5](#), [Mission Shakti](#), [Pradhan Mantri Awaas Yojana-Grameen](#)

**For Mains:** Gender Budgeting in India, Gender Equality through Budgeting, Women Empowerment

**Source:** [PIB](#)

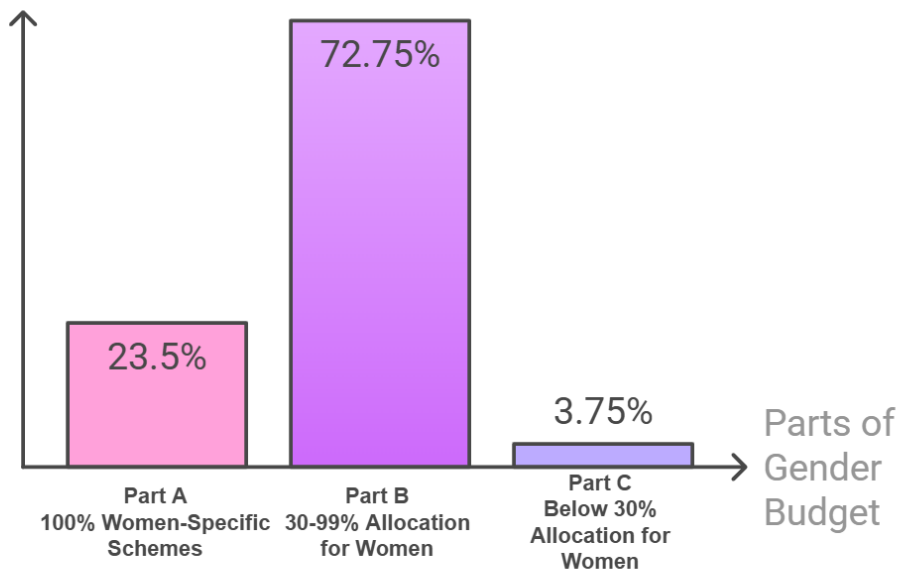
### **Why in News?**

The [Gender Budget Statement \(GBS\) 2025-26](#) marks a significant step toward **gender-responsive budgeting (GRB)**, with increased allocations and wider participation from ministries.

### **What are the Key Highlights of the GBS 2025-26?**

- **Rise in Budget:** The **Gender Budget for FY 2025-26** is Rs 4.49 lakh crore (8.86% of total Union Budget 2025-26), a **37.5% increase from** Rs 3.27 lakh crore in **FY 2024-25**.
  - **GBS 2025-26 is India's largest-ever gender budget**, boosting women's welfare, education, and economic empowerment, with 49 ministries reporting gender-specific allocations.
- **Parts of GBS 2025-26:** The Gender Budget has been categorised into **three parts**.

## Share of Total Gender Budget



Distribution of Gender Budget 2025-2026

**Note: Gender** refers to the characteristics of women, men, girls and boys that are **socially constructed**. While **sex is a biological characteristic** related to chromosomes and reproductive organs.

## What is Gender Budgeting in India?

- **About:** Gender budgeting is a **strategic tool** used by governments to allocate resources efficiently based **on the distinct needs of different genders**.
  - It ensures that policies and resource allocations are gender-sensitive and address specific needs within existing frameworks.
- **Background:** India's gender equality commitment, starting with [Convention on the Elimination of All Forms of Discrimination Against Women \(CEDAW\), 1979](#) ratification in 1993, led to the first **Gender Budget Statement in 2005-06**, and it has been included annually since, reflecting ongoing focus on gender-sensitive policies.
  - Gender budgeting falls under the **Samarthya sub-scheme of Mission Shakti**.
- **Need:** Gender budgeting is not just a fiscal tool but a **moral necessity to break the cycle of gender inequality**.
  - India ranks **129th out of 146 countries in the 2024 Gender Gap Report**, indicating significant room for improvement in gender equality.
  - Empowered women contribute to future generations by investing in their children's education and health, creating a **positive cycle of development**.
- **Implementation:**
  - **Central Level: Ministry of Women and Child Development (MWCD).**
  - **State Level:** Departments of Women and Child Development, Social Welfare, Finance, and Planning are responsible for gender budgeting at the state level.
  - **District Level:** The **Hub for Empowerment of Women (HEW)** coordinates gender

budgeting at the district level, and each hub must have at least one gender specialist.

- **Importance: Promotes gender equality** by addressing **discrimination** and **exploitation** and supports [Sustainable Development Goal 5 \(global gender equality\)](#) efforts.
  - It supports the implementation of women-specific legal frameworks like the [Criminal Law Amendment Act, 2013](#) and the [Sexual Harassment of Women at Workplace \(Prevention, Prohibition and Redressal\) Act, 2013](#).

**Note:** The **Mission Shakti** initiative in **2021**, under the **MWCD**, is a comprehensive program to empower women in India.

- It consists of two sub-schemes: **Sambal** (focuses on women's **safety and security**) and **Samarthya** (aims at **empowering women** through various skill-building and capacity development programs).

