

FINDER

16th

May

2026



FORTUNE IAS NEWS DAILY EXPLAINER

Trade, supply chains and economic statecraft

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. Changing Nature of Global Geopolitics

- **Economics** and **geopolitics** are now deeply connected.
- **Supply chains, trade routes, technology, and energy networks** have become major tools of global power.
- Countries now use **tariffs, export controls, and critical minerals** as strategic weapons.
- Globalisation no longer guarantees cooperation; economic relations are increasingly used for **strategic pressure**.
- **Economic diplomacy** has become a core part of **national security** and foreign policy.

2. India's Emerging Strategic Importance

- India's strengths now match global strategic needs because countries want alternatives to **China-centric supply chains**.
- India is viewed as:
 - ➔ **Large enough to matter**
 - ➔ **Stable enough to trust**
 - ➔ **Open enough for investment**
- Three major reasons for India's rise:
 - ➔ **Domestic reforms** like digitisation, infrastructure growth, and deregulation.
 - ➔ Global demand for **alternative manufacturing hubs beyond China**.
 - ➔ India's growing focus on **trade agreements, technology partnerships, and supply-chain diplomacy**.

- India now treats economic partnerships as key instruments of **statecraft**.

3. Challenges and Risks for India

- Dependence on one country for **technology, minerals, or markets** can create vulnerabilities.
- India must maintain a **diversified network of partners** to protect its strategic autonomy.
- India should:
 - ➔ Improve **logistics** and **regulatory systems**
 - ➔ Invest in **research, innovation, and digital infrastructure**
 - ➔ Secure access to **critical minerals**
- The challenge is balancing:
 - ➔ **Global integration** with **self-reliance**
 - ➔ **Foreign investment** with **strategic independence**.

4. India's Future in the New Global Order

- The global trade system is shifting from old **multilateralism** to flexible **bilateral** and **regional partnerships**.
- This change gives India opportunities for more **agile and interest-based diplomacy**.
- The world is looking for:
 - ➔ **Trusted democratic partners**
 - ➔ **Diversified production bases**
 - ➔ **Reliable digital ecosystems** areas where India can play a major role.
- India's future depends on engaging with the world while protecting its **autonomy** and expanding its **global influence**.
- Countries that successfully combine **economic strategy** with **foreign policy** will shape the future global order.

Productivity, not just growth, for Viksit Bharat

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

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

1. India's Strong Economic Performance

- The **Economic Survey 2025–26 highlights India's strong macroeconomic stability.**
- India **recorded 6.5% GDP growth in FY2024–25.**
- **Strong domestic demand** supported economic growth.
- Inflation remained relatively subdued.
- **Fiscal consolidation and financial sector** stability improved.

2. Manufacturing as the Growth Engine

- The **Economic Survey states manufacturing must drive the next growth phase.**
- **Manufacturing is necessary** for achieving Viksit Bharat 2047.
- It can **absorb surplus labour from agriculture and can create large-scale employment** opportunities.
- Manufacturing supports long-term productivity growth.

3. Structural Problems in Manufacturing

- India has **many small, low-productivity firms.**
- There are few medium-sized firms capable of scaling up.
- Manufacturing **productivity lags behind global peers.**
- Labour remains **concentrated in low-productivity agriculture.**
- **Efficiency gaps** persist despite infrastructure investment.

4. Zombie Firms: Definition and Concerns

- **Zombie firms** are economically unviable firms that **continue operating despite weak profits and poor productivity.**
- They **survive mainly through continuous borrowing or financial support.**
- Such **firms lock capital and labour in unproductive activities.**
- Bank-financed firms are more vulnerable to zombification.
- They **weaken business dynamism and overall productivity growth.**

5. Reforms Required for Viksit Bharat

- **Simplify regulations** and improve business environment.
- **Strengthen insolvency and firm exit** mechanisms.
- **Improve credit allocation** toward productive firms.
- **Expand manufacturing** and global value chain integration.
- **Promote innovation, research,** and productivity-led growth.

