



India, China worked hard to protect G-20: Jaishankar

INTERNATIONAL RELATIONS



CONTEXT: India and China, two major global economies and regional powers, continue to engage diplomatically despite bilateral tensions, particularly concerning border disputes. The recent G-20 Foreign Ministers' meeting in Johannesburg, South Africa, provided an opportunity for both nations to reaffirm their commitment to multilateralism. External Affairs Minister S. Jaishankar and Chinese Foreign Minister Wang Yi held discussions on key issues, highlighting the importance of preserving global platforms like the G-20, BRICS, and the Shanghai Cooperation Organisation (SCO). This meeting marks a significant step in managing bilateral challenges while maintaining engagement in global governance structures.

Key Highlights of the India-China Meeting:

- **Preservation of G-20** – Jaishankar acknowledged that both India and China have worked hard to maintain the relevance and effectiveness of the G-20 amidst rising global polarization. This demonstrates their commitment to international cooperation despite geopolitical tensions.
- **Border Management and Bilateral Relations** – The meeting touched upon maintaining peace and stability along the Line of Actual Control (LAC), a crucial aspect of India-China relations post the 2020 Galwan clashes.
- **Resumption of Diplomatic and Cultural Engagements** – Discussions included the possible resumption of the Kailash Mansarovar pilgrimage, trans-border river talks, flight connectivity, and ease of travel.
- **Multilateral Diplomacy** – India's engagement with other BRICS and G-20 members, including South African President Cyril Ramaphosa, Russian Foreign Minister Sergey Lavrov, and Brazilian Foreign Minister Mauro Viera, reinforces India's proactive diplomatic outreach.

Significance of BRICS in Global Governance:

The reference to BRICS in the meeting gains importance given the recent criticisms by Western leaders. The BRICS (Brazil, Russia, India, China, and South Africa) bloc represents major emerging economies and plays a vital role in global financial and geopolitical structures.

Key Aspects of BRICS:

- **Economic Cooperation** – BRICS countries collectively contribute over 25% to global GDP and are influential in international trade and commerce.
- **Alternative to Western Financial Institutions** – The New Development Bank (NDB) established by BRICS aims to provide an alternative funding source to the IMF and World Bank.
- **Geopolitical Balance** – The bloc serves as a counterweight to Western-dominated institutions and strengthens the voice of emerging economies in global decision-making.
- **Expanding Influence** – BRICS is considering expansion by including new members, which could further enhance its global significance.

Way Forward:

The India-China engagement at the G-20 reaffirms the importance of dialogue in managing complex bilateral issues while focusing on global cooperation. Despite ongoing tensions, the two nations recognize the necessity of working together in multilateral institutions. India's active participation in BRICS and G-20 reflects its vision for a multipolar world order where emerging economies have a greater say in shaping international policies.

India-U.S. Economic and Strategic Ties: A Business Perspective

INTERNATIONAL RELATIONS



CONTEXT: Prime Minister Narendra Modi's recent official visit to the United States marked a significant milestone in India-U.S. relations, with key developments in trade, defence, technology, energy, and education. The visit not only reaffirmed the strong bilateral ties but also set the stage for deeper economic and strategic cooperation.

For Indian industry, the agreements and initiatives announced during this visit present an opportunity to integrate into global supply chains, boost technological capabilities, and expand India's presence in the defence and energy sectors. The visit also reaffirmed the shared vision of both nations in driving economic and security partnerships through innovation, investment, and trade facilitation.

Key Takeaways from the Visit

1. Boosting Trade and Investment

One of the major highlights of the visit was the initiation of the first phase of a Bilateral Trade Agreement (BTA) aimed at reducing trade barriers and streamlining regulatory processes. This move is expected to encourage U.S. companies to invest in India and plug India into global supply chains.

With a bold \$500 billion trade target by 2030, both nations aim to enhance exports, focusing on industrial goods, labour-intensive products, and agricultural commodities. The push for greenfield investments in both countries is another step toward stronger economic integration.

2. Advancing Technology and Innovation

The announcement of Transforming the Relationship Utilizing Strategic Technology (TRUST) marked a new phase in India-U.S. collaboration in cutting-edge sectors like AI, semiconductors, quantum computing, biotechnology, and space.

