Topic 1: Transboundary Hydrological Relations and the India-China Water Dispute

- Syllabus Link: GS Paper 2 (Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests)
- Key Context: The lapsing of flood-season memorandums and China's unilateral construction of massive upstream hydropower infrastructure.

1. Institutional Arrangements and Lack of Treaties

- Absence of Water Treaty: No formal, binding transboundary water-sharing treaty exists between India and China.
- Seasonal Memorandums: Hydrological cooperation has historically rested on two temporary, flood-season memorandums—one on the Brahmaputra signed in 2002, and another on the Sutlej signed in 2005. Under these, India pays approximately Rs 1 crore annually to China for seasonal flood data.
- Lapse of Agreements: These memorandums officially lapsed in June 2025, leaving transboundary water information flow entirely at China's administrative discretion.
- Exclusion from Global Frameworks: Both states operate outside the 1997 United Nations Convention on the Law of the Non-Navigational Uses of International Watercourses, which obliges upstream states to give prior notification of works and avoid causing significant downstream harm; China voted against this convention, while India abstained.

2. Upstream Infrastructure and Geopolitical Leverage

The Medog Project: In July 2025, China broke ground on the 60 GW Medog project at the Great Bend of the Yarlung Tsangpo (Brahmaputra), immediately upstream of where the river enters Arunachal Pradesh.

Seismic Hazards: Sited on one of the planet's most seismically violent tectonic seams, the Medog project lies in the same zone that produces catastrophic landslide-dam breaches and outburst floods.

Weaponization of Data: China has historically used hydrological data as a diplomatic lever rather than a public good. It suspended data sharing during the 2017 Doklam standoff (which coincided with deadly Assam floods) and again after the 2020 Galwan clash.

Downstream Consultation Deficit: Upstream construction proceeds without sharing project details or environmental impact assessments with downstream states like India and Bangladesh.

3. Strategic and Legal Policy Options

- Satellite-Based Flow Monitoring: India can bypass upstream data cut-offs by funding independent satellite-based precipitation and flow estimation systems to feed its domestic flood-forecasting models.
- Year-Round Hazard Notification: Rather than relying on a monsoon-focused seasonal calendar, India must negotiate year-round notification frameworks covering glacial lake formation, landslide-damming, and winter reservoir releases.
- Basin-Wide Coalitions: India and Bangladesh can form a unified, lower-riparian front on the Yarlung Tsangpo-Brahmaputra to present a collective demand for prior notification from China, moving away from fragmented bilateral negotiations.
- Indus Waters Precedent: The Indus Waters Treaty, 1960 represents a highly stable, non-terminable model assigning specific rivers to each state, carrying no suspension provisions even during times of bilateral conflict.

Topic 2: Internal Security and the National Strategy for a Drug-Free India by 2029

- Syllabus Link: GS Paper 3 (Security Challenges and their Management in Border Areas - Linkages of Organized Crime with Terrorism)
- Key Context: The launch of a three-year mission-mode roadmap (2026-29) targeting complete narcotics control.

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        [NDPS Enforcement Doctrinal Shift]

 OLD SEIZURE-CENTRIC MODEL          NEW NETWORK-CENTRIC MODEL

│ • Focused on bulk seizures │        │ • Works bottom-to-top &   │
│ • Actions run in silos   │  ───▶   │   top-to-bottom         │
│ • Measured by aggregate kg │        │ • Targets kingpins/finance │
│ • Misses local distributors │      │ • Judged on supply/demand  │
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1. Doctrinal Shift in Law Enforcement

- Seizures vs. Networks: Enforcement doctrine is transitioning from "seizure-centric" action (simply counting bulk kilograms seized) to "network-centric" enforcement targeting kingpins, distributors, suppliers, and financial backers.
- Two-Way Investigations: Investigations are mandated to run both ways: street-level recoveries must be tracked upward to the ultimate financier, and major financiers must be investigated downward to identify local retail networks.
- Strict Accountability: The 2026-29 mission-mode period assigns defined targets and timelines to specific ministries, enforcing result-based accountability via quarterly reviews.
- Seizure Record: From 2004 to 2014, 26 lakh kg of narcotics were seized in India; this figure rose to over 1.19 crore kg between 2014 and July 2026.

