

The Hindu Important News Articles For UPSC CSE

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Page 01& 04 : GS III : Internal Security/ Preliminary Examination

Recently, the Central Government, using **Section 69A of the Information Technology (IT) Act, 2000**, has imposed a nationwide temporary ban on the messaging platform 'Telegram'. The government argues that this step was necessary to prevent paper leaks and cheating in the upcoming NEET-UG 2026 re-examination. This decision has been challenged by Telegram in the Delhi High Court, sparking a new debate regarding the balance between digital rights, freedom of expression, and the security of the State.

Key Analysis Points

1. Why is Telegram being called the 'New Dark Web'? (Government's Perspective)

Based on the report of the Indian Cyber Crime Coordination Centre (I4C), the government considers Telegram's unique architecture a threat to security due to the following reasons:

- **Bot Infrastructure:** Multiple 'bots' can be created from a single account on Telegram, which spread data on a large scale without human intervention. If the police block one bot, it immediately redirects to another mirror channel.
- **Extreme Privacy and Anonymity:** Due to VPNs (Virtual Private Networks), virtual phone numbers, and hidden usernames, identifying the criminals (Attribution) becomes extremely difficult for law enforcement agencies.
- **Misuse of Message Editing Tools:** Criminals used to edit an old post and upload a newly leaked paper into it, which preserved the old timestamp. This created a false illusion that the paper was leaked well before the exam, thereby deteriorating the law and order situation.
- **Massive Surge in Cyber Crimes:** According to the National Cyber Crime Reporting Portal, cyber crimes linked to Telegram increased from ~75,000 in 2023 to 2.75 lakhs in 2025, leading to a fraud of over ₹3,000 crore.

2. Legal Framework: Section 69A and Intermediary Rules

- **Section 69A (IT Act):** This empowers the government to block any online content or app in the interest of the sovereignty, integrity of India, security of the State, and public order.

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Telegram has evolved into new dark web, govt. tells HC

Centre says the platform is used by cybercriminals, exam paper leak operators; Delhi High Court questions the platform-wide ban as it hears Telegram's challenge; it reserves judgment for Friday

Ishita Mishra
NEW DELHI

The Union government on Thursday submitted before the Delhi High Court that the messaging platform Telegram had evolved into the "new dark web", arguing that its architecture and privacy features had made it a preferred tool for cybercriminals, fraud networks, extremist and terror groups, and operators involved in examination paper leaks.

The government's submissions relied heavily on an Indian Cyber Crime Coordination Centre (I4C) assessment that the platform was a growing hub for illicit online activity. The government has restricted access to the platform ahead of the June 21 NEET re-examination.

Solicitor-General Tushar Mehta, appearing for the Centre during the hearing on Telegram's petition challenging the temporary ban imposed till June 22 under Section 69A of the Information Technology Act, 2000, told the court that the enterprise behind the messaging app had been repeatedly asked to proactively monitor and curb illegal and suspicious channels on the platform. However, the company failed to take any meaningful action, he said.

"Telegram has become the new dark web, linking threat actors. Criminals have rapidly adopted Telegram to post links on channels that connect to dark web forums through deep web links, making it hard for authorities to track and attribute criminals," he said.

Senior advocate Dhruv Mehta, appearing for Telegram, said the government had failed to justify the use of emergency powers and had not demonstrated why specific content could not be blocked, instead of disabling access to the entire platform. "The order says it is in the interest of the sovereignty and integrity of India. An examination like NEET will affect the sovereignty and integrity of India?" he asked.

A Bench of Justice Tejas Kataria scrutinised the government's justification for a platform-wide restriction, even as it acknowledged concerns about exam malpractice and cybercrime. "How can we stop the rights of 150 million people just because one set of citizens are appearing in examinations?" he said while hearing submissions from both sides.

The judgment has been reserved for Friday. The Centre's affidavit also details how Telegram is allegedly used by cyber threat actors to coordinate attacks, distribute malware, and facilitate financial crime. It is alleged that Telegram channels host marketplaces for rented and mule bank accounts used in money laundering and cyber fraud. Such channels enable criminals to exchange information on bank accounts, UPI handles, and cryptocurrency conversion mechanisms while, due to the interface, it remains difficult for the police to track them because new channels emerge continuously.

To support its claims, the Centre pointed to a sharp rise in cybercrime complaints linked to Telegram. Data placed before the court show that complaints on the National Cyber Crime Reporting Portal involving Telegram rose from 75,688 in 2023 to 2.75 lakh in 2025, with fraud amounts crossing ₹3,000 crore in 2025.

ON SECTION 69A
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Telegram on trial

The messaging platform contests restrictions imposed under Section 69A of the IT Act

Govt.'s stand	Telegram's stand
<ul style="list-style-type: none"> • Used by cybercriminals, fraud networks, extremist groups, and exam leak operators • Fails to act against illegal and suspicious channels despite repeated requests • Features can be misused to falsely portray exam papers as leaked and trigger law-and-order concerns 	<ul style="list-style-type: none"> • Centre fails to justify emergency powers or a platform-wide ban • Specific content can be blocked instead of restricting the entire platform

- **Section 79 (Safe Harbor Provision):** Under this, platforms like Telegram are considered 'intermediaries', which are not held responsible for content posted by third parties as long as they exercise due diligence and act swiftly upon government orders. The government alleges that Telegram was negligent in monitoring suspicious channels.

3. Arguments of Telegram and the Judiciary (Points Against the Decision)

- **Test of Proportionality:** According to the Supreme Court's landmark 'Anuradha Bhasin vs. Union of India' case, an internet ban should only be a measure of last resort and must be the least restrictive. The Delhi High Court also questioned how the rights of 150 million (15 crore) ordinary users could be snatched away to stop a few criminals.
- **Violation of Fundamental Rights:** This ban affects **Article 19(1)(a)** (Freedom of Speech and Expression) and **Article 19(1)(g)** (Freedom of Trade and Livelihood) of the Constitution, as millions of teachers, students, and entrepreneurs run their livelihood and education through Telegram channels.
- **Arbitrary Approach and Lack of Natural Justice:** Telegram claims that before blocking them, they were not given a reasonable opportunity of being heard under Rule 8 of the 'Blocking Rules, 2009'.