## What Challenges Does Gender Budgeting Face in India?

- **Ambiguities in Allocation:** The unclear methodology for assigning funds to gender-sensitive schemes often results in discrepancies, such as [Mahatma Gandhi National Rural Employment Guarantee Scheme \(MGNREGS\)](#) being underreported in Part B despite its significant female workforce.
  - [Pradhan Mantri Awas Yojana-Grameen \(PMAY-G\)](#), which prioritizes women's ownership of homes, **reports only 23% of houses allotted to women**, despite being classified in **Part A of the GBS, which claims 100% allocation for women**.
- **Concentration of Funds:** Around 90% of the gender budget is concentrated in just a few ministries, with schemes like [Pradhan Mantri Garib Kalyan Anna Yojana \(PMGKAY\)](#), MGNREGS, and PMAY-G, limiting its impact across other sectors.
- **Long-term Schemes:** The inclusion of long-term schemes like [Ayushman Bharat](#) and **Awas Yojana** in gender budgeting diverts funds from **immediate-impact programs such as Mission Shakti and female education**, hindering real-time women's empowerment and skill development.
- **Monitoring and Evaluation:** Inadequate tracking mechanisms, **poor quality of gender impact assessments**, and a lack of gender-segregated data hinder the accurate assessment of needs and outcomes.
  - The [United Nations](#) calls for stronger **sectoral monitoring and collaboration between the MWCD** and Ministry of Finance to enhance the design and effectiveness of the Gender Budget Statement.
- **Political Will:** Gender budgeting may not always align with political priorities, resulting in insufficient support.

## Way Forward

- **Integration:** Gender budgeting should be integrated across all ministries, including infrastructure, and rural development, ensuring gender-sensitive allocations in every government initiative.
  - Invest in collecting and analyzing **gender-specific data** to better understand women's needs and the impact of policies.
- **State GBS:** Encourage state governments to increase share in GRB to ensure the inclusion of vulnerable women, including those from **tribal groups**, in the planning process.
- **Clarification of Reporting Methods:** There is a need for **transparency in the allocation and reporting processes**.
  - Public disclosure of the methodologies used to allocate funds and the rationale behind them would increase accountability.
  - Conduct regular **gender audits** across ministries to evaluate the effectiveness of the allocated funds.
- **Capacity Building:** Training government officials, and stakeholders authorities on gender budgeting will help develop the necessary expertise to incorporate gender perspectives in budget utilizations and assessments.

Read more: [Union Budget 2025-26](#)

**Drishti Mains Question:**

What is the significance of Gender Budgeting in India, and how does it contribute to women's empowerment?

## UPSC Civil Services Examination Previous Year Question (PYQ)

### **Prelims**

**Q. Which of the following gives 'Global Gender Gap Index' ranking to the countries of the world? (2017)**

- (a) World Economic Forum
- (b) UN Human Rights Council
- (c) UN Women
- (d) World Health Organization

**Ans: (a)**

### **Mains**

**Q.1** "Empowering women is the key to control population growth". Discuss. (2019)

**Q.2** Discuss the positive and negative effects of globalisation on women in India? (2015)

**Q.3** Male membership needs to be encouraged in order to make women's organization free from gender bias. Comment. (2013)

## Domicile-Based PG Medical Admissions Unconstitutional

**For Prelims:** [Supreme Court](#), Domicile quota, [Right to Equality](#), [National Eligibility cum Entrance Test](#), [Article 5](#), [Article 15](#) and [Article 16](#), [Article 19](#)

**For Mains:** Educational Policies, Equality and Reservation, Impact of Reservation Policies on National Integration

**Source:** [TH](#)

### **Why in News?**

The [Supreme Court \(SC\) of India](#) in the case "[Tanvi Behl v. Shrey Goel and others, 2025](#)", declared [domicile-based reservation for Post-Graduate \(PG\)](#) medical admissions unconstitutional.

- This decision came after appeals against a **Punjab and Haryana High Court ruling that had already scrapped such reservations.**



**Note:** The **domicile quota** refers to a **reservation system** where states allocate a portion of PG medical seats to candidates who are residents of that state.

- For PG medical seats, the Centre conducts counseling for 50% of the total intake, while the remaining 50% is filled by state counseling bodies. Within this 50%, states set aside a quota for domicile candidates.

## What Did the SC Rule on Domicile-Based PG Admission Reservation?

- **Violation of Equality:** The Court emphasized that providing **residence-based or domicile-based reservations** for PG medical courses is constitutionally impermissible, as it creates **inequality among students** based on their state of residence.
  - This is a violation of the **Right to Equality (Article 14 of the Indian Constitution)**.
  - As per the ruling, Indian citizens have the right to **reside and practice their profession anywhere in the country**.
    - Restricting PG admissions based on state domicile creates unnecessary barriers to professional mobility.
- **Merit-Based Admissions:** The Court ruled that PG medical admissions must be merit-based, determined by the **National Eligibility cum Entrance Test (NEET)**, with **state quota seats**, aside from institution-based reservations, must adhere to merit-based selection.
- **No Impact on Past Admissions:** The ruling will not affect admissions that have already been granted based on domicile-based reservations.
- **Domicile vs. Residence:** The Court clarified that "**domicile**" refers to a person's legal home, and not the place of residence, as commonly understood.
  - Legally, there is only one domicile in India "the **India has only one domicile, the "Domicile of India," as defined under Article 5, and all Indians share this single domicile**, and the concept of state-specific domicile is not valid under the Indian legal system.
- **Historical Precedent:** The Bench also referred to the **1984 Dr. Pradeep Jain vs Union of India case**, where the SC allowed **residence-based reservation in MBBS courses**.
  - This was justified on the grounds that the **state invests in infrastructure and running costs for medical colleges**, making it reasonable to reserve some seats for local residents.
  - However, this reasoning does not apply to PG medical courses, where such reservations are deemed unconstitutional.