- **INDUS Innovation Initiative:** Aims to accelerate joint research and development.
- **AI Infrastructure Roadmap:** Expected to drive investments in computing power, data centres, and AI applications in fintech, agritech, and healthtech.

These initiatives will help India position itself as a key player in the global AI economy while attracting investments from U.S. tech giants.

3. Strengthening Defence Cooperation

The visit reinforced the India-U.S. strategic partnership through expanded technology transfers, joint production, and industrial collaboration in defence.

- **10-Year Framework for the U.S.-India Major Defense Partnership** will deepen bilateral defence ties.
- **Agreements for co-production of defence systems** will boost indigenous manufacturing and skill development in India.

With a potential for offset clauses, Indian industry stands to gain significantly from these agreements.

4. Expanding Energy Security

Energy cooperation was another major focus, with commitments to:

- Enhance hydrocarbon production to improve global energy stability.
- Develop Small Modular Reactors (SMRs) in collaboration with U.S. companies.

Given India's ambitious net-zero targets, these initiatives will strengthen its long-term energy security while diversifying its energy sources.

5. Infrastructure and Digital Connectivity

The visit also led to progress in global infrastructure collaboration:

- Strengthening the India-Middle East-Europe Economic Corridor (IMEC) through joint projects.
- Expanding undersea cable connectivity to boost India's digital economy and IT services exports.

With increased participation in railway, roadway, and smart city projects, Indian industries could play a vital role in global infrastructure expansion.

6. Enhancing Higher Education and Mobility

Recognizing the need for skilled talent, both leaders announced:

- Establishment of U.S. university campuses in India, offering high-quality education.
- Simplified visa and legal mobility policies, making it easier for students and professionals to study and work in the U.S.

CONCLUSION

Prime Minister Modi's visit to the U.S. was not just a diplomatic success but a transformative moment in India-U.S. relations. The agreements and initiatives announced will enhance India's role in global trade, technology, defence, and energy sectors. With a strong focus on economic growth, innovation, and industrial collaboration, India is poised to emerge as a global economic powerhouse, leveraging its strategic partnership with the United States.

India's Path to Becoming a Global Powerhouse

INTERNATIONAL RELATIONS



CONTEXT: Prime Minister Narendra Modi has reiterated India's position as an emerging global powerhouse, emphasizing the need for world-class governance, policymaking, and leadership development. Addressing the School of Ultimate Leadership (SOUL) conclave, he stressed the importance of preparing leaders for emerging sectors such as deep-tech, space, biotechnology, and renewable energy, along with traditional fields like agriculture, manufacturing, and social services.

India's growth trajectory hinges on human resource development, strategic decision-making, and fostering innovation. The vision outlined by the Prime Minister aligns with India's goal of becoming a developed nation by 2047,

leveraging talent and leadership to enhance its influence in global affairs.

Key Highlights from the Prime Minister's Address

1. The Need for Global-Standard Leadership

- Future leaders must be solution-oriented with a global outlook and local approach.
- Leadership roles will not be power-centric but innovation-driven, with a focus on strategic decision-making, crisis management, and futuristic thinking.
- Institutions like SOUL are envisioned as training grounds for world-class leaders in governance, policy, and business.

2. Driving Growth Through Innovation and Impact

- India must compete in international markets and global institutions, requiring leaders who understand business dynamics and global best practices.
- Policymakers, bureaucrats, and entrepreneurs must be equipped with critical thinking and risk-taking abilities to steer the country's progress.
- A new wave of leadership is needed across diplomacy, technology, and economic sectors to boost India's global standing.

3. Developing Leadership Across Key Sectors

- Emerging Sectors: Deep-tech, space, biotechnology, and renewable energy.
- Traditional Sectors: Agriculture, sports, manufacturing, and social service.
- India must not only aspire for excellence but also achieve it through well-equipped human resources.

4. The Role of Human Capital in India's Progress

- The Prime Minister highlighted that human resources play a bigger role than natural resources in national progress.
- Gujarat's success story was cited as an example, where leadership-driven growth overcame resource limitations.
- Leadership development must be purpose-driven, fostering team spirit and collective effort for extraordinary results.