Way Forward

- **Targeted Blocking vs. Complete Ban:** Instead of banning the entire app, the government should focus on technology to block only those specific channels, groups, or bots that are indulged in illegal activities.
- **Strict Intermediary Accountability:** Under the IT Rules 2021, Significant Social Media Intermediaries (SSMIs) like Telegram must be compelled to appoint a Grievance Redressal Officer in India and ensure real-time monitoring of illegal content.
- **Technical Cooperation:** Better coordination should be established between tech companies and government security agencies (like I4C) so that the misuse of 'message editing' and 'anonymous bots' can be prevented at the technical level itself.

Conclusion

There is no doubt that the State has the right to take strict steps on issues related to national security and public order, such as paper leaks and financial fraud. However, any restriction imposed in the name of national security should not be at the altar of democratic values and the fundamental rights of citizens. The upcoming judgment of the Delhi High Court will prove to be a milestone in deciding the yardstick of balance between the 'Security of the State' and the 'Digital Freedom of Citizens' in the digital era.

UPSC Prelims Exam Study Questions

Question: The "Safe Harbour" provision under Section 79 of the IT Act provides:

- (a) Complete immunity to intermediaries under all circumstances
- (b) Protection to intermediaries subject to due diligence requirements
- (c) Immunity only to government-owned platforms
- (d) Immunity from cybercrime investigations

Ans: (b)

UPSC Mains Practice Questions

Question: Cybercrime is increasingly exploiting encrypted messaging platforms. Discuss the challenges before law enforcement agencies and suggest a balanced regulatory framework. (10Marks, 150Words)



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Page 01 & 12 : GS II : International Relations

Recently, during the G-7 (G7) summit, US President Donald Trump and Iranian President Masoud Pezeshkian signed a historic Memorandum of Understanding (MoU) to end the West Asia war. Under this agreement, the US has lifted the naval blockade of Iranian ports, and Iran has agreed to reduce its enriched uranium. This agreement, mediated by Pakistan, not only raises hopes for peace in West Asia but also presents new challenges to global shipping and international maritime law (UNCLOS).

Key Analysis Points

1. Main Provisions and Immediate Impact of the Agreement

- **End of Blockade:** The US Navy has lifted the parallel blockade of Iranian ports, allowing the movement of commercial vessels to resume.
- **Nuclear Commitment and Economic Relief:** Iran has agreed to dilute its enriched uranium in exchange for large-scale sanctions relief and US Treasury exemptions, enabling it to resume oil exports.
- **Reconstruction Fund:** A provision has been made for a special and substantial 'Reconstruction Fund' to repair Iran's infrastructure after the war.
- **60-Day Negotiation Period:** This agreement opens the way for further negotiations on broader bilateral issues and the nuclear program for the next 60 days, which also has the support of Iran's Supreme Leader Ayatollah Morteza Khamenei.

2. Iran's Increasing Control over the Strait of Hormuz

- **Free Passage for 60 Days:** Iran has agreed to allow ships to pass through the Strait of Hormuz without any charges (toll) for the next 60 days.
- **Possibility of Levying Fees in Future:** This agreement has paved the way for Iran to collect transit fees (service charges) in the future. Before the war, ships passing through this waterway did not have to pay any fees.
- **Recognition as a Strategic Stakeholder:** Under the agreement, Iran has received the formal right to negotiate the management of this strait with Oman and other Persian Gulf nations. Iran views this as a 'strategic guarantee' against future foreign attacks.

3. Challenges Facing Global Shipping

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U.S. lifts blockade of Iranian ports after Trump, Pezeshkian sign peace accord

Agence France-Presse
 TEHRAN/WASHINGTON

The U.S. on Thursday lifted a blockade of Iranian ports imposed during the West Asia war after President Donald Trump signed a deal to end the conflict, as uncertainty surrounded planned talks in Switzerland aiming to take the accord further.

Mr. Trump and Iran's President Masoud Pezeshkian signed a deal on Wednesday meant to end the war, with Tehran agreeing to dilute its enriched uranium in return for large-scale economic relief. The signing of the deal set in motion a 60-day period for talks on wider issues between the two sides.

Iranian Supreme Leader Ayatollah Mojtab Khamenei endorsed the talks with the U.S. in a statement.

It remained unclear if the two sides, who have had no diplomatic relations following the 1979 Islamic revolution, would hold a signing ceremony and talks in Switzerland on Friday as announced.

The U.S. forces lifted their parallel naval blockade of Iranian ports that had prevented ships from sailing to or from the Islamic republic, the U.S. military said, noting that its warships "will remain in the general area".

The U.S. military, which had enforced its own blockade after Iran shut the Strait at the start of the war, has allowed at least 12 ships to pass through, Vice-President J.D. Vance said.

Earlier on Wednesday, Mr. Trump put his signature to the memorandum of understanding during a candle-lit dinner at the Palace of Versailles following a G7 summit, as host

implementing the deal.

Oil prices tumbled after the U.S. President and his Iranian counterpart separately signed their accord to end the West Asia war, with the Strait of Hormuz to reopen but two months of negotiations lying ahead.

"These fools, who think I haven't been tough

enough on Iran, when the Stock Market Just Hit A RECORD HIGH, and Oil prices are 'tumbling' down, are either jealous, bad people, or stupid," Mr. Trump posted on social media hours after signing the deal.

FULL REPORT ON
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French President Emmanuel Macron and other guests applauded, a video posted by a Trump aide showed. "Just signed it," Mr. Trump told the media as he emerged from the palace.

Iranian Foreign Ministry spokesperson Esmail Baghaei said the document

"was finalised with the signatures of the Presidents".

Prime Minister Shehbaz Sharif of Pakistan, who mediated the agreement, said on X that it "shall enter into force with immediate effect".

'OPENS DOOR FOR IRAN'
 » PAGE 12

Trump and Pezeshkian sign the agreement to end the war. @WHITEHOUSE/X/AFP

- **Security Risks and Sea Mines:** According to 'Bimco', an association of global shipowners, the central part of the Strait of Hormuz is still unsafe due to sea mines. Currently, ships are using only the coastal areas (Inshore Traffic Zones) of Iran and Oman, increasing the risk of congestion and accidents there.
- **Lack of Clear Operational Guidelines:** The agreement lacks clarity on critical technical aspects such as safe routes, traffic separation measures, sequencing of vessels leaving the Gulf, and emergency response procedures.

4. International Maritime Law (UNCLOS) and Legal Complexities

- **Principle of Free Transit:** Under the 'United Nations Convention on the Law of the Sea' (UNCLOS), commercial vessels enjoy the 'Right of Transit Passage' through international straits like Hormuz without any hindrance or fees.
- **Legal Loophole:** The legal situation in this matter is extremely complicated because the US has not ratified UNCLOS, and Iran has signed it but has not ratified it.
- **Fear of Setting a Global Precedent:** If Iran succeeds in imposing fees or increasing control over ships in the Strait of Hormuz, it could set a dangerous precedent for other strategic and narrow waterways like the Malacca-Singapore Strait or the English Channel.