**Note:** **Article 15 and Article 16 of the Indian Constitution** allow for **reservations in educational institutions and public services** for backward classes or underprivileged groups.

- While these articles **do not explicitly mention domicile**, they permit reservations for socially and economically backward classes, which some states interpret as including local residents.

## What are the Pros and Cons of Domicile-Based Reservation in Education?

- **Pros:**
  - **Local Opportunities:** Ensures that local students receive adequate representation and opportunities in educational institutions, especially in public sector institutions.
    - Acts as a form of affirmative action for disadvantaged communities.
  - **Economic Empowerment:** Helps improve the **social and economic status of local communities** by providing them with better access to higher education.
  - **Boost to Local Development:** Reservation laws can contribute to creating an educated workforce that benefits the local economy and supports regional development.
- **Cons:**
  - **Violation of Fundamental Rights:** It may infringe upon the **right to move freely** and seek education anywhere in the country, as guaranteed by **Article 19 of the Constitution**.
  - **Impact on National Integration:** Domicile-based quotas can divide the nation and hinder the idea of a **unified educational and professional space**, where all citizens have equal opportunities.

- **Economic Inefficiency:** These laws may harm the **private sector by restricting access to top talent**, hindering innovation, and discouraging investment.
- **Addressing Root Causes:** These laws overlook critical issues like inadequate education infrastructure, insufficient guidance for exams like **NEET** and **Joint Entrance Examination**, and a mismatch between academic curricula and industry skill requirements.

## Way Forward

- **Merit-Based Admissions:** Emphasizing merit-based admissions, especially at the **postgraduate level**, is crucial for promoting skills and qualifications over regional backgrounds to ensure fair competition.
  - A temporary support system for **backward communities is necessary**, but the **long-term goal should be their integration into the mainstream education system** without relying on regional quotas.
- **Enhance Quality of Education:** Invest in infrastructure, teacher training, and skill development in rural and backward areas to enhance local students' competitiveness.
- **Strengthen Support Systems: Social support**, including initiatives to address **poverty and migration**, must be targeted more effectively to ensure that vulnerable groups can access **higher education and employment opportunities nationwide**.

Legal Insights: [All Indians only have One Domicile](https://www.drishtijudiciary.com/en)

<https://www.drishtijudiciary.com/en>

### *Drishti Mains Question:*

Evaluate the constitutional and legal challenges associated with domicile-based reservation in education?

## World Wetlands Day 2025

Source: [PIB](#)

### Why in News?

The Union Ministry of Environment, Forest and Climate Change (MoEFCC) organised the [World Wetlands Day 2025](#) celebrations at the **Parvati Arga Ramsar Site**, Gonda, Uttar Pradesh (UP) on **2nd February 2025**.