CONCLUSION

The Prime Minister's vision underscores India's commitment to becoming a global powerhouse through innovation, governance excellence, and leadership development. By investing in human capital and fostering future-ready leaders, India can drive transformative change across industries, ensuring sustained economic growth, global influence, and strategic advancements in the years to come.

India-Pakistan Armies Hold Talks Amid Rising Tensions Along LoC

SECURITY



CONTEXT: Amid increasing skirmishes along the Line of Control (LoC) in the Jammu region, the Indian and Pakistani Armies recently held a meeting in Poonch district's Pir Panjal valley to address rising tensions and explore measures to restore peace. This meeting is significant in the backdrop of the ceasefire agreements of 2003 and 2020, which have largely held but have faced periodic violations.

Key Highlights of the Meeting:

1. Brigade-Commander Level Flag Meeting – The meeting took place between 10:30 and 11:00 AM at the Chakkan-Da-Bagh crossing point in Poonch. The discussions revolved around recent LoC tensions and potential de-escalation measures.

2. Commitment to Ceasefire Agreements – The meeting aimed at reinforcing the commitment to maintaining peace as per the ceasefire agreements signed in 2003 and reaffirmed in 2020.

3. Lack of Official Statement – No joint statement or specific measures discussed were disclosed after the meeting.

Recent Developments Along the LoC:

- **Cross-border Incidents** – There have been multiple instances of cross-border firing, explosions, and sniper attacks in the LoC areas of Jammu, Rajouri, and Poonch over the past two months.
- **Casualties and Violations** – The Indian Army accused Pakistani forces of “small arms firing” on February 16, while Pakistani sources reported injuries to two soldiers in Deva and Bagsar sectors on February 12 due to alleged Indian firing.
- **Militant Activities** – Besides military engagements, infiltration attempts have increased, with two infiltrators killed in Poonch recently. Additionally, an IED blast claimed the lives of two Indian soldiers, including a Captain, and sniper attacks have injured at least two more soldiers.

Diplomatic and Political Reactions:

- Officials emphasized that the meeting was a step towards maintaining peace and stability along the LoC.
- Jammu and Kashmir Chief Minister Omar Abdullah welcomed the initiative, highlighting its importance in reducing tensions between the two countries.

Way Forward:

While the recent flag meeting indicates an effort to de-escalate hostilities, the situation remains volatile. Both nations need to ensure effective communication and adherence to the ceasefire agreements to prevent further escalations. Additionally, diplomatic engagement and confidence-building measures will play a crucial role in maintaining long-term stability along the LoC.



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Indian Army Strengthens Air Defence Amid Rising Drone Threats

SECURITY



CONTEXT: With the rapid advancement of disruptive technologies such as drones, loitering munitions, and counter-drone systems, the Indian Army's Air Defence (AAD) is intensifying efforts to upgrade its capabilities. The focus is on inducting new fragmentation ammunition, finalizing contracts for indigenous missile systems, and acquiring advanced air defence weapons to counter evolving aerial threats.

Key Developments in Air Defence

1. Induction of Fragmentation Ammunition

- The Army is set to introduce new fragmentation ammunition for its 1,300 air defence guns currently in service.
- Efforts are underway to equip vintage guns with air burst ammunition to enhance their effectiveness against drone threats.

2. Quick Reaction Surface-to-Air Missile (QRSAM)

- The QRSAM system, developed by DRDO, is expected to be finalized within four to five months.

- The 30 km range missile will be delivered within 18 months after contract finalization.
 - It will be deployed in both wheeled and tracked configurations, enhancing mobility and flexibility in combat scenarios.
- ### 3. Akash Missile Upgrades
- A high-altitude version of the Akash missile is set for trials in the next 45 days, improving India's long-range air defence capabilities.
- ### 4. Countering Drone Warfare Challenges
- The Army is procuring laser and microwave weapons along with smart ammunition to combat the new-age threats.

CONCLUSION

The Indian Army is undergoing a significant transformation in air defence to counter the rising threat of drones and aerial warfare technologies. The focus remains on indigenous systems, advanced ammunition, and cutting-edge counter-drone capabilities. With ongoing trials and procurements, India is strengthening its defence preparedness for modern warfare.