5. Impact on India and the Global Economy

- **Increase in Trade Costs:** All nations importing oil from the Gulf countries, including India, have strongly opposed any kind of toll tax on this waterway, as it will increase oil and commodity prices globally.
- **Question of Commercial Acceptability:** According to the Maritime Association (MASSA), this issue is not just about international laws, but also about what is commercially acceptable to the global shipping industry.

Way Forward

- **Establishment of an International Coordination Body:** An 'International Coordination Body' should be formed immediately for ensuring safe navigation, removing sea mines, and managing traffic.
- **Preservation of UNCLOS Principles:** The global community and major stakeholders like India will have to ensure in the upcoming negotiations in Switzerland that any future arrangement does not violate the core principle of UNCLOS's 'unhindered maritime transit'.
- **Transparent Negotiations:** Other Gulf countries (such as Saudi Arabia, UAE) should also be included in this negotiation process so that a balance between regional security and trade interests is maintained.

Conclusion

The Trump-Pezeshkian peace agreement is a bold and welcome step toward ending a long-term war in West Asia. However, recognizing Iran as the sole mediator or controller of the Strait of Hormuz could threaten the principles of global free trade. The success of future negotiations will depend on how the freedom of navigation for global shipping is kept intact while addressing Iran's economic and security concerns.

UPSC Mains Exam Study Questions

Question: Discuss the strategic significance of the Strait of Hormuz in contemporary geopolitics. How can emerging geopolitical developments affect global energy security? (10 Marks, 150 Words)

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Page 07 : GS II : Social Justice / Preliminary Examination

A recent study conducted on adolescents belonging to the tribal (Ho) community of Jharkhand reveals that the indicators of mental stress or distress among tribal youth differ fundamentally from the clinical diagnostic standards of mainstream medical science (such as depression or anxiety). Compared to the national average of the National Mental Health Survey (2015-16) which stands at 7%, the prevalence of mental disorders among adolescents in tribal areas was found to be between 12% and 16% (more than double). This situation highlights the critical cultural and geographical gaps existing in India's healthcare systems.

Beyond 'depression' and 'anxiety': how young Adivasis describe distress

Mental health systems frequently assume that emotional suffering will present itself in clinically recognisable forms. But in many Adivasi communities, distress may be communicated through stories, metaphors, or withdrawal from social life. When professionals fail to understand these expressions, the communities begin to appear 'silent'

Sachin Barbe
 Christianez Batna Kiruba

Dumbi, a tall, muscular teenager, walks silently outside his village, which consists of about 70 houses, mostly of the Adivasi Ho community, in Jharkhand. He lost his father when he was in Class 5. Now 16, and as an elder brother to three siblings, he has to both study and provide economic support to the family. For Dumbi, football had earlier been a major source of joy. Friends regularly invited him to matches in nearby villages. But over time, he stopped playing almost entirely. The burden of caring for the family at the age of 15 made him sullen and withdrawn, and also led to his habit of drinking locally-brewed liquor, as a coping mechanism.

Mental health is gaining ground in our everyday conversations, thanks to increased awareness, battles to beat stigma and a growing number of people with lived experience who are talking about it. The people at the forefront of these conversations, however, remain primarily urban-centric and from privileged socio-economic groups. Young people from Adivasi communities remain missing from most of these conversations. India has the largest population of indigenous communities in the world. And yet, information about the mental health of these communities is scarce.

Globally, mental health problems affect nearly one in seven adolescents aged 10-19 years, with anxiety, depression, and behavioural disorders among the most common conditions. India has one of the world's largest adolescent populations, but mental health support for young people remains deeply inadequate. The 2015-16 National Mental Health Survey estimated that 7% of adolescents aged 13-17 years experience mental health problems, though most are unlikely to receive any formal care.

Deep inequities
 Evidence from rural and Adivasi communities in mental health research remains remarkably limited despite these communities constituting around 9% of India's population. What makes this focus even more concerning is that Adivasi communities continue to face deep social, economic, environmental, and health inequities, with the most affected being young people.

The available research suggests that the burden may be substantial and widely neglected. A survey among Adivasi adolescents in Gujarat, Tamil Nadu, and Meghalaya reported a 16% prevalence of mental disorders, more than double the national estimate for adolescents. Another survey among adolescent girls in



The 2015-16 National Mental Health Survey estimated that 7% of adolescents aged 13-17 years, experience mental health problems. PHOTO: SHUTTERSTOCK

rural Adivasi blocks of Jharkhand found that 12% experienced symptoms of emotional or behavioural distress. These numbers, however, reveal only part of the story.

Poverty and mental health
 For many young Adivasi people, family responsibilities begin at an early age. Financial insecurity is the norm rather than the exception. The most basic of needs including clothing and school costs are difficult to meet, a reality that Adivasi children understand from a very young age. But this premature awareness frequently comes at the cost of adolescence itself, quietly compressing what should be a carefree period with constant worry, restraint, and emotional burdens they are inadequately prepared for. When this is compounded by the loss of one or both parents, it often places adolescents under intense emotional and psychological stress.

What appears in these children externally as "maturity" is often chronic anxiety and emotional exhaustion. These experiences rarely enter formal mental health statistics and go unrecognised by the system, but they shape the emotional worlds of Adivasi adolescents every day.

Migration intensifies this burden. Seasonal migration has long existed among Adivasi communities as a response to chronic poverty and land insecurity. What often remains invisible are the emotional costs of this transition: loneliness, uncertainty, grief, interrupted education, substance use, fractured social

ties, and a growing sense of disconnection from both village and city life. Yet distress is not always expressed in ways recognised by formal mental health systems.

In recent work with Adivasi adolescents in rural Jharkhand, researchers found that young people, caregivers, teachers, and community health workers often described distress through local idioms, bodily complaints, silence, irritability, social withdrawal, or changes in behaviour rather than psychiatric labels such as "depression" or "anxiety".

This has important implications.

Expression of distress
 Mental health systems frequently assume that emotional suffering will present itself in clinically recognisable forms. But in many Adivasi communities, distress may be communicated through stories, metaphors, behaviour, or withdrawal from social life. When professionals fail to understand the expressions, communities themselves begin to appear "silent".

The problem, therefore, is not merely that Adivasi youth do not seek help. It is also that systems often do not know how to hear them.

