

FORTUNE IAS NEWS DAILY EXPLAINER

Kerala's development decade

Prelims: General Studies Paper - 1
Economic and Social Development-Sustainable Development, Poverty, Inclusion, Demographics, Social Sector Initiatives, etc.

Mains: General Studies - 3
Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment

1. Context: Kerala's Development Trajectory (2016–2026)

- **The decade (2016–2026) witnessed rapid economic development in Kerala** despite **financial constraints imposed by the Union Government**.
- Kerala continued a **formal planning process** even after the dissolution of the Planning Commission.
- **Capital expenditure increased significantly from 2017 onwards**, unlike declining trends in many States.
- **Growth rates remained comparable to or higher than the national average.**

2. Economic Development and Infrastructure Expansion

- **SC/ST allocations consistently exceeded their population share.**
- **Over 1,200 projects were approved** under the Kerala Infrastructure Investment Fund Board.
- **Formation of Kerala Bank strengthened rural credit and financial stability.**
- **Industrial growth improved** through MSMEs, modern industries, and revival of PSUs.
- **Startup ecosystem value grew by 147% by 2025;** internet access recognised as a **basic right (K-FON)**.

- **Major infrastructure projects boosted connectivity**, including Hill Highway, NH expansion, Kochi Metro, Kochi Water Metro, and Vizhinjam International Deep-Water Seaport.
- **Full electrification achieved in 2017**, with **power capacity increasing by 50%**, driven by solar energy growth.

3. Human Development and Social Welfare

- **Universal free elementary education with near-zero dropout;** Kerala became **India's first fully digital school education State.**
- **Infant mortality rate is 5 per 1,000 live births;** a **strong public health system** was demonstrated during Nipah and COVID-19.
- Aardram Mission and Karunya Arogya Suraksha Padhathi **provide improved healthcare and ₹5 lakh coverage to 42 lakh families.**
- **Extreme poverty eliminated in 2025;** over **5 lakh houses built** under LIFE Mission.
- Kudumbashree **strengthened women's empowerment;** **Gender Budget exceeds one-fifth** of plan outlay.
- **Elderly Budget forms 19% of State Budget;** over **75% elderly covered by pensions;** PDS covers over **95 lakh households.**

4. Fiscal Constraints and Way Forward

- **GST-led fiscal centralisation, withdrawal of compensation, and borrowing limits constrain Kerala's finances.**
- **Rising cesses and shift to Centrally Sponsored Schemes reduce States' fiscal autonomy and weaken cooperative federalism.**
- **Way Forward includes Strengthen cooperative federalism** by enhancing States' share in the divisible tax pool and ensuring predictable transfers.

- **Promote innovative financing mechanisms** like the Kerala Infrastructure Investment Fund Board while maintaining fiscal prudence to sustain inclusive growth.

Iran may be losing the battles, but it might still win the war

Prelims: General Studies Paper - 1
Current events of national and international importance

Mains: General Studies - 2
Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

1. Nature of U.S. Strategy and Objectives

- Donald Trump's address **lacked clarity** and **major announcements** (no escalation or ceasefire).
- Justified strikes as targeting **Iran's nuclear capability** and **regional power projection**.
- Explicitly rejected **regime change** as a goal.
- Claimed **Iran's capabilities were largely destroyed**, while hinting at attacks on **industrial and energy infrastructure**.
- Along with regime change, the **objective of freeing the Strait of Hormuz has now been abandoned**.

2. Iran's Resilience and Strategic Strength

- Iran is **not collapsing**; instead, it remains **resilient and adaptive**.
- Retains capacity for **retaliation** and **horizontal escalation** (attacks on U.S. bases and regional allies).
- Can disrupt **25% of global oil and gas supply**, giving strong **economic leverage**.
- Even if militarily weakened, survival itself could be framed as a **strategic victory**.

3. Key Factors Behind Iran's Advantage

(a) Regime Resilience

- Strong consolidation by **Islamic Revolutionary Guard Corps (IRGC)**.
- **Decentralised command** and hidden assets helped survive **decapitation strikes**.
- Elimination of moderates strengthened **hardliners**.

(b) Horizontal Escalation & Economic Leverage

- Conflict expanded to **regional theatres**.
- Targeting of **energy infrastructure** and disruption of **Strait of Hormuz**.
- Triggered **global inflationary pressures**, especially affecting **energy-dependent Asian economies**.

(c) Strategic Miscalculation by the U.S.

- Overreliance on **Israeli assessments** (Benjamin Netanyahu).
- Overestimated **air power effectiveness** and underestimated **Iran's endurance**.
- Signs of **internal U.S. disagreement** and policy confusion.

(d) Allied Reluctance and Regional Blowback

- Limited support from **NATO allies**.
- Gulf partners are **vulnerable to retaliation** and increasingly cautious.
- Emergence of **alternative diplomatic initiatives** (e.g., regional dialogues).