Juggernaut rolls on: On the third phase of SIR of electoral rolls

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

Mains: General Studies - 2
Salient features of the Representation of People's Act

1. Third Phase of SIR Announced

- The Election Commission of India **launched Phase 3 of the Special Intensive Revision (SIR).**
- It **covers 16 States and 3 Union Territories.**
- Includes **around 36.73 crore electors.**
- Previous phases faced major controversy.
- Concerns over possible voter disenfranchisement remain.

2. Large-Scale Deletion of Voters

- Phase 2 reportedly **caused a 10.2% reduction in electoral rolls.**
- **West Bengal** witnessed the **highest deletions.**
- Marginalised and minority communities **were disproportionately affected.**
- **Gender ratios in voter rolls declined** in many States.
- Elector-population ratios showed inconsistencies.

3. Administrative and Technical Flaws

- **Faulty software removed many genuine voter names** while deleting duplicates.
- **Arbitrary eligibility criteria** were allegedly used.
- Decision-making became highly centralised in New Delhi.
- Booth changes were made during voter verification.
- **Voters found it difficult to verify** their names on rolls.

4. Legal and Constitutional Concerns

- The **burden of proving eligibility shifted to voters.**
- **Questions raised over Section 21(3) of the Representation of the People Act, 1950** (empowers the Election Commission of India to order a special revision of the electoral roll for any constituency or part of a constituency at any time).
- **The Supreme Court of India focused mainly on supervision** rather than adjudication.
- The **court allowed more identity documents** and judicial oversight.
- Core constitutional concerns remain unresolved.

5. Suggested Reforms and Way Forward

- **ECI should adopt a more inclusive revision** process.
- **Universal adult franchise** must be prioritised.
- Political parties **should help voters complete enumeration properly.**
- **Civil society must spread awareness** among electors.
- Structural reforms are needed before further SIR phases continue.

KEYWORDS

Operation Numkhor

- Operation Numkhor **was launched in September 2025** by the Commissionerate of Customs (Preventive), Kochi, in Kerala.
- The operation targets **an alleged network involved in the illegal import of luxury and second-hand vehicles from Bhutan into India.**
- Customs officials conduct investigations and raids to identify vehicles and individuals linked to the smuggling network.
- The **term “Numkhor” reportedly means “vehicle” in Dzongkha, the national language of Bhutan.**

Economic Survey

- The Economic Survey **was first presented in 1950–51 as a part of the Union Budget documents, and since 1964 it has been presented separately** as an independent document.
- It is an **annual report prepared by the Department of Economic Affairs under the supervision of the Chief Economic Adviser (CEA)** in the Ministry of Finance.
- The survey **provides a detailed analysis of India’s economic performance during the previous financial year**, covering areas such as growth, inflation, employment, and fiscal trends.
- It **evaluates the performance of major sectors including agriculture, industry, services, and infrastructure** using official data and economic indicators.
- Released before the Union Budget, the Economic Survey reviews government policies, suggests future economic strategies, and serves as an important reference for policymakers and researchers.

Places In News

Bhojshala, Madhya Pradesh



- **Raja Bhoja** (1000-1055 AD), the greatest ruler of the **Paramara dynasty** and a renowned patron of learning, established a major educational centre at **Dhar**, later known as **Bhojshala**.
- The remains of this **Bhojshala** can still be seen within the **Kamal Maulana Mosque**, into which it was later converted during Muslim rule.
- The **mosque consists of a large open court with a porch in front colonnades at sides and a large prayer hall** at the back in the west.
- The carved pillars used over the mosque and **delicately carved ceilings of the prayer hall appear to have belonged to Bhojshala**.
- Several important inscriptions have been discovered at the site, including:
 - Two **Prakrit hymns** dedicated to the **Kurma avatar of Vishnu**
 - **Sarpabandha inscriptions** explaining the **Sanskrit alphabet** and rules of **Sanskrit grammar**
 - Two **Sanskrit verses** praising **Udayaditya** and **Narvarman**, successors of Raja Bhoja.
- These inscriptions date back to the **11th-12th century AD**.
- The **Karpuramanjari**, a poetic drama written by **Royal Tutor Madana**, disciple of the Jain scholar **Ashadhara**, refers to the **Bhojshala** as a **temple of Goddess Saraswati**, the deity of learning.