There is another quiet transformation taking place in villages: the erosion of intergenerational spaces. Aja, a young community facilitator in one village from Jharkhand, reflected recently that earlier, evenings were spent sitting with elders, listening to stories and experiences. "That was our learning space," he said. "Now

most young people spend time outside villages on their smartphones."

This reflects the weakening of informal spaces where emotions, identity, memory, and belonging were once shared collectively.

What is needed
 India's response to mental health among Adivasi youth cannot be limited to expanding psychiatric services into rural areas, though accessible care remains essential. A more meaningful response requires strengthening community spaces, reducing social and economic precarity, listening to local languages of distress, and creating systems where they can speak without fear or shame.

Mental health among Adivasi youth is not only a medical concern. It is also a question of dignity, justice, cultural continuity, and whether young people are allowed to imagine a future beyond survival.

Until India learns to pay heed to these quieter forms of suffering, many a youth like Dumbi will continue walking silently at the margins of our collective attention. With inputs from Yash Leyang, Pankaj Pan, Saisri Batna and Komala Pan. (Dr. Sachin Barbe is a public health physician working with Adivasi communities in Jharkhand on community-led mental health initiatives. sachin.ekja@gmail.com; Dr. Christianez Batna Kiruba is an internal medicine physician and a freelance health journalist based in Gauhati, Assam. christianezdennis@gmail.com)

THE GIST

People at the forefront of conversations on mental health remain primarily urban-centric and from privileged socio-economic groups. Young people from Adivasi communities remain missing from most of these conversations.

For many young Adivasi people, family responsibilities begin at an early age. Financial insecurity is the norm rather than the exception. The most basic of needs including clothing and school costs are difficult to meet.

A more meaningful response requires strengthening community spaces, reducing social and economic precarity, listening to local languages of distress, and creating systems where they can speak without fear or shame.



Key Analysis Points

1. Unique Manifestations of Mental Stress among Tribal Youth (Idioms of Distress)

Conventional medical systems assume that mental suffering will always manifest as clinically recognizable diseases, but in tribal communities, it surfaces in distinctly different ways:

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- **Local Idioms and Metaphors:** Youth express their distress through stories, metaphors, or physical complaints rather than utilizing standard medical terminology.
- **Social Isolation and Silence:** When experiencing depression, instead of becoming aggressive or crying, these youths become quiet, irritable, or completely withdraw themselves from social life and traditional community sports (like football).
- **Negative Coping Mechanisms:** To cope with mental agony and immense familial burdens, youth resort to locally brewed alcohol (Hadiya/Mahua) or intoxicating substances at a very early age.

2. Socio-Economic Causes behind Mental Stress (Structural Factors)

- **Compressed Adolescence (Premature Maturity):** Due to the death of parents or extreme poverty, adolescents aged 15-16 years are forced to shoulder the responsibility of livelihood for the entire family and the education of younger siblings. What the system misinterprets as 'childhood maturity' is actually chronic anxiety.
- **Seasonal Migration:** Migration driven by poverty and land insecurity detaches the youth from their cultural roots. This results in loneliness, uncertainty, disruption of education, and a deep sense of alienation (disconnection) from both the village and the city.
- **Erosion of Intergenerational Spaces:** Traditionally, tribal societies had a practice where youngsters sat with elders in the evening to listen to stories, which functioned as an informal 'counseling space.' Currently, the growing usage of smartphones has largely eliminated this collective and emotionally bonding space.

3. Failures and Inadequacies of Current Healthcare Systems

- **Urban and Privilege-Centric Approach:** Most discussions and policies regarding mental health remain centered around urban, English-speaking, and economically affluent groups.
- **Lack of Empathetic Understanding:** When medical professionals fail to comprehend the local dialect and cultural metaphors of these communities, they label them as 'silent' or 'uncooperative'. The issue is not that tribal youth do not seek help, but that the system does not know how to interpret their language.
- **Dearth of Data:** Despite constituting approximately 9% of India's total population, research and empirical data on the mental health of tribal communities are extremely limited, rendering policies distant from ground realities.

Way Forward

- **Culturally Adapted Mental Health Services:** Merely expanding mental health services to rural areas is insufficient; doctors and frontline healthcare workers (ASHA/ANM) must be trained to recognize the 'local languages of distress' unique to tribal populations.

Daily News Analysis

- **Revival of Collective Community Spaces:** Informal community centers and sports grounds should be revitalized in villages, allowing youth to share their emotions and identities without fear or shame.
- **Multi-Sectoral Approach:** Mental health among tribal youth is not just a 'medical' issue. It must be integrated with livelihood security, education, social justice, and dignity to elevate them above the baseline struggle for survival and secure a safer future.

Conclusion

The unheard plea of mental distress among tribal youth poses a severe challenge to India's claims of inclusive development. Until the country's mainstream healthcare systems learn to listen to and understand the silent suffering of these marginalized and quiet youths, the goal of 'Mental Health for All' will remain unachieved. This is a matter of social justice and human rights as much as it is a right to health.

UPSC Prelims Exam Study Questions

Question: ASHA workers under the National Health Mission are primarily associated with:

- (a) Rural community-level healthcare delivery
- (b) Judicial assistance services
- (c) Environmental conservation
- (d) Tribal land administration

Ans: a)

UPSC Mains Practice Questions

Question: Mental health challenges among tribal adolescents often remain invisible due to cultural and geographical barriers. Examine. **(10 Marks, 150 Words)**

Page 08 :GS III : Indian Economy / Preliminary Examination

Recently, several significant and long-awaited reforms have been introduced in India's statistical systems and databases by the Ministry of Statistics and Programme Implementation (MoSPI) and the Ministry of Commerce and Industry. Under these changes, the base years for Gross Domestic Product (GDP), Consumer Price Index (CPI), Wholesale Price Index (WPI), and Index of Industrial Production (IIP) have been modernized. These reforms not only bring Indian economic data closer to reality but also align them with international best practices.

Key Analysis Points

1. Major Upgrades in Statistical Systems

- **Modernization of Base Years:** For a long time, India's major economic indices were running on old base years of 2011 or 2012, which have now been changed to bring them closer to the current decade.
- **GDP and National Accounts:** MoSPI has released a new series of national accounts data, with the base year now shifted to 2022-23. In this series, the data sources have been made more granular and robust.
- **Consumer Price Index (CPI):** The base year for CPI, which measures retail inflation, has been changed to 2024. In this, the basket of items has been made more inclusive and their weightages have been corrected according to current consumption patterns.
- **Index of Industrial Production (IIP):** The base year for IIP has also been changed to 2022-23, and the process of its data collection has been strengthened.
- **Wholesale Price Index (WPI):** The Ministry of Commerce has released a new series of WPI that reflects economic realities in a better way.

