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FINDER
FORTUNE IAS NEWS DAILY EXPLAINER

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THE HINDU

Can India and China coexist peacefully?

Prelims: General Studies Paper - 1

Current events of national and international importance

Mains: General Studies - 2

Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

Why in Focus?

- Persistent **border disputes, historical conflicts and geopolitical rivalry** challenge peaceful coexistence between India and China.
- The debate centres on whether China poses an **existential threat** or peaceful coexistence is possible.

Key Highlights:

- **India and China are neither at war nor enjoying normal relations**, making minor border incidents potential triggers for military confrontation.
- The **1962 war** and the **2020 Galwan Valley clash**, which killed 20 Indian soldiers, deepened mutual distrust.
- **Rajiv Gandhi's 1988 visit to China** helped normalise relations and encouraged **both countries to address the border dispute separately** from other areas of cooperation.
- The **2005 Agreement on Political Parameters and Guiding Principles** sought a peaceful **settlement of the boundary dispute** while protecting the interests of border populations.
- Poorly demarcated boundaries in **Ladakh** and the disputed **McMahon Line** in the Arunachal Pradesh sector **remain major sources of tension**.
- China views India's participation in the **QUAD** as an attempt to contain **its influence, deepening strategic mistrust**.
- **China's military modernisation raises security concerns**, but its **superiority in the Himalayas is limited**, and both countries seek to avoid war.

Implications:

- **Border tensions and military competition** increase the risk of escalation and miscalculation.
- **Conflict disrupts trade, investment and regional economic integration**, diverting resources from development.
- **Strategic rivalry** deepen mistrust and complicate regional cooperation.
- **Prolonged tensions undermine Asian stability** and weaken regional economic integration.

Way Forward:

- Enhance diplomatic engagement to build a **constructive relationship of strategic**

stability.

- **Encourage military and border guards** to avoid incidents like the Galwan Valley clash.
- **Strengthen bilateral agreements** to ensure peaceful resolution of disputes.
- Acknowledge the **need for new coalitions** adapting to the evolving geopolitical landscape.

Mains Question:

Critically analyse the prospects and challenges of peaceful coexistence between India and China in the context of their historical relations, current geopolitical dynamics, and strategic interests. Suggest measures that both countries can undertake to foster a stable and constructive bilateral relationship. (250 Words, 15 marks).

Beyond gullibility: On digital arrest scams

Prelims: General Studies Paper - 1

Current events of national and international importance

Mains: General Studies - 3

Challenges to internal security through communication networks, the role of media and social networking sites in internal security challenges, basics of cyber security

Why in Focus?

- On **October 29, 2026**, the **Supreme Court** urged the RBI to finalise the **KYC Amendment Directions, 2026**, and pressed for **bank compensation to digital arrest scam victims**.
- Despite recoveries, such scams have caused losses of around **₹800 crore in 2026**.

Key Highlights:

- Fraudsters impersonate **CBI or police officers** through video calls to threaten victims and force money transfers, particularly targeting older citizens.
- **Mule accounts** receive and transfer stolen money, sometimes **opened with the help of bank employees**.

Mule Account: A bank account used to receive and transfer illegally obtained money on behalf of criminals, helping them conceal the source of funds.

- **RBI KYC Amendment Directions, 2026** aim to identify **suspicious mule accounts and restrict withdrawals**.
- Suspicious transactions of **₹1,000 or more** may be held for up to **60 days**, with AI helping banks detect unusual activity.
- The **Supreme Court suggested bank compensation** when banks fail to follow proper checks, as existing RBI rules **mainly cover unauthorised transactions**.
- Scam centres in **Myanmar, Cambodia and Laos** exploit trafficked Indians by forcing them to participate in online fraud.

Implications:

- **Wrongful freezing** can disproportionately affect small traders and **Jan Dhan account holders** who unknowingly receive scam proceeds.
- **Automatic** police reporting of **unusual transactions may threaten financial privacy**.
- **Fraud prevention must be balanced** against **privacy and the rights of genuine account holders**.

Way Forward:

- **Finalise the KYC Amendment Directions** with safeguards against wrongful account freezes.
- **Establish clear bank liability rules** and time-bound grievance redressal.
- Use **AI-based monitoring** and transaction histories to identify suspicious patterns
- **Strengthen audits and penalise bank staff** involved in facilitating mule accounts.

Mains Question:

Combating digital arrest scams requires balancing financial security with privacy, due process and consumer protection. Discuss the role of banking regulation, law enforcement and international cooperation in addressing this challenge. (150 words, 10 marks).

How AI is transforming U.S. military industrial complex

Prelims: General Studies Paper - 1

Current events of national and international importance

Mains: General Studies - 3

Security challenges and their management,

Science and Technology- developments and their applications and effects in everyday life.

Why in Focus?

- The **U.S. Military Industrial Complex (MIC)** is transitioning from traditional hardware manufacturers to AI and software companies, altering the defense landscape.

U.S. Military Industrial Complex (MIC): A network of government and private sector entities involved in the production of military technology.

- On **September 29, 2026**, U.S. President **Donald Trump** convened AI company CEOs to sign the **White House Accord on Super Intelligence**.

Key Highlights:

- The **White House Accord on Super Intelligence** with eight AI firms reflect the growing integration of private technology companies into the military technologies
- **New defence-tech firms** are challenging traditional defence companies through **AI and software innovation**, although **traditional firms still receive most defence funding**.
- Procurement reforms **reduced the number of defence contracts by 88%** by simplifying procedures, thereby **speeding up military purchases**.
- **Software-defined warfare** uses AI, cloud computing and satellite communications to **rapidly upgrade military systems** and improve battlefield decision-making.
- The shift from a few expensive weapons to **low-cost, scalable autonomous systems** reflects the growing role of commercial **AI technologies** in modern warfare.

Implications:

- **Autonomous weapons** may intensify **arms races** and increase conflict risks.
- AI-based military systems face risks of **cyberattacks and technical errors**.
- **Dependence on private technology firms** may threaten **national security**.
- **AI weapons raise concerns** about **human control and compliance with International Humanitarian Law (IHL)**.

Way Forward:

- Establish robust **testing, verification and validation** frameworks before deploying AI-enabled weapons.
- Maintain **meaningful human control** over critical military decisions
- **Strengthen cybersecurity** and develop alternative suppliers to reduce dependence on individual technology companies.
- **Promote international cooperation** to establish **norms for responsible military AI** and safeguards against unintended escalation.

Mains Question:

Critically analyse how the integration of artificial intelligence (AI) is transforming the U.S. military industrial complex. Discuss the strategic implications of this shift for global security and the potential challenges it poses. Suggest measures to address these challenges while leveraging AI advancements for defence. (250 Words, 15 marks)

Suboptimal outcomes: On social security boards for unorganised