Judges' Dilemma: Balancing Accountability and Independence

POLITY & GOVERNANCE

CONTEXT: The recent ruling by the Lokpal asserting its jurisdiction over High Court judges and the Supreme Court's subsequent stay on the ruling bring to light significant concerns regarding judicial independence and accountability. The debate revolves around whether judges of constitutional courts should be subject to scrutiny under the Lokpal, given their classification as 'public servants' under the Prevention of Corruption Act.

Key Aspects of the Issue:

- Judicial Independence vs. Accountability** – Many legal experts argue that making judges answerable to the Lokpal could undermine judicial independence. However, the absence of a robust external accountability mechanism raises concerns about addressing potential corruption within the judiciary.
- Supreme Court Precedent** – In *K. Veeraswami vs Union of India* (1991), the Court ruled that a case against a judge requires prior consultation with the CJI, reaffirming that judges are indeed public servants under anti-corruption laws.

Existing Mechanism for Judicial Accountability:

- The judiciary currently follows an in-house procedure wherein complaints against judges are handled internally.
- Disciplinary actions include seeking voluntary resignation, denying judicial work, recommending removal through Parliament, or transferring judges without public disclosure of reasons.

- However, these measures often lack transparency and may not ensure accountability in all cases.

Way Forward:

The Supreme Court needs to assess whether the current in-house mechanism is sufficient or if it requires an independent prosecutorial process under judicial oversight. Strengthening judicial accountability while safeguarding independence is crucial for maintaining public trust in the judiciary.

Transforming Court Case Backlogs into Opportunities for Mediation

POLITY & GOVERNANCE

The Indian judiciary has long struggled with an overwhelming backlog of cases, a challenge that every Chief Justice of India (CJI) faces upon assuming office. As of now, the Supreme Court has approximately 82,000 pending cases, High Courts have over 62 lakh, and the lower courts are burdened with nearly five crore cases. Shockingly, nearly 50 lakh cases have been pending for over a decade, raising serious concerns about the accessibility and effectiveness of justice delivery in the country.

India follows an adversarial legal system, where disputes are settled through contestation between opposing parties, with a judge acting as a neutral arbiter. This system, though fundamental to common law countries, often leads to prolonged litigation due to multiple interim applications and appeals. Additionally, the country has a low judge-to-population ratio, with only 21 judges per million people, making speedy justice a distant reality.

While judicial reforms and structural changes have been long discussed, one promising alternative that has gained traction is mediation. Mediation offers a viable solution to clear pending cases and promote an efficient justice delivery mechanism.

1. India's Judicial System and Its Challenges

The Indian legal system is based on the principles of natural justice and follows the common law tradition inherited from the British. However, systemic inefficiencies have led to a massive backlog of cases. The major challenges include:

- **Adversarial System:** Prolonged litigation due to multiple appeals and interim applications.
- **Shortage of Judges:** India has fewer judges compared to international standards (e.g., the U.S. has over 100 judges per million).
- **Government as the Biggest Litigant:** Nearly 50% of pending cases involve the government, either as a litigant or a respondent.
- **Infrastructure Deficit:** Lack of courts, support staff, and digital infrastructure adds to judicial delays.
- **Frivolous Litigation:** Many cases could be resolved outside courts but enter litigation due to lack of deterrents like punitive costs.

2. Mediation: An Alternative Dispute Resolution (ADR) Mechanism

Mediation is one of the Alternative Dispute Resolution (ADR) mechanisms, which also includes arbitration, conciliation, and negotiation. Mediation in India has been gaining ground since the Civil Procedure Code (CPC) Amendment of 1999, which introduced Section 89, encouraging courts to refer cases for ADR, including mediation.

- **Definition:** Mediation is a voluntary and confidential process where a neutral third-party mediator helps disputing parties reach a mutually acceptable resolution.
- **Legal Recognition:** The Mediation Act, 2023, provides a comprehensive framework for institutionalizing mediation in India.
- **Key Benefits:**
 - **Faster Resolution:** Mediation resolves disputes in weeks or months compared to years in litigation.
 - **Cost-Effective:** Lower expenses for both the litigants and the judicial system.
 - **Confidentiality:** Unlike public court proceedings, mediation offers privacy.
 - **Restoration of Relationships:** Especially useful in family, business, and community disputes.