2. Institutional Architecture

- Four-Tier NCORD: The Narco Coordination Centre (NCORD), established in 2019, functions at the executive, State, and district levels to streamline intelligence and operations.
- Joint Coordination Committee: Formed in 2019, this joint forum enables Central agencies and State governments to coordinate action on trans-border networks and international drug trafficking linkages.
- Nodal Agency: The Narcotics Control Bureau (NCB), working under the Ministry of Home Affairs, was constituted under Section 4(3) of the NDPS Act, 1985 and acts as the apex coordinating body.

3. Critical Structural Bottlenecks

- Domestic Precursor Diversion: Synthetic drugs (e.g., Mephedrone) are increasingly manufactured domestically using precursor chemicals diverted from India's large pharmaceutical sector, bypassing border interdiction.
- Prosecution of Users: Section 27 of the NDPS Act criminalizes drug consumption, which deters addicts from seeking treatment. The statutory immunity under Section 64A is highly restricted, applying only if an addict volunteers for treatment before prosecution begins.
- Administrative Silos: Enforcement and supply-reduction efforts run under the Ministry of Home Affairs, while demand-reduction campaigns (like the Nasha Mukt Bharat Abhiyaan, launched in 2020) are administered separately by the Ministry of Social Justice and Empowerment.

Topic 3: Global Health Diplomacy and AYUSH Trade Integration

- Syllabus Link: GS Paper 2 (Bilateral, regional, and global groupings and agreements involving India and/or affecting India's interests)

- Key Context: Written commitments on traditional medicine are now integrated into India's bilateral trade agreements.

1. New Treaty Bases for Traditional Medicine

- The India-Oman CEPA: Operationalized in June 2026, this agreement sets the benchmark by carrying India's first comprehensive treaty commitment on traditional medicine across all modes of supply.
- The India-New Zealand FTA: Features a dedicated health and traditional medicine annex that establishes a structured mobility pathway and a dedicated visa quota for AYUSH practitioners.
- The India-EU FTA: Signed in January 2026, this agreement permits AYUSH practitioners to use their Indian qualifications in member countries lacking their own regulatory frameworks.
- Diplomatic Channels: Parallel channels include the AYUSH Visa (introduced in 2023) for foreign medical travelers and the AYUSH Fellowship Scheme for international students.

2. Market Access Barriers Abroad

- Practice Licensing Restrictions: Indian qualifications do not confer an automatic right to practice abroad, as destination markets regulate medicine under their own domestic statutes. Currently, only a few jurisdictions (such as Hungary and Switzerland) recognize Ayurveda as a practicing profession.
- Evidence and Clinical Safety: Evidence-driven markets require strict clinical trial data. To build this base, the World Health Organization established its Global Centre for Traditional Medicine at Jamnagar in 2022.
- Heavy Metal Contamination: Importing regulators, including the United States Food and Drug Administration, have repeatedly issued import alerts against Ayurvedic products due to lead and mercury contamination.
- Deceptive Advertising: Unverified domestic cure claims (such as those leading to the Supreme Court's contempt ruling against Patanjali Ayurved in 2024) undermine India's efforts to present AYUSH as a scientifically regulated system abroad.

Topic 4: Monetary Policy Dilemmas: Forex Swaps and Liquidity Surpluses

- Syllabus Link: GS Paper 3 (Indian Economy - Monetary Policy, External Sector, and Capital Flows)

- Key Context: The RBI's special USD-INR swap facility successfully stabilized the rupee but generated an unprecedented banking system liquidity surplus.

1. The USD-INR Swap Route Mechanics

- FCNR(B) Inflow Route: Banks mobilized foreign currency dollars through Foreign Currency Non-Resident (Bank) deposits, which are foreign currency liabilities where the bank repays principal and interest in the same foreign currency, leaving the depositor with zero rupee exchange risk.
- The Swap Operation: Under the RBI's facility, banks sold these dollars to the RBI for rupees and agreed to buy them back at a pre-determined rate on a fixed future date.
- The Concessional Incentive: The RBI absorbed part of the hedging cost on its books, allowing banks to offer attractive interest rates (up to 7.4 percent). FCNR(B) deposits were also exempted from CRR and SLR requirements.
- Massive Inflows: By August 31, the facility drew $136.3 billion in capital, with $127 billion coming directly through FCNR(B) deposits. Consequently, forex reserves hit an all-time high of $729 billion on August 21, and the rupee stabilized at a two-month high of Rs 94.60 per dollar by September 3.