2. Strategic and Economic Significance of These Reforms

- **Compliance with International Standards:** The new GDP series includes the 'Double-Deflator Approach'. This is a methodology that has long been demanded by statisticians and global institutions like the International Monetary Fund (IMF).
- **Accurate Economic Policies:** A more accurate CPI and WPI yield a better GDP Deflator. This helps in precisely assessing Real GDP Growth after adjusting for inflation, which will assist the Reserve Bank of India (RBI) in taking the right decisions on interest rates.
- **Introduction of Producer Price Index (PPI):** The Ministry of Commerce has introduced a new 'Producer Price Index' (PPI), which will replace WPI over the next five years. PPI is the standard in developed economies, providing more accurate information on price levels of both goods and services at the producer level.

Essential upgrades

The updates to India's statistical system are welcome, albeit long overdue

The government has, in recent months, implemented several long-overdue but welcome upgrades to India's statistical databases. Wide-ranging, they cover the way the country measures Gross Domestic Product (GDP), industrial production, and price changes at the retail, wholesale, and producer levels. These updates have not only made India's key economic statistics more representative of reality, but have also brought them in line with international best practices. The most basic change across all indices has been the updating of base years. Until recently, the base years for GDP, the Consumer Price Index (CPI), Wholesale Price Index (WPI), and Index of Industrial Production (IIP) were either 2011 or 2012. As such, these measures were significantly outdated and less reflective of reality with each passing year. In February, the Ministry of Statistics and Programme Implementation (MoSPI) released the new series of national accounts data, including GDP, with a base year of 2022-23. The new series incorporates methodological improvements and new data sources, making it more granular and robust. Some of these, such as the double-deflator approach, have long been demanded by statisticians and international bodies, including the IMF. Similarly, MoSPI had in February also released the new series of the CPI with an updated base year of 2024, a more inclusive basket of items measured, and more accurate weightages. This has enabled a more realistic reading of retail inflation, a key metric in interest-rate decisions. In early June, MoSPI then released the new series of the IIP as well. The base year was updated to 2022-23 and the index's data collection was strengthened. This, too, eventually feeds into more accurate GDP data. The other factor to be highlighted is that the data upgrades have not been limited to just MoSPI. The Ministry of Commerce and Industry also updated its WPI, releasing the new series on Monday. A more accurate WPI and CPI yield a more accurate GDP deflator, which strengthens the way that statisticians derive real GDP growth after having adjusted for inflation. The Commerce Ministry also released a new Producer Price Index (PPI), which is to replace the WPI in five years. A PPI is the standard among developed economies and provides more information about both goods and service price levels at the producer stage. With all these, the IMF is sure to improve the recurring 'C' grade it has given India's national accounts data. These, it is hoped, will also be capped off by a time-bound release of the new Census with no further delays.

- **Improvement in Global Credibility:** Following these reforms, it is expected that the IMF will upgrade its recurring 'C' grade given to India's national accounts data, which will boost India's statistical credibility among global investors.

3. Existing Challenges and Shortcomings

- **Delay in Decennial Census:** Despite all these reforms in the statistical system, the continuous delay in the country's new Census remains a major hurdle. Without an accurate and time-bound Census, long-term statistical models for socio-economic planning cannot be entirely flawless.
- **Data Lag:** The long time taken to change base years (about 12-13 years) indicates that India's statistical system has been slow in keeping pace with a changing economy.

Way Forward

- **Conducting Time-Bound Census:** To grant completeness to this entire statistical reform cycle, the government must release the new Census data within a definitive timeframe without any further delay.
- **Institutional Continuity:** In the future, this process of updating base years should be made automatic and regular every 5 or 10 years, so that the data never lags behind reality.
- **Better Coverage of Service Sector:** Through the new PPI, the price levels of the service sector should be tracked more comprehensively, as the service sector contributes to more than half of India's GDP.

Conclusion

Aim, Think & Achieve

This upgrade of India's major economic statistical systems may have come late, but it is a highly welcome step toward making the country's economic policymaking more practical and transparent. These reforms will establish India as a reliable and modern data-driven economy. However, this journey of statistical self-reliance and accuracy will remain incomplete until the basic data of the country's Census is updated in a time-bound manner.

UPSC Prelims Practice Questions

Question: Consider the following statements regarding GDP Deflator:

1. It measures inflation across the entire economy.
2. It is derived using nominal GDP and real GDP.
3. It covers only consumer goods.

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: a)

UPSC Mains Practice Questions

Question: Discuss the significance of revising base years for major economic indicators such as GDP, CPI, WPI and IIP. How do such revisions improve economic policymaking?(10 Marks, 150 Words)

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Climate change is often viewed as a distant future problem through 'Net-Zero' targets for years like 2070. However, this article underlines that climate change is no longer a future issue for India, but has become a practical economic 'month-end' problem. According to the World Bank's warning, rising temperatures and changing monsoon patterns could cause India's GDP to decline by up to 2.8% by 2050, dragging down the living standards of nearly half of the country's population. Currently, this crisis is emerging as an 'indirect, regressive tax' that shrinks the income of ordinary citizens and drives up their basic cost of living.

The hidden, rising cost of climate change on everyday life in India

The World Bank has warned that rising temperatures and changing monsoon patterns could shave up to 2.8% off India's GDP by 2050 and depress living standards for nearly half the population; and there is a simple reality that climate change is eroding incomes and pushing up essential costs

NEWS ANALYSIS

David Sathuhari
Ajmal Khan A.T.

Climate change is often framed as a problem for 2070, the year by which many countries have pledged to reach net-zero emissions. Yet even as its impacts are felt more sharply around the world, the rising everyday costs it creates receive far less attention. In India, climate change is already a problem for the end of the month, in both the summer heat and the monsoon season. From food and electricity to water and health care, a warming world is quietly making everyday life more expensive, especially for those who can least afford it.

When a heatwave hits north India now, it shows up as higher vegetable prices, erratic power cuts, hospital bills going up, and a spike in electricity bills as fans and ACs run longer.

Inflation warning
Economists are already warning that this year's combination of intense heat and a weaker monsoon could push inflation above 5%, largely through food and energy costs. Even as the government revises the inflation basket, food and beverages still carries the heaviest weight in India's consumer price index, about 45.86% in the current series, so any climate shock to crops reflects quickly into what people pay at the kirana store.