Mediation as a Solution to the Backlog Crisis

To transform the backlog of cases into an opportunity, the following steps need to be taken:

1. Identification and Categorization of Cases for Mediation

Courts must systematically identify cases that can be resolved through mediation. These include:

- Landlord-tenant disputes
- Cheque bouncing cases (constituting nearly 30% of pending cases)
- Family and matrimonial disputes

- Commercial disputes

2. Mandatory Mediation Screening

Courts should make mediation the first step before allowing litigation, especially in civil and commercial matters. Countries like the United States, Singapore, and the United Kingdom have successfully integrated mediation into their legal systems.

3. Strengthening Mediation Infrastructure

- Establish court-annexed mediation centers in every district court.
- Increase the number of trained mediators with proper certification.
- Implement Online Dispute Resolution (ODR) for ease of access.

4. Incentivizing Mediation

- Financial Incentives: Reasonable fees should be paid to mediators to encourage professional practice.
- Legal Recognition: Mediation agreements should be given statutory backing to ensure enforceability.

5. Government's Role in Reducing Litigation

- The government must adopt a "Litigate Less, Settle More" approach.
- Ministries and departments should have internal mediation units to settle disputes before they escalate to court.

CONCLUSION

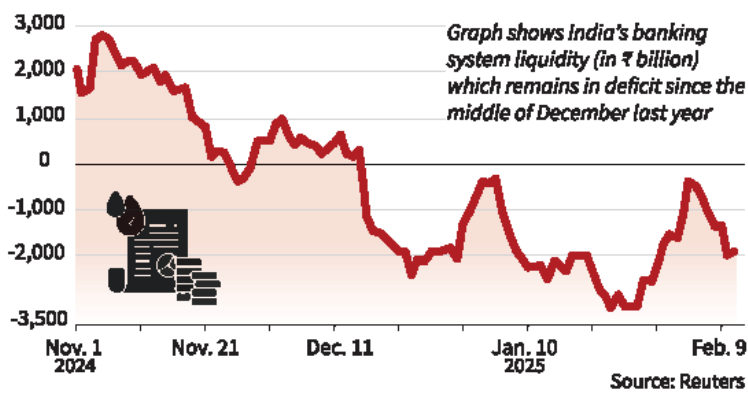
The backlog of cases in India is not merely a crisis but an opportunity to revolutionize the justice delivery system. By mainstreaming mediation and ADR, India can alleviate judicial delays, reduce the burden on courts, and provide quicker, cost-effective justice. The need of the hour is to integrate mediation into the legal framework as a primary dispute resolution mechanism, thereby ensuring justice delayed is no longer justice denied.

RBI to infuse liquidity via \$10 bn USD-INR swap deal

ECONOMY

Facing deficit

India's banking system liquidity deficit was around ₹1.7 trillion as of February 20 and is set to widen further moving into the last month of the financial year when liquidity stress is maximum



CONTEXT: The Reserve Bank of India (RBI) is implementing USD-INR Buy/Sell swap auctions as a strategic tool to manage rupee liquidity in the financial system. These auctions help infuse durable liquidity, stabilize the currency, and mitigate volatility during periods of foreign fund outflows.

By conducting a \$10 billion three-year swap auction, the RBI aims to provide long-term rupee liquidity, ensuring market stability and investor confidence. This follows a \$5.1 billion six-month swap conducted earlier, indicating a proactive approach to managing currency fluctuations and liquidity needs.

Purpose and Benefits of Currency Swaps

1. Liquidity Management

- Central banks use currency swaps to infuse liquidity into the financial system, as seen in the RBI's USD-INR swap auctions.
- Helps stabilize markets during economic volatility or foreign capital outflows.

2. Exchange Rate Stability

- Currency swaps help reduce exchange rate fluctuations by ensuring adequate foreign exchange reserves.
- Supports the stability of the domestic currency by balancing supply and demand.

3. Lower Borrowing Costs

- Companies and governments can secure loans in foreign currencies at better interest rates, reducing overall financing costs.

4. Hedging Against Currency Risks

- Multinational corporations and financial institutions use swaps to protect against currency depreciation and interest rate fluctuations.

5. Enhancing Trade and Investment

- Bilateral currency swap agreements between countries promote trade without relying on third-party currencies (like USD).
- Strengthens economic ties and reduces dependence on major global currencies.



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