[RBI's Monetary Trilemma Conflict]

FOREX STABILIZATION

RBI Swaps USD for INR
to defend Rupee [22]

Rupee Injection pushes
liquidity surplus to
Rs 10.3 Lakh Crore [23]
(Drives short-term rates below Policy Repo Rate [29])

DOMESTIC INFLATION CONTROL

Headline Inflation
projected to peak at
5.9% in Q3 [29]

2. Complications for Domestic Monetary Policy

- Liquidity Deluge: Swapping $136.3 billion injected trillions of rupees into the banking system, pushing the liquidity surplus to a four-year high of Rs 10.3 lakh crore on September 3.
- Monetary Stance Conflict: The Monetary Policy Committee expects headline inflation to peak at 5.9 percent in Q3 2026-27, suggesting a potential need to raise rates. However, the massive liquidity surplus pushes short-term money market rates down, directly undermining the transmission of a tight monetary stance.

- The Redemption Cliff: FCNR(B) deposits are dated, repayable debt liabilities rather than stable equity. Because these inflows were mobilized during a narrow window, they create a highly concentrated redemption cliff starting in 2029.

3. RBI's Policy Responses

- Early Window Closure: The RBI ended the special swap scheme on August 31 (with the swap usable only until September 11), backtracking on its earlier stance.
- Liquidity Absorption: The RBI launched a 30-day Variable Rate Reverse Repo (VRRR) auction of Rs 7 lakh crore on September 4 to mop up excess funds. It is also discussing temporary hikes in the Cash Reserve Ratio (CRR) or an Incremental CRR (I-CRR).

Topic 5: Environmental-Economic Accounting for Marine Fisheries (UN SEEA)

- Syllabus Link: GS Paper 3 (Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment)
- Key Context: MoSPI's proposal to put a monetary value on India's living marine resources and list them as national assets.

1. Limitations of Current Extract-Volume Data

- Tonnage vs. Sustainability: India is the world's second-largest fish producer, representing 8 percent of global production. Marine fish production reached 46.15 lakh tonnes in FY25 (up from 34.43 lakh tonnes in FY14). However, aggregate landing tonnage merely records extraction volumes and fails to reflect stock health, ecological sustainability, or regional resource depletion.
- Missing Blue GDP Series: Unlike agriculture or manufacturing, India lacks a regular, integrated economic database to calculate the long-term contribution of its blue economy.

2. The UN SEEA Framework

- Core Concept: The System of Environmental Economic Accounting (SEEA) is a United Nations statistical framework that integrates a country's natural resources directly into its national economic accounts.
- Natural Capital treatment: It treats natural resources as capital assets, classifying annual extractions as a flow of economic benefit. Under EnviStats India (compiled since 2018), India already records land, water, forests, minerals, and pollination.

[SEEA Marine Fish Asset Valuation Process]

1. Define Species
Identify economic/ ecological target species (accounting units).
→
2. Classify Stock
Assess 10-year trend as stable, regenerating, or depleting.
→
3. Determine Rent
Deduct labor, fuel, and depreciation from gross marine revenue.
↓
4. Discount Rent
Discount future rents at a 2% real rate to calculate the Net Present Value (NPV).

3. Methodological Challenges in Marine Accounting

- Asset Mobility: Unlike land-based assets (forests, minerals), marine fish stocks are highly mobile and shift in size and location continuously (e.g., Kerala oil sardine landings collapsed in the 2010s before partially recovering).
    - *The Fix:* Anchor accounts to periodic scientific biomass surveys conducted by the Central Marine Fisheries Research Institute (CMFRI).
- Effort vs. Abundance: Landing volumes often reflect fleet mechanization and longer voyages rather than biological abundance.
    - *The Fix:* Report effort-adjusted Catch Per Unit Effort (CPUE) alongside raw landing figures to isolate rising extraction pressure from actual stock expansion.
- Discount Rate Sensitivity: Present-value calculations are highly sensitive to the discount rate used. A high rate values a stock based almost entirely on short-term yields, making long-term depletion appear artificially cheap.
    - *The Fix:* Publish the accounts across a range of discount rates to make the underlying valuation assumptions fully transparent.