4. Tactical vs Strategic Outcomes

- U.S. and Israel may achieve **tactical military success** (damage to infrastructure, leadership losses).
- However, **strategic goals** (especially **regime change**) remain **unattainable without ground invasion**.
- Prolonged conflict risks:
 - ➔ **Global economic instability**
 - ➔ **Declining domestic support in the U.S.**
- Iran gains:
 - ➔ **Strategic leverage in negotiations**
 - ➔ **Support from parts of the Global South**
- If the regime survives, Iran can claim **victory by endurance**, despite losses.

Fear of the foreign: On the FCRA amendments

Prelims: General Studies Paper - 1
Current events of national and international importance

Mains: General Studies - 2
Indian Constitution—historical underpinnings, evolution, features, amendments, significant provisions and basic structure.

1.Context

- The Centre has **proposed amendments to the Foreign Contribution (Regulation) Act (FCRA)**, introduced in the Lok Sabha on March 25, 2026.
- The FCRA was first enacted in 1976, re-enacted in 2010, and further amended in 2020.
- The current amendment further expands state control over organisations receiving foreign funds.
- The proposal is currently paused due to protests, but the government plans to continue with it.

2. Key Provisions of the Bill

- The Bill aims to **establish a “designated authority” with powers to control assets of organisations** that lose their FCRA licence.
- The designated authority can:
 - ➔ **Seize, manage, and dispose of assets** created using foreign funds.
 - ➔ **Act automatically and immediately** once an organisation’s FCRA registration is cancelled.
- No judicial review or adjudication process is required** before asset takeover.
- Assets may include schools, hospitals, and religious institutions.

3. Major Concerns and Criticisms

- The **government gets excessive power to cancel licences** and take over assets.
- The **decision-making process lacks transparency and accountability**.
- Assets can be seized without proper legal process** or judicial review.
- The **rules may be applied selectively to favour certain organisations**.

- NGOs may be negatively affected even as foreign investment** is encouraged in other sectors.

4. Way Forward

- The government **should ensure that FCRA regulations are transparent and uniformly applied** to all organisations.
- Clear guidelines and publicly available data should be provided** to improve accountability and trust.
- The **law should protect legally acquired assets** and avoid retrospective penalties.
- A balanced approach is needed to regulate foreign funds while encouraging genuine social and developmental work by NGOs.

KEYWORDS

Namo Drone Didi Yojana

- Namo Drone Didi Yojana is a **Central Sector Scheme with an outlay of ₹1261 crore to empower rural women through drone use** in agriculture.
- The **scheme provides 80% subsidy (up to ₹8 lakh) for drones to Women Self-Help Groups (SHGs)**, with the remaining cost covered through low-interest loans.
- It **aims to equip 15,000 SHGs with drones to offer agricultural services** like spraying pesticides and fertilizers.
- Women receive 15 days of training**, including drone pilot certification and agricultural application skills.
- It is **governed at the Central level by the Empowered Committee of the Secretaries of Department of Agriculture & Farmers’ Welfare, Department of Rural Development, Department of Fertilizers, Ministry of Civil Aviation and Ministry of Women and Child Development**.

Theyyam



- **Theyyam** is a traditional ritual art form of Kerala.
- The name comes from the Sanskrit word **“Daivam,”** meaning **God**, as the performer is believed to embody a deity during the performance.
- It is usually performed between **December and April** in temples and sacred spaces.
- There are **over 400 types of Theyyam**, each with distinct features.
- Some well-known forms include **Muchilottu Bhagavathi, Raktha Chamundi, Kari Chamundi, Pottan Theyyam, Wayanadu Kulaven, and Gulikan**.
- Theyyam is mainly performed in **North Malabar**, especially in **Kannur, Kasaragod, Wayanad, northern Kozhikode**, and some parts of **Karnataka**.
- Traditionally, the main performers come from the **Malayan and Vannan communities**, which belong to the **Scheduled Castes**.
- Artists undergo strict preparation called **“Vrutham,”** which includes **fasting, prayer, meditation, and disciplined living**.

INS Aridhaman

- **INS Aridhaman**, India’s third indigenously built nuclear-powered ballistic missile submarine (SSBN), was quietly commissioned on April 3, 2026, at **Visakhapatnam**, presided over by Defence Minister **Rajnath Singh**.
- The submarine is part of India’s **nuclear triad** under the Strategic Forces, enhancing the country’s ability to launch nuclear missiles from **land, air, and sea**.
- The **Arihant-class SSBNs** include Arihant, Arighaat, and Aridhaman (S4), with Aridhaman being larger (~7,000 tonnes) and capable of carrying **up to 24 K-15 Sagarika missiles or 8 K-4/K-5 missiles**, which can be nuclear-tipped.
- The **K-4 missiles** have a range of about **3,500 km**, providing India with extended submarine-launched ballistic missile (SLBM) capabilities compared to earlier SSBNs.
- India plans to build **nuclear-powered attack submarines (SSNs)**, with at least two expected to be commissioned by **2036–39**, further strengthening its strategic maritime capabilities.