We know this is not a one-off. The World Bank has warned that rising temperatures and changing monsoon patterns could shave up to 2.8% off India's GDP by 2050 and depress living standards for nearly



Conditions apply: A weaker or delayed monsoon can reduce harvests and disrupt planting, while extreme heat can damage yields even when the rains arrive on time. REUTERS

half the population. Behind that there is a simple reality that climate change is eroding incomes and pushing up essential costs at the same time.

Central and northern states such as Chhattisgarh, Madhya Pradesh, Rajasthan, Uttar Pradesh and Maharashtra are projected to be among the worst hotspots where living standards fall the most. These hotspots of climate vulnerability are also hotspots of agrarian distress, where low and volatile farm incomes, high indebtedness and persistent farmer suicides have become structural features of rural life.

Take food as an example. A weaker or delayed monsoon can reduce harvests and disrupt planting, while extreme heat can damage yields even when the rains arrive on time. In 2023, a below-normal monsoon with about a 6% rainfall deficit reduced sown area for pulses and oilseeds, and farmers across several states reported crop losses; retail prices of rice, wheat and pulses were higher by 6-15% year-on-year by early October. Studies also

In many parts of rural India, erratic rainfall and groundwater depletion are making wells run dry more often, forcing households to spend more time and money securing water

show that repeated climate shocks from heatwaves to erratic rainfall and floods, are reshaping food price dynamics in India and driving more persistent food inflation. Each shock creates a chain reaction, lower yields, supply bottlenecks, hoarding and speculation, that ends with higher prices on the plate. Energy costs as well tells a similar story. As temperatures increase, households that can afford to pay or can rely more on cooling, which pushes up power demand and strains the grid. During the May 2026 heatwave, power demand in India has repeatedly hit a record 270.8 gigawatts, driven by millions of fans and AC units trying to keep homes and workplaces

liveable. When utilities scramble to meet this demand, often with expensive coal and imported fuels, the costs are eventually passed on through higher tariffs or surcharges. For middle-class homes, a jump in the electricity bill is an irritation; for informal workers and low-income families, it means cutting back on other essentials including food and education.

Water is another hidden driver of the climate cost-of-living crisis. In many parts of rural India, erratic rainfall and groundwater depletion are making wells run dry more often, forcing households to spend more time and money securing water. In cities, this has already produced a parallel "tanker economy," where those without reliable municipal supply pay private vendors for basic drinking and domestic water. For Dalit, Adivasi and other marginalized communities who are living in the informal settlements and slums, who already start from a position of economic and social disadvantage, these extra costs compound existing

inequalities.

Health impacts add another layer. Heat stress, poor air quality and the spread of climate-sensitive diseases increase out-of-pocket health spending, which is already high in India. A source on climate and health in India shows that rural women, for example, are bearing disproportionate burdens as they walk longer distances for water, work in hotter fields and care for sick family members. Every extra day lost to illness is a day of wages gone, and every clinic visit draws from already thin household budgets. All of this plays out in a country where most people still live close to the poverty line. A review of climate-related risks in India from Indian Institute of Human Settlements notes that, despite impressive growth in median incomes over the last three decades, a large share of Indians remain highly vulnerable to even small economic shocks. Climate change turns those "small" shocks into something more constant and structural. It is not just about one bad year of rain but about a pattern of repeated, overlapping disruptions that steadily raise the floor price of survival.

The burden is also sharply unequal. Studies of farmers' access to climate adaptive technologies in India find that marginalised castes and tribes are less likely to adopt and sustain irrigation and other coping strategies, even as climate pressures mount. In other words, those with more land, more capital and better social status can protect themselves from climate volatility, while those at the bottom are left to absorb higher costs through debt, distress migration or cutting back on

food and education. Climate change acts like a regressive tax, taking the most from those who contributed the least to the problem.

Policy responses so far have mostly focused on firefighting, export bans when onion prices spike, ad hoc relief after floods or droughts, short-term power subsidies when heatwaves hit. These may be politically necessary, but they do not address the structural ways in which climate change is squeezing household budgets. Indian think tanks have started to estimate the long-run economic costs of climate impacts for India, including future GDP losses, but the everyday reality of higher bills and thinner paychecks rarely makes it into climate debates.

Recognising climate change as a cost-of-living issue, not just an environmental or diplomatic concern, would change the political conversation.

It would push governments to invest more aggressively in climate-resilient agriculture like Andhra Pradesh Community Natural Farming (APCNF), urban heat planning, affordable public transport, and universal basic services like water and health. It would also force a reckoning with who pays, whether these rising costs are allowed to continue falling on the rural poor, small and marginal farmers, informal workers and marginalised castes, or whether India chooses to redistribute the risks and build a more equal form of climate resilience.

(David Sathuhari is Research Scientist, Lamont-Doherty Earth Observatory, Columbia University, New York; Ajmal Khan A.T. Assistant Professor, Shiv Nadar University, Delhi/NGO)



Key Analysis Points

1. Food Inflation and Agricultural Crisis

- Direct Impact on Inflation:** Food and beverages account for the largest share (45.86%) of India's Consumer Price Index (CPI). Therefore, any climate shock to crops immediately reflects in grocery bills, increasing the risk of retail inflation pushing past 5%.

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- **Crop Damage:** Delays or deficits in monsoons (such as the 6% rainfall deficit in 2023) adversely affect the sowing of pulses and oilseeds. On the other hand, even with timely rains, extreme heat and heatwaves destroy crop yields, triggering a 6% to 15% spike in the prices of rice, wheat, and pulses.
- **Agricultural Crisis Hotspots:** States like Chhattisgarh, Madhya Pradesh, Rajasthan, Uttar Pradesh, and Maharashtra are the biggest victims, where low agricultural income, heavy debt, and farmer suicides have become permanent structural issues of rural life.

2. Energy Costs and Strain on the Grid

- **Record Electricity Demand:** During the severe heatwave of May 2026, the demand for cooling (fans and air conditioners) pushed the country's power demand to an all-time high of 270.8 Gigawatts (GW).
- **Burden of Expensive Power:** To meet this massive demand, power distribution companies have to rely on expensive coal and imported fuel. The cost of this is ultimately passed on to consumers in the form of higher tariffs or surcharges, directly impacting the budgets of low- and middle-income groups.