Topic 6: Forest Rights Act and Gram Sabha Consent Bottlenecks

- Syllabus Link: GS Paper 3 (Conservation, Environmental Impact Assessment, and Tribal Rights)

- Key Context: The Ministry of Tribal Affairs (MoTA) asserted that the Forest Rights Act, 2006 (FRA) carries no provision for obtaining Gram Sabha consent for Stage-II forest clearance.

1. The Statutory and Rules Mismatch
   - Rules vs. Act: The Forest Rights Act, 2006 itself carries no language regarding Gram Sabha consent for diverting forest land. Rather, the requirement is established under the Forest (Conservation) Act, 1980 rules, which dictate that all processes under the FRA must be completed before a forest land diversion certificate is issued.
   - Procedural Steps: The guidelines require potential FRA claimants to be identified, their rights to be recognized and vested, and then the affected Gram Sabhas must issue a No-Objection Certificate (NOC) for the diversion. This NOC is commonly referred to as Gram Sabha consent.
   - MoTA's Disclaimer: On August 31, MoTA informed the Ministry of Power that obtaining Gram Sabha consent for Stage-II clearance does not fall within its purview. This is despite the fact that the FRA explicitly names MoTA as the nodal ministry responsible for implementing the law.
2. Hydropower Project Bottlenecks and Dilutions
   - NHPC Delay Figure: The Parliamentary Standing Committee on Public Undertakings recorded an average forest clearance timeline of 106 months for under-construction projects.
   - Consent as a Bottleneck: The committee identified the requirement for unanimous consent from all affected Gram Sabhas as the single most critical bottleneck (e.g., the Teesta-IV hydroelectric project remains indefinitely stalled due to pending consent from a small minority of Gram Panchayats).
   - Proposed Dilution: The committee endorsed NHPC's recommendation to introduce a qualified super-majority of 70 to 75 percent of affected Gram Sabhas for large, nationally important hydropower projects, rather than requiring unanimous consent.
3. Operational Vulnerabilities of Local Consent
   - Forged Resolutions: Consent resolutions are frequently produced without convening real assemblies or achieving a genuine quorum (e.g., villagers of Hasdeo Aranya, Chhattisgarh, alleged forged Gram Sabha consent for the Parsa coal block).
   - Delayed Timing: The Van (Sanrakshan Evam Samvardhan) Rules, 2022 moved the Gram Sabha consent step to occur *after* a project has already received in-principle approval, reducing local consent to a minor post-facto administrative formality.

Topic 7: Political and Fiscal Realities of Unconditional Cash Transfers (UCTs)

- Syllabus Link: GS Paper 2 (Government Policies and Interventions for Development)
- Key Context: Women-oriented Unconditional Cash Transfers (UCTs) have become a standard electoral instrument but carry deep fiscal and political trade-offs.

1. Characterizing Unconditional Cash Transfers

- No Behavioral Strings: Benefits are paid directly to eligible individuals in cash with no behavioral requirements (e.g., enrolling a child in school, attending a clinic, or performing manual labor).
- Major State Initiatives: Primary examples include the *Kalaignar Magalir Urimai Thittam* (Tamil Nadu), *Lakshmir Bhandar* (West Bengal), and *Gruha Lakshmi Yojana* (Karnataka).
- Electoral Pressures: While intended to support women and recognize unpaid care work under Sustainable Development Goal 5.4, political competition has led parties to systematically escalate transfer amounts.

2. The Targeting Dilemma

- Unobservable Income: Because governments cannot directly observe the incomes of informal sector workers, they must rely on proxy indicators (e.g., land ownership, household assets, or electricity consumption) to infer eligibility.
- Targeting Errors: These proxy-based lists generate high inclusion errors (paying ineligible, relatively affluent households) and exclusion errors (leaving out highly eligible households who lack documentation).
- Political Resentment: Political backlash occurs because voters weigh benefits they believe were unfairly denied to them. Households that fail the official proxy criteria but consider themselves poor become highly aggrieved.