### What are the Key Facts Regarding World Wetlands Day 2025?

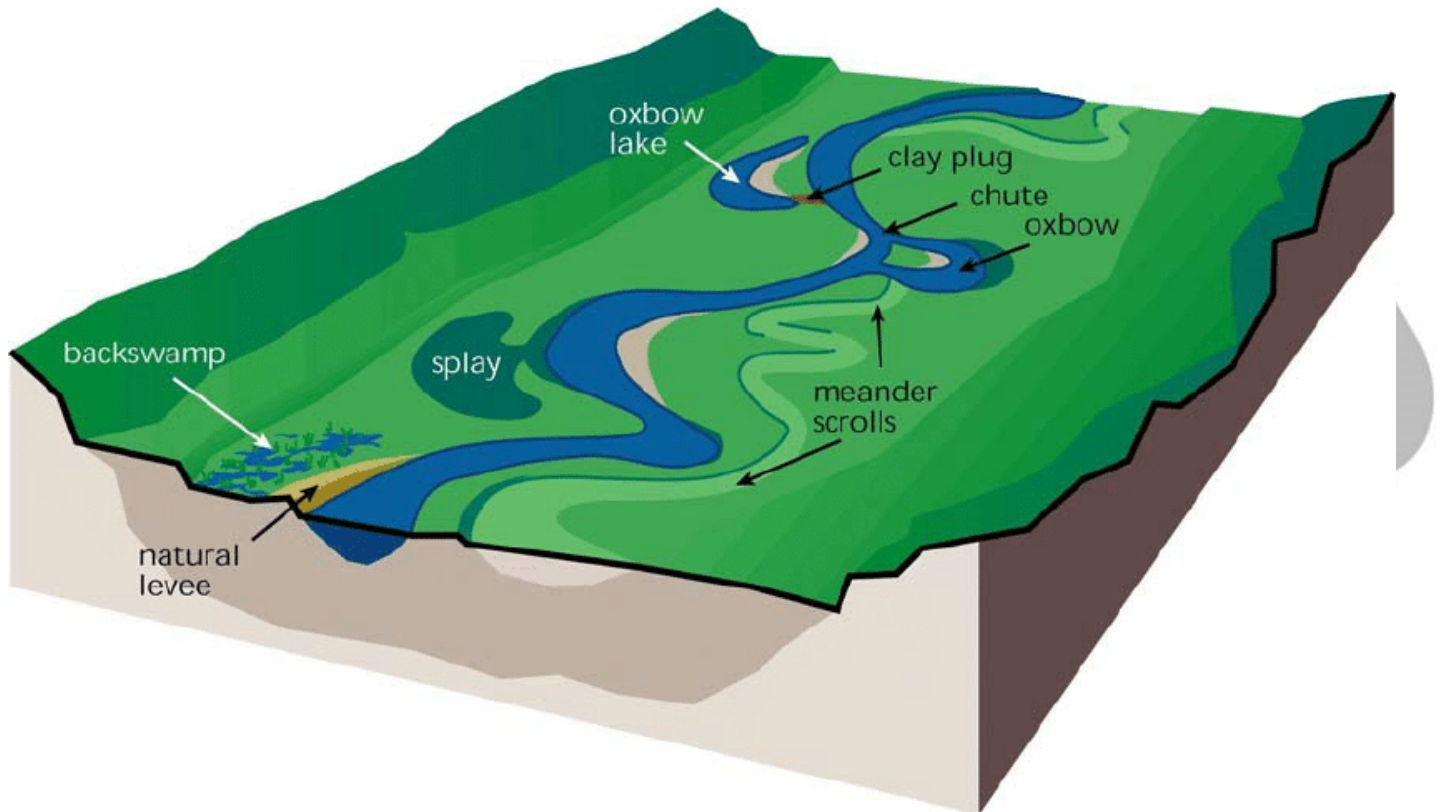
- **About:** It is observed annually to raise awareness about the **importance of wetlands** and marks the adoption of the [Ramsar Convention on Wetlands](#) in **1971** in Ramsar, Iran.
- **Theme for 2025:** Protecting Wetlands for our Common Future.
- **New Ramsar Sites:** **Udhwa Lake** in Jharkhand, **Theerthangal and Sakkarakottai** in Tamil Nadu and **Khecheopalri** in Sikkim are included in the list of Ramsar sites.
  - These are the **first Ramsar Sites of Sikkim and Jharkhand**.
  - With this, **Ramsar sites (Wetlands of International Importance) in India increased to 89**.
  - **Tamil Nadu** continues to have the **maximum** number of Ramsar Sites (20 sites) followed by **Uttar Pradesh (10 sites)**.
- **New Corridor:** The government announced a new **nature-culture tourism corridor** will be

developed between **Ayodhya and Devi Patan** in UP.

- **Amrit Dharohar Initiative:** [Amrit Dharohar](#) was launched in **June 2023** to conserve Ramsar Sites that focuses on **four key components** i.e., **Species and Habitat Conservation, Nature Tourism, Wetlands Livelihood and Wetlands Carbon**.
- **Threat:** The biggest threat to wetlands is **pollution from industrial and human effluents**, which degrade these ecosystems.

## What are Key Facts About Parvati Arga Ramsar Site?

- **About:** It is a **permanent freshwater environment**, consisting of **two oxbow lakes** i.e., **Parvati and Arga**, which are **rain-fed** and located in the **terai region** (Gangetic plains).
  - The nearby **Tikri Forest** is also being developed as an **eco-tourism site**.
  - **Oxbow lakes** are **U-shaped lakes** formed when a meander of a **river is cut off**, creating a **standalone water body**.



- **Ecological Significance:** It is a refuge for **critically endangered** [white-rumped vulture](#), [Indian vulture](#), and [endangered Egyptian vulture](#).
  - Migratory birds like **Eurasian coots**, **mallards**, **greylag geese**, **northern pintails**, and **red-crested pochards** visit the site in the winter months.
- **Invasive Species:** It faces threats from [invasive species](#), notably the **common water hyacinth**.
- **Cultural Landmarks:** The region is home to cultural landmarks such as the birthplaces of **Maharishi Patanjali** and [Goswami Tulsidas](#), boosting religious and cultural tourism.

# RAMSAR CONVENTION

## About

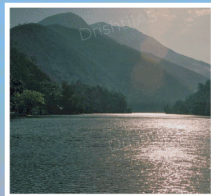
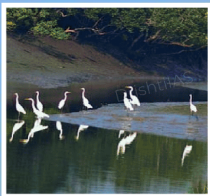
- Also known as the Convention on Wetlands.
- An intergovernmental treaty, adopted in 1971, in Ramsar, Iran.
- Entered into force in 1975.
- Wetlands that are of international importance are declared as Ramsar sites.
- Largest Ramsar Site in World: Pantanal: South America

## Montreux Record

- Adopted in Montreux (Switzerland) in 1990.
- Identifies Ramsar sites that need priority conservation attention at national or international level.