3. Water Crisis and the 'Tanker Economy'

- **Depletion of Groundwater:** Due to erratic rainfall, wells in rural areas are drying up early, wasting both time and money for people trying to arrange water.
- **Dependence on Private Vendors:** The breakdown of municipal water supply in cities has given birth to a parallel 'tanker economy', where people living in slums and informal settlements have to pay exorbitant amounts to private vendors for clean drinking water.

4. Out-of-Pocket Expenditure and Social Inequality

- **Health Expenses and Wage Loss:** Climate-sensitive diseases are rising due to extreme heat and air pollution. This increases out-of-pocket spending on doctors and medicines. Furthermore, the inability to work due to illness leads to a loss of income for daily wage laborers.
- **Gender Burden:** Rural women face the most adverse impact, as they must travel long distances to fetch water, work in fields under extreme temperatures, and care for sick family members.
- **Brunt on Marginalized Communities:** Dalits, tribals, and landless farmers lack the capital and social access required for climate-adaptation techniques (like advanced irrigation systems). Consequently, they fall into debt traps or are forced into distress migration.

5. Ad-hoc Policy Responses

- **Firefighting Approach:** Current government responses are largely limited to immediate relief work—such as imposing export bans when onion prices soar, providing ad-hoc financial relief after floods or droughts, or offering electricity subsidies in summer. These policies do not resolve the long-term structural pressures that climate change exerts on household budgets.

Way Forward

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Daily News Analysis

- **Climate-Resilient Agriculture:** Models like the Andhra Pradesh Community Managed Natural Farming (APCNF) should be scaled up across the country, as they can keep crops safe even with less water and under adverse weather conditions.
- **Urban Heat Planning:** Heat Action Plans must be strictly implemented in cities, incorporating affordable public transport, cool roof technologies, and the expansion of green spaces.
- **Universalization of Public Services:** Basic services like water and healthcare must be made universal and affordable, ensuring that poor families do not have to cut their education and food budgets during climate shocks.
- **Shift in Political Discourse:** Instead of treating climate change merely as an 'environmental or diplomatic' issue, it should be viewed directly as a 'cost-of-living issue' and integrated into the core policy agenda.

Conclusion

Climate change functions as a 'regressive tax' on ordinary Indian citizens, particularly the poor and marginalized, emptying their pockets without any formal announcement. This crisis is not just about the environment; it is an issue of social justice, economic equality, and human dignity. The path to sustainable and inclusive growth for India will only open when governments look beyond temporary relief measures and adopt a long-term structural strategy that protects the individual at the bottom of the socio-economic ladder from climate risks.

UPSC Prelims Exam Study Questions

Question: Distress Migration is most commonly associated with:

- (a) Climate shocks and livelihood insecurity
- (b) Expansion of higher education
- (c) Growth in tourism
- (d) Increase in foreign direct investment

Ans: a)

UPSC Mains Practice Questions

Question: Climate change is increasingly emerging as a "cost of living crisis" rather than merely an environmental challenge. Examine in the Indian context. **(15 Marks, 250 Words)**

The real barriers to trade are no longer tariffs

Recently, the CEO of a large multinational called to ask whether the upcoming visit of the United States Trade Representative to India could result in tariff rates returning to around 18% or settling at a different level.

Such conversations reflect the extent to which trade negotiations are often viewed through the prism of headline tariff numbers. Yet, in practice, tariff rates are only one part of the picture. The more significant determinants of market access and competitiveness frequently lie elsewhere. This presents an opportunity for India to move beyond a narrow focus on tariff bargaining and instead address the broader set of factors that shape trade outcomes.

When India and the U.S. issued a joint statement in February 2026 agreeing on a framework for an interim trade agreement, the headlines highlighted the obvious: the tariff numbers. The U.S. reciprocal rate cut to 18%. India's pledge to move toward zero duties on American goods. The "\$500 billion" purchase commitment. But the White House fact sheet buried the more consequential admission – that both sides needed to negotiate the removal of non-tariff barriers. The U.S. deploys its own formidable non-tariff barriers arsenal while India has its quality regulations. The tariff headline was the press release. The NTBs on both sides are the actual problem.

For decades, trade diplomacy revolved around tariffs. Governments negotiated reductions in import duties, and success in trade talks was measured in percentage points shaved off customs rates. In today's hyper-regulated global economy, tariffs barely matter. The real obstacles are faced in the laboratory and the law offices through NTBs.

NTBs are the regulations, certifications, licensing rules, and product requirements that goods must meet before entering a market. They include technical regulations, environmental rules, health and safety requirements, packaging standards and testing procedures. Unlike tariffs, which are transparent and easy to measure, these regulatory hurdles operate within the system and exert a far-reaching influence on trade.

NTBs, the quiet trade weapon

Since the establishment of the World Trade Organization (WTO) in 1995, average tariff rates



Anuj Gupta

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Tariffs dominate the headlines, but regulations increasingly determine trade outcomes

among its members have fallen by nearly half, yet governments have not abandoned protectionism. As tariffs declined, NTBs surged. Today, they affect around 90% of global trade – a sixfold increase over the past three decades.

The regulatory landscape has expanded just as rapidly. More than half of the 20,000 global product and safety regulations introduced over the past 70 years have emerged since 2000, creating a dense web of overlapping rules that complicates cross-border commerce and raises compliance costs, particularly for smaller exporters. The WTO itself reflects this shift. In 2025 alone, governments submitted over 7,700 notifications of NTBs and health-related trade measures, 10 times more than in 1995.

Among major economies, the European Union (EU) is the most extensive user of these regulatory tools. According to the World Trade Organization and World Bank data, non-tariff measures cover roughly about 94% of imports entering the EU, compared with about 77% in the U.S. and nearly 45% in India. Each major economy deploys these barriers differently. The EU has built the world's most expansive regulatory architecture for trade, with NTBs concentrated in environmental rules, chemical safety regulations, product standards, packaging requirements and climate-related policies such as the Carbon Border Adjustment Mechanism and the EU Deforestation Regulation. These rules are justified as protections, often acting as powerful filters on trade.

The American NTBs are driven by strategic competition, security concerns and technological dominance. Export controls, entity lists and restrictions on semiconductors, AI chips and advanced computing hardware increasingly limit rivals' access to critical technology supply chains. India has traditionally relied more on tariffs, but this is changing. As part of its industrial strategy, New Delhi is expanding quality regulations on imports of electronics, machinery and chemicals to boost domestic manufacturing and reduce dependence on external supply chains.