[UCT vs. CCT Welfare Comparison]

UNCONDITIONAL CASH TRANSFERS (UCT)	CONDITIONAL CASH TRANSFERS (CCT)
• Target based on income proxies	• Tied to social/developmental gain
• High inclusion/exclusion errors	• Self-selection reduces grievances
• Displaces productive infrastructure	• No complex means-testing required
• Hard to withdraw once launched	• Example: Midday Meal Scheme

3. Fiscal Displacement and Policy Reforms

- Fiscal Scale: Indian states are expected to spend $18 billion on unconditional cash transfers in FY26.
- Productive Spending Displacement: Financing these transfers requires expenditure switching or widening the fiscal deficit, directly displacing state resources available for infrastructure, education, and employment-generation programs.
- Transition to Conditionality: Unlike UCTs, conditional and incentive-linked designs (like the Midday Meal Scheme) tie payments to a socially desirable behavior. This allows beneficiaries to self-select, eliminating the administrative burden of proxy means-testing and reducing political grievances.

MCQS

Q1. With reference to the transboundary river water management between India and China, consider the following statements:

1. No comprehensive, basin-wide water-sharing treaty exists between India and China.
2. The United Nations Convention on the Law of the Non-Navigational Uses of International Watercourses, 1997, legally binds China to share hydrological data with India.
3. The India-China expert-level consultative mechanism on transboundary rivers is mandated to meet year-round to notify on glacial lake outburst floods.

Which of the statements given above is/are correct? (a) 1 only
(b) 1 and 2 only
(c) 2 and 3 only
(d) 1, 2 and 3

Q2. Consider the following statements regarding the Medog Hydropower Project:

1. It is designed with a capacity of 60 GW, making it one of the largest proposed hydropower projects in the world.
2. It is located at the Great Bend of the Yarlung Tsangpo River, immediately upstream of its entry into Arunachal Pradesh.
3. The project is situated in a highly seismically active tectonic seam.

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

Q3. With reference to the institutional framework for narcotics control in India, consider the following statements:

1. The Narcotics Control Bureau (NCB) functions as a statutory body constituted under the Narcotic Drugs and Psychotropic Substances Act, 1985.
2. The Narco Coordination Centre (NCORD) is a four-tier mechanism established in 2019 under the Ministry of Social Justice and Empowerment.
3. The central enforcement doctrine is shifting from seizure-centric reporting to network-centric investigations.

Which of the statements given above are correct? (a) 1 and 2 only
(b) 1 and 3 only
(c) 2 and 3 only
(d) 1, 2 and 3

Q4. In the context of drug demand-reduction and enforcement initiatives in India, consider the following statements:

1. The Nasha Mukt Bharat Abhiyaan is administered directly by the Ministry of Home Affairs.
2. Section 27 of the NDPS Act, 1985, provides automatic immunity from prosecution to any consumer who agrees to undergo medical treatment.
3. Precursor chemicals used in synthetic drug manufacture are subject to end-use licensing under the Narcotics Control Bureau.

Which of the statements given above is/are correct? (a) 3 only
(b) 1 and 2 only
(c) 2 and 3 only
(d) 1, 2 and 3

Q5. With reference to the integration of traditional medicine in India's recent trade negotiations, consider the following statements:

1. The India-Oman Comprehensive Economic Partnership Agreement (CEPA) represents India's first bilateral agreement carrying comprehensive commitments on traditional medicine across all modes of supply.
2. The India-New Zealand Free Trade Agreement contains a dedicated health annex that establishes a visa quota for traditional medicine practitioners.
3. The India-European Union FTA allows Indian traditional medicine practitioners to practice in member states lacking their own regulatory frameworks.

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

Q6. Consider the following statements regarding the regulatory and diplomatic aspects of AYUSH in India:

1. The Ministry of AYUSH regulates education and practitioner registration through the National Commission for Indian System of Medicine and the National Commission for Homoeopathy.
2. The drugs and formulations of AYUSH are regulated under the Drugs and Cosmetics Act, 1940.
3. The World Health Organization (WHO) established its Global Centre for Traditional Medicine at Jamnagar in 2022 to build a clinical evidence base.

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

Q7. With reference to Foreign Currency Non-Resident (Bank) deposits [FCNR(B)], consider the following statements:

1. FCNR(B) deposits are foreign currency liabilities of commercial banks where both principal and interest are repayable in the same foreign currency.
2. Under the FCNR(B) scheme, the depositor bears the entire exchange rate risk.
3. The maturity terms for FCNR(B) deposits are strictly restricted to a maximum of one year.