## Wetlands

- A place in which the land is covered by water – salt, fresh, or somewhere in between – either seasonally or permanently.
- Take many forms including rivers, marshes, bogs, mangroves, mudflats, ponds, swamps, billabongs, lagoons, lakes, and floodplains.
- World Wetlands Day: 2<sup>nd</sup> February



## India & Ramsar Convention

- Came into force in India: **1982**
- Total Number of Ramsar Sites: **85**
- Chilika Lake (Odisha), Keoladeo National Park (Rajasthan), Harike Lake (Punjab), Loktak Lake (Manipur), Wular Lake (Jammu and Kashmir), etc.
- Related Framework in India
  - The Ministry of Environment, Forest and Climate Change (MoEF&CC) has notified Wetlands (Conservation and Management) Rules, 2017 under the provisions of the Environment (Protection) Act, 1986 as regulatory framework for conservation and management of wetlands.
  - The 2017 Rules decentralise wetlands management and provide for the constitution of the State Wetlands Authority or Union Territory Wetlands Authority.

## Key Facts

- Largest Ramsar Site: Sunderbans, West Bengal
- Smallest Ramsar Site: Vembannur Wetland Complex, Tamil Nadu
- State with the maximum number of Ramsar Sites: Tamil Nadu (14)
- Wetlands in Montreux Record:
  - Keoladeo National Park: Rajasthan
  - Loktak Lake: Manipur



## UPSC Civil Services Examination Previous Year Question (PYQ)

### Prelims

**Q. If a wetland of international importance is brought under the 'Montreux Record', what does it imply?(2014)**

- (a) Changes in ecological character have occurred, are occurring or are likely to occur in the wetland as a result of human interference
- (b) The country in which the wetland is located should enact a law to prohibit any human activity within five kilometres from the edge of the wetland
- (c) The survival of the wetland depends on the cultural practices and traditions of certain communities living in its vicinity and therefore the cultural diversity therein should not be destroyed
- (d) It is given the status of 'World Heritage Site'

**Ans: (a)**

## Mutual Credit Guarantee Scheme for MSMEs

[Source: PIB](#)

## Why in News?

The **Government of India** has approved the introduction of the **Mutual Credit Guarantee Scheme for MSMEs (MCGS- MSME)**.

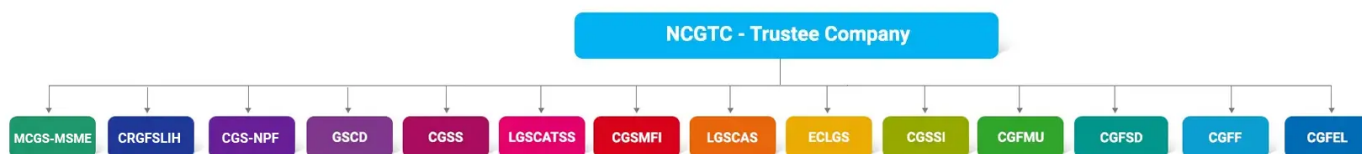
## What is MCGS- MSME?

- **About:** It is an initiative designed to facilitate **access to credit for MSMEs** by offering a **guarantee** for loans extended to them by **reducing the risk perceived by lenders**.
- **Key Features:**
  - **Target Borrowers:** MSMEs with valid [Udyam Registration Number](#).
  - **Loan Limit:** **Up to Rs 100 crore** for purchase of **equipment/machinery**.
  - **Loan Guarantee:** **National Credit Guarantee Trustee Company Ltd (NCGTC)** provides **60% guarantee** coverage to [Member Lending Institutions \(MLIs\)](#).
  - **Project Costs:** **75%** of the project cost should be for **equipment/machinery**.
  - **Scheme Duration:** Applicable for **4 years or until Rs. 7 lakh crore cumulative guarantee** is issued, whichever is earlier.
- **Significance:**
  - **Boost to Manufacturing:** Enhances **credit availability for MSMEs**, which contribute **17% to India's GDP**.
  - **Support for Make in India:** Aligns with the vision to increase the [manufacturing sector](#) 's share to **25% of GDP**.
  - **Credit Access:** Facilitates [collateral-free loans](#) for MSMEs to expand.
  - **Employment Growth:** Creates significant job opportunities in the manufacturing sector, **employing over 27 million**.

**Note:** MLIs include all [Scheduled Commercial Banks \(SCBs\)](#), [Non-Banking Financial Companies \(NBFCs\)](#) and [All India Financial institutions \(AIFIs\)](#), who register with NCGTC under the Scheme.

## What is National Credit Guarantee Trustee Company Ltd (NCGTC)?

- **About:** NCGTC is a **common trustee company** to manage and operate **various credit guarantee trust funds** to help borrowers access finance by **sharing lending risks** with lenders.
  - It provides **loan guarantees** to lenders (like **banks and financial institutions**) , encouraging **credit extension** to underserved sectors like **MSMEs, startups, and vulnerable groups**.
- **Establishment:** It was established in **March 2014**, under the **Indian Companies Act, 1956**, with a paid-up capital of **Rs 10 crore**.
  - It is a **private limited company** that is **fully owned by the Government of India** and operates under the **Department of Financial Services, Ministry of Finance**.
- **Coverage:** NCGTC currently manages **14 dedicated credit guarantee trust schemes** including **MCGS-MSME**, [Credit Guarantee Fund for Micro Units \(CGFMU\)](#), [Emergency Credit Line Guarantee Scheme \(ECLGS\)](#) among others.