The Indian experience

India's own FTA record makes the point sharply. The Association of Southeast Asian Nations (ASEAN)-India agreement has been in force since 2010, yet preferential tariff utilisation among Indian businesses remains below 50%, largely

because non-tariff barriers (NTBs) make claiming these benefits commercially impractical. Indonesian registration requirements restrict Indian pharmaceutical exports, while Thai customs procedures force gems and jewellery exporters to reroute shipments through Hong Kong. Tariffs have fallen, but trade barriers remain.

Japan and South Korea tell a similar story. Despite an FTA with Japan since 2011, Indian pharmaceutical exports remain negligible because market approvals can take five to seven years and Japan has resisted recognising international testing standards. With South Korea, bilateral trade reached \$27 billion in 2024-25, but India accounted for only \$6.5 billion. Overall, India's FTA utilisation rate is about 25%, compared with 70%-80% for developed economies. The agreements existed on paper; the barriers remained in practice.

The next frontier of trade

This does not mean abandoning legitimate environmental or consumer protections, but regulatory systems must be transparent and proportionate. Otherwise, they risk fragmenting global markets at precisely the moment when supply chains are being re-organised.

India's newer agreements signal a genuine shift. The United Arab Emirates Comprehensive Economic Partnership Agreement explicitly mandates automatic recognition of medicines approved by major global regulators, and requires mutual acceptance of laboratory testing that eliminates duplicate compliance costs. The India-European Free Trade Association Trade and Economic Partnership Agreement, in force since October 2025, goes further with mutual recognition of standards, streamlined conformity assessment, and a dedicated sub-committee mandated to address NTBs on an ongoing basis. For the first time, NTB reduction is a legally binding obligation.

The politics of trade still talks about tariffs. The economics of trade has already moved on. In the 21st century, the real barriers are regulatory. If the West wants a serious economic pivot to the east, addressing those barriers will matter far more than cutting tariffs ever did.

The views expressed are personal

GS Paper II: International Relations

UPSC Mains Exam Practice Questions: "In the 21st century, non-tariff barriers have emerged as the most significant impediments to global trade." Examine. (15 Marks, 250 Words)

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Context :

In February 2026, the framework of an Interim Trade Agreement between India and the US was finalized, making headlines for major changes like an 18% reciprocal tariff reduction. However, the contemporary landscape of global trade demonstrates that in the 21st century, the real barriers to trade are no longer 'tariffs' (customs duties) but Non-Tariff Barriers (NTBs). Since the establishment of the World Trade Organization (WTO) in 1995, global tariff rates have been nearly halved; conversely, Non-Tariff Barriers (NTBs) have increased sixfold. Currently, nearly 90% of global trade is affected by these hidden regulatory hurdles.

Key Analysis Points

1. What are Non-Tariff Barriers (NTBs) and How Do They Work?

- **Definition:** NTBs are regulations, certifications, licensing policies, environmental standards, and technical requirements that a product must fulfill before it can enter another country's market.
- **Lack of Transparency:** Unlike tariffs (which are explicit and measurable), NTBs operate invisibly within the system, driving up compliance costs. In 2025 alone, over 7,700 NTB notifications were registered with the WTO, which is a tenfold increase compared to 1995.

2. Strategic Use of NTBs by Major Global Economies

Different developed and emerging economies are utilizing NTBs for protectionism in distinct ways:

- **European Union (EU):** The EU utilizes the world's most complex regulatory framework, with 94% of its imports falling under the scope of NTBs. Its primary weapons include strict environmental and climate policy standards, such as the Carbon Border Adjustment Mechanism (CBAM) and the EU Deforestation Regulation (EUDR).
- **United States (US):** Roughly 77% of US imports are affected by NTBs. Its barriers are primarily driven by strategic competition and technological dominance, manifesting as export controls and Entity Lists on semiconductors, Artificial Intelligence (AI) chips, and advanced computing hardware.
- **India:** India has historically relied more heavily on tariffs, with only 45% of its imports currently under NTBs. However, as part of its industrial strategy, New Delhi is now expanding Quality Control Orders (QCOs) on electronics, machinery, and chemicals to boost domestic manufacturing and reduce external dependence.

3. India's Experience: The Failure of Free Trade Agreements (FTAs)

Despite the reduction of tariffs, Indian industries have been unable to reap the benefits of India's older FTAs. India's average FTA utilization rate is a mere 25%, compared to the 70%–80% utilization rate of developed nations:

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- **ASEAN Countries:** Despite the agreement being in effect since 2010, its utilization by Indian businesses remains under 50%. For instance, Indonesia's complex registration procedures block Indian pharmaceuticals (medicines), and Thailand's customs processes force Indian gem and jewelry exporters to route their shipments through Hong Kong.
- **Japan and South Korea:** Despite having an FTA with Japan since 2011, the export of Indian medicines there is negligible because market approvals take 5 to 7 years, and Japan does not recognize international testing standards. Bilateral trade with South Korea stands at \$27 billion, but India's share in it is only \$6.5 billion.

4. Positive Shifts in India's New Trade Policy

India's recent trade agreements are focusing on dismantling regulatory barriers rather than just lowering tariffs, which is a step in the right direction:

- **India-UAE Comprehensive Economic Partnership Agreement (CEPA):** This agreement grants automatic recognition to medicines approved by major global regulators and provides mutual acceptance of laboratory tests, thereby eliminating double compliance costs.
- **India-EFTA Trade and Economic Partnership Agreement (TEPA - Effective from October 2025):** Going a step further, this agreement streamlines the mutual recognition of standards and conformity assessment. It establishes a dedicated sub-committee to resolve NTBs, making the reduction of NTBs a legally binding obligation for the first time.

Way Forward

- **Promoting Mutual Recognition Agreements (MRAs):** India must sign more agreements for the mutual recognition of laboratory tests and product certifications with its global trade partners to save double expenditure and time.
- **Upgrading Domestic Standards:** Indian manufacturing standards (Bureau of Indian Standards - BIS) should be upgraded to match international standards (ISO/IEC) so that Indian products do not face Technical Barriers to Trade (TBT) in Western nations.
- **Regulatory Diplomacy:** India needs to shift the focus of its trade diplomacy away from bargaining over customs duties (tariffs) and toward simplifying the 'environmental and technical safety' standards of developed countries.

Conclusion

While the politics of trade still revolves around tariffs, the economics of trade has moved far ahead. In the hyper-regulated global market of the 21st century, the real battle is being fought at the level of laboratories and legal documentation. If Western nations truly want to increase their economic tilt toward Asia, they must focus more on tearing down these non-tariff and regulatory walls rather than just cutting tariffs. For India too, it is time to make its FTA policies more pragmatic and 'regulatorily robust'.