Which of the statements given above is/are correct? (a) 1 only
(b) 1 and 2 only
(c) 3 only
(d) 1, 2 and 3

Q8. With reference to the Reserve Bank of India's (RBI) special USD-INR swap facility and FCNR(B) inflows, consider the following statements:

1. Banks swap their foreign currency FCNR(B) deposits for rupees with the RBI, with a contract to reverse the transaction at a pre-determined rate.
2. FCNR(B) deposits mobilized under the special swap window were exempted from Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) requirements.
3. The swap facility operates as a stable, non-debt equity flow, helping finance India's structural current account deficit over the long term.

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

Q9. Why does a massive banking system liquidity surplus complicate monetary management?

1. It exerts downward pressure on short-term overnight money-market rates, driving them below the policy repo rate.
2. It directly dilutes the transmission of a tight monetary stance intended to curb inflation.
3. Draining the surplus through Variable Rate Reverse Repo (VRRR) auctions imposes interest costs on the central bank, impacting its balance sheet.

Select the correct answer using the code given below: (a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 1, 2 and 3

Q10. With reference to the System of Environmental Economic Accounting (SEEA) framework, consider the following statements:

1. It is a United Nations statistical framework that records natural resources within the same accounting structure used for the national economy.
2. Under the SEEA, natural resources are treated as capital assets, and annual extractions are recorded as a flow of economic benefit.
3. India's EnviStats India program has compiled environmental accounts since 2018, covering assets like land, water, forests, and minerals.

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

Q11. Consider the following statements regarding the Exclusive Economic Zone (EEZ) under international law:

1. The EEZ is established under the legal framework of the United Nations Convention on the Law of the Sea (UNCLOS), 1982.
2. It extends to a maximum of 24 nautical miles from the baseline from which the territorial sea is measured.
3. India's Exclusive Economic Zone covers an area of over 2 million square kilometers, which is larger than its total land area.

Which of the statements given above are correct? (a) 1 and 2 only
(b) 1 and 3 only
(c) 2 and 3 only
(d) 1, 2 and 3

Q12. With reference to the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (FRA), consider the following statements:

1. The Ministry of Tribal Affairs is the designated nodal agency for the effective implementation of the Act at the national level.
2. The Act carries an explicit statutory provision requiring prior Gram Sabha consent before any forest land is diverted for non-forest purposes.
3. Stage-II forest clearance compliance is officially verified by the Ministry of Tribal Affairs under the rules of the Act.

Which of the statements given above is/are correct? (a) 1 only
(b) 1 and 2 only
(c) 2 and 3 only
(d) 1, 2 and 3

Q13. In the context of forest conservation and clearance regulations in India, consider the following statements:

1. The requirement for Gram Sabha consent for forest land diversion is rooted in the rules under the Forest (Conservation) Act, 1980.
2. The Van (Sanrakshan Evam Samvardhan) Rules, 2022 removed the Gram Sabha consent step from the stage preceding in-principle approval.
3. The Parliamentary Standing Committee on Public Undertakings proposed a qualified super-majority of 70 to 75 percent of Gram Sabhas for large, nationally important hydropower projects to prevent clearance bottlenecks.

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

Q14. With reference to Gross Domestic Product (GDP) base year revisions in India, consider the following statements:

1. A base year revision anchors price comparisons to strip out inflation, allowing real growth to measure changes in physical volume.
2. Revisions do not impact nominal GDP because it is always measured at current market prices.
3. The new 2022-23 base series has officially abolished the practice of "single deflation" in manufacturing GVA calculations.

Which of the statements given above are correct? (a) 1 and 2 only
(b) 1 and 3 only
(c) 2 and 3 only
(d) 1, 2 and 3

Q15. Consider the following statements regarding Unconditional Cash Transfer (UCT) schemes in India:

1. Unconditional cash transfers pay benefits directly to eligible individuals based on proxy means testing rather than behavioral conditions.
2. Proxy-based targeting in the informal sector is prone to both inclusion and exclusion errors because incomes are not directly observable.
3. Universal cash transfers have lower political and administrative friction than targeted transfers because they eliminate proxy verification.

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