## UPSC Civil Services Examination, Previous Year Question (PYQ)

### Prelims:

**Q. What is/are the recent policy initiative(s) of Government of India to promote the growth of manufacturing sector? (2012)**

1. Setting up of National Investment and Manufacturing Zones
2. Providing the benefit of 'single window clearance'
3. Establishing the Technology Acquisition and Development Fund

**Select the correct answer using the codes given below:**

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

**Ans: (d)**

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## Empowering Minority Communities

**Source: PIB**

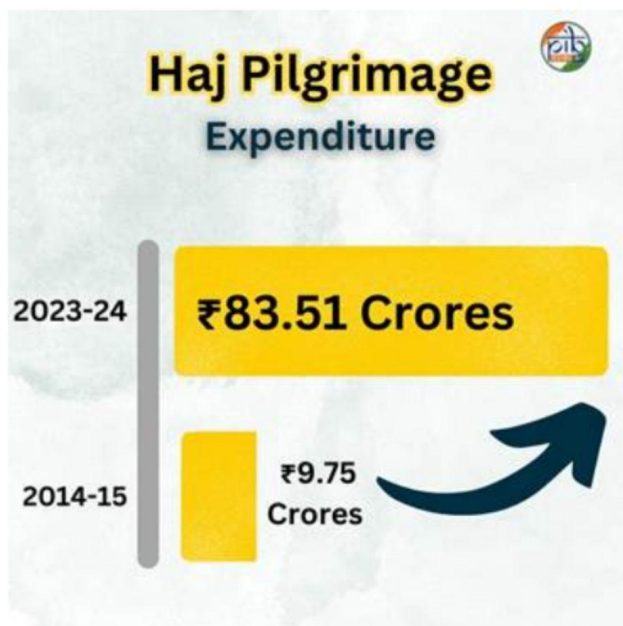
### Why in News?

The Ministry of Minority Affairs (MoMA) shed light on India's ongoing efforts to **empower [minority communities](#)**.

### What are the Highlighted Initiatives Related to Minority Communities?

- **Post-Matric Scholarship Scheme (2007):** Provides [scholarships](#) to meritorious students from **economically weaker sections of minority** communities to enhance higher education and employability.
  - Allocation increased from Rs 70.63 crores in 2008-09 to Rs 1000 crores in 2023-24.
- **Pre-Matric Scholarship Scheme (2008):** Encourages **parents to send children from minority communities to school** and lightens financial burdens for school education.
  - Allocation increased from Rs 62.21 crores in 2008-09 to Rs 400 crores in 2023-24.
- **National Minorities Development and Finance Corporation (NMDFC) (1994):** Provides concessional **credit for self-employment and income-generating activities** for the socio-economic development of backward sections of minorities.
  - Allocation rose from Rs 2 crores in 2014-15 to **Rs 3 crores in 2023-24.**
- **Haj Pilgrimage Support (2016):** Facilitates [Haj pilgrimage](#) (to the holy city of Mecca in Saudi Arabia) for low-income individuals.
  - Expenditure increased from Rs 9.75 crores in 2014-15 to Rs 83.51 crores in 2023-24.
- **Jiyo Parsi Scheme (2013):** Aims to reverse the declining [Parsi](#) population through scientific interventions.
  - As of March 2024, the scheme has enabled the birth of over 400 Parsi children since its inception, with Rs 3 crores allocated in 2023-24.

- **Pradhan Mantri Virasat Ka Samvardhan (PM VIKAS):** The **PM VIKAS** combining 5 existing schemes of MoMA like **USTTAD (Upgrading the Skills & Training in Traditional Arts/Crafts for Development)**, **Nai Manzil**, **Nai Roshni**, and **Hamari Dharohar** to empower minorities through skill development and cultural preservation.
- **Pradhan Mantri Jan Vikas Karyakram (PMJVK):** The **PMJVK** focuses on developing community **infrastructure in minority-concentrated areas**, covering health, skill development, women's projects, water supply, sanitation, and sports.



## India's Minority Communities

- **Minority Communities:** The **Central Government** determines minority status under the **National Commission for Minorities Act (NCMA), 1992**, officially recognizing **Muslims, Sikhs, Christians, Buddhists, Jains (added in 2014), and Zoroastrians (Parsis)** as minority communities.
  - Together, they constitute around **19.3% of India's total population (Census 2011)**.
  - While most states follow the central list, some, like **Maharashtra**, may have their own

(e.g., Jews are a notified minority in Maharashtra).

▪ **Constitutional Provisions:**

- **Article 29** protects minorities' rights to preserve their distinct language, script, and culture, and prohibits discrimination based on religion, race, caste, or language.
- **Article 30** grants minorities the right to establish and manage educational institutions.

▪ **Institutions to Protect Minority Rights:**

- **Ministry of Minority Affairs:** Established in 2006, carved out from the **Ministry of Social Justice & Empowerment**, coordinates programs for the socio-economic development of minority communities in India.
- **National Commission for Minorities (NCM):** Created under the NCMA 1992, the **NCM** safeguards the interests of minority groups in line with the Constitution and laws enacted by the **Parliament**.
- **Waqf Act, 1995:** Governs the management and development of **Waqf properties**.
  - The **Central Waqf Council (CWC)** implements schemes for the modernization and digitalization of Waqf properties, supporting state-level Waqf boards.

## UPSC Civil Services Examination, Previous Year Questions (PYQs)

**Q. In India, if a religious sect/community is given the status of a national minority, what special advantages it is entitled to? (2011)**

1. It can establish and administer exclusive educational institutions.
2. The President of India automatically nominates a representative of the community to Lok Sabha.
3. It can derive benefits from the Prime Minister's 15-Point Programme.

**Which of the statements given above is/are correct?**

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

**Ans: (c)**

**Exp:**

- At present Muslims, Sikhs, Buddhists, Jains, Christians, and Parsis (Zoroastrians) are notified as minority religious communities by Gol. There are certain special advantages that these communities are entitled by the Constitution of India as well as various other legislative and administrative measures.
- Article 30 of the Indian Constitution **upholds the right of religious and linguistic minorities to establish and administer educational institutions of their choice**. Hence, statement 1 is correct. **There is no provision for the President of India to automatically nominate a member of a minority religious community to the Lok Sabha**. This provision was earlier available for members of Anglo-Indian community under Article 331 of the Constitution. Hence, statement 2 is not correct.
- Religious minorities can **derive benefits from the Prime Minister's 15-Point Programme**. The programme was launched in 2005 to ensure the welfare of minorities in the fields of education, skill development, employment and prevention of communal conflicts. Hence, statement 3 is correct. Therefore, option (c) is the correct answer.



# Guillain-Barré Syndrome and BBE

Source: IE

Pune reported a case of **Bickerstaff's Brainstem Encephalitis (BBE)**, a rare variant of **Guillain-Barré syndrome (GBS)**.

- **GBS:** It is a rare **neurological disorder** where the body's immune system attacks the **peripheral nervous system (PNS)** (controls muscle movement and sensory functions).
  - **Symptoms:** Range from mild weakness to severe paralysis, including breathing difficulties.
  - **Treatment:** No known cure for GBS. **Intravenous immunoglobulin (IVIG)**, derived from healthy blood donations, can aid in recovery.
- **BBE:** It is a rare, rapidly progressive, **post-infectious neurological disorder** where the **brainstem becomes inflamed**.
  - **Symptoms:** **Mild respiratory infections** or **diarrheal illness**, ataxia (loss of muscle control), ophthalmoplegia (paralysis of eye muscles), and weakness of limbs.
  - **Treatment:** **IVIG** is commonly used to treat the condition.
- **BBE and GBS:** BBE affects the **central nervous system (CNS)**, while GBS impacts the PNS.
  - BBE is caused by an **autoimmune response** (the body's immune system attacks its own tissues) after an infection, while GBS is triggered by infection, vaccination, or surgery.
- **Precautions:** Precautions for BBE and GBS include getting the flu vaccine, practicing hygiene, and seeking immediate medical help for neurological symptoms like weakness or numbness.

Read more: [Guillain-Barre Syndrome](#)

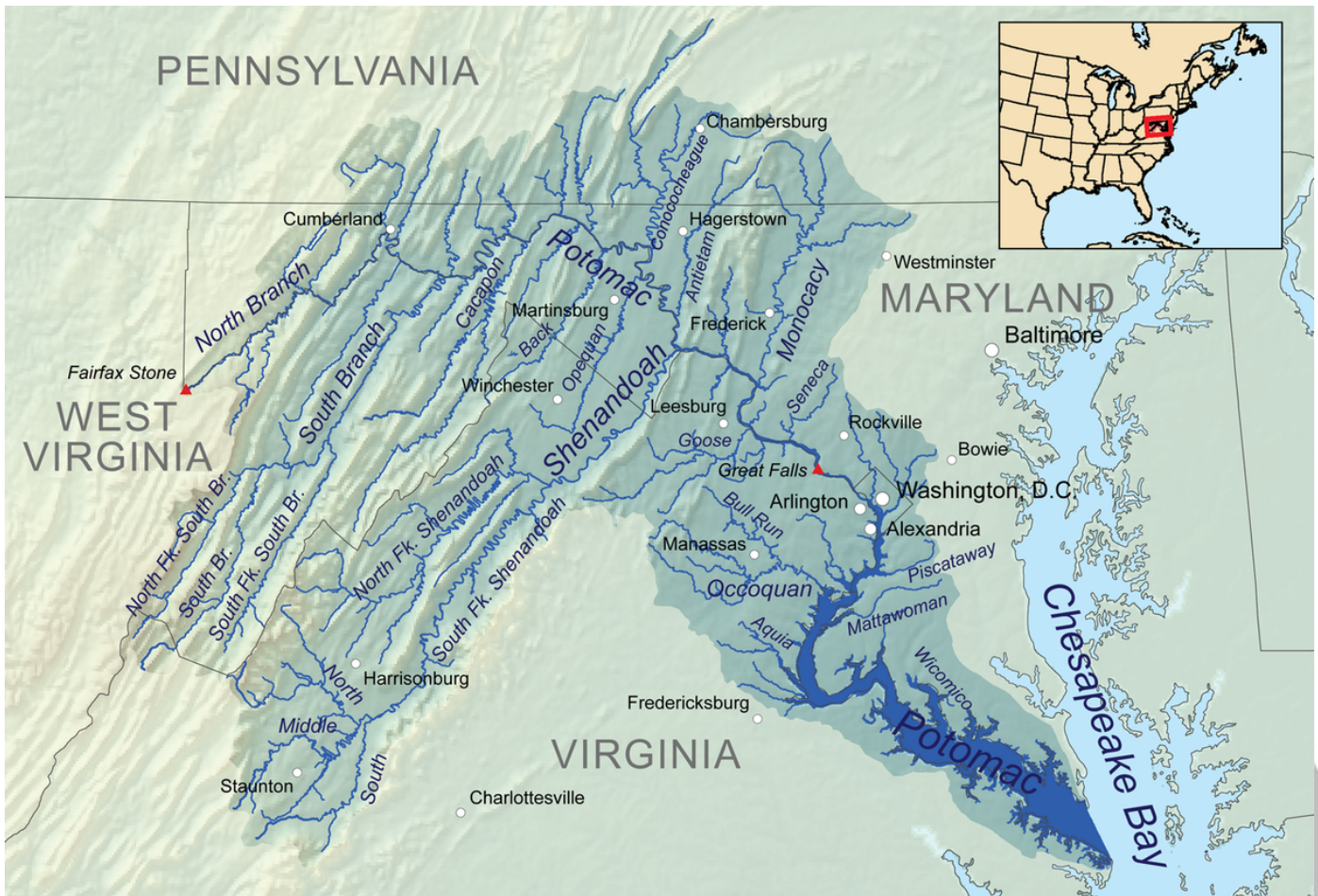
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## Potomac River

Source: TH

A US military helicopter and a passenger plane collided mid-air over Washington, crashing into the **Potomac River** and leaving no known survivors.

- Potomac River originates in the **Potomac River Highlands** of West Virginia, US and **flows through Virginia, Maryland, Washington, D.C.**, and emptying into the **Chesapeake Bay**.
  - Chesapeake Bay is the **largest estuary** in the US and the third largest in the world.
  - An estuary is a **semi-enclosed coastal area** where freshwater from rivers meets saltwater from the ocean, creating a unique ecosystem.
- The **Potomac River**, often referred to as "**America's River**," holds profound historical, cultural, and ecological significance.



Read more: [Renaming Gulf of Mexico and Denali](#)

## Karnataka Allows Right to Die with Dignity

[Source: IE](#)

**Karnataka** allowed the setting up **medical boards** in hospitals to facilitate **requests for dignified deaths**.

- It has been done as per **Supreme Court verdict** in the [Common Cause vs. Union of India Case, 2018](#) that upheld legal validity of **passive euthanasia**.
  - Passive euthanasia involves **withholding or stopping life-sustaining treatments**, letting a person die naturally from their condition.
- The **Supreme Court's 2023 order affirms** the right to die with dignity under [Article 21](#) and eases norms for passive euthanasia.
- **Supreme Court Guidelines 2023:**
  - **Withdrawal of WLST: Primary and Secondary Medical Boards** to review requests for **Withdrawal of Life-Sustaining Therapy (WLST)** based on living wills.
  - **Living Will:** Living will (Advance Medical Directive) allows patients to **document their treatment wishes**, ensuring dignity in end-of-life decisions.
  - **Approval:** Procedure requires approval from the **treating doctor, two medical boards (three practitioners each)**, and the **District Health Officer's nominated practitioner**.
  - **Consent:** Medical boards' decisions require **consent from the next of kin** and approval

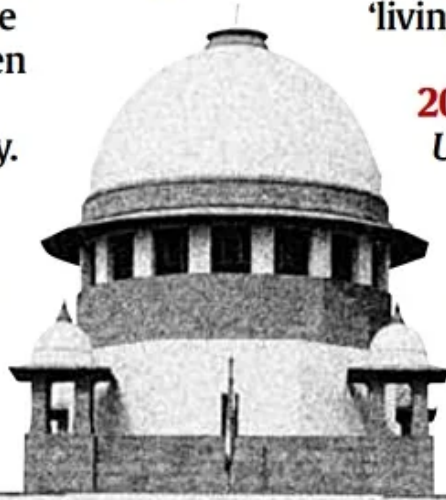
from the [Judicial Magistrate of the First Class \(JMFC\)](#).

- **Advanced Medical Directive (AMD):** AMD mandates appointing at least two individuals for healthcare decisions if the patient loses capacity.
  - AMD can be executed by **adults of sound mind**, filed digitally or on paper, and maintained in health records.

## IN THE SUPREME COURT

**2011:** *Aruna Shanbaug v. Union of India* recognised that life-sustaining treatment could legally be withheld/ withdrawn even from persons without decision-making capacity.

**2018:** *Common Cause v. Union of India* recognised the right to die with dignity as a fundamental right under Article 21 of the Constitution



of India, and legalised the use of advance medical directives or 'living wills'.

**2023:** *Common Cause v. Union of India* simplified the process for making living wills and withholding/ withdrawing life-sustaining treatment by removing bureaucratic hurdles.

Read More: [SC Eases Norms for Passive Euthanasia](#)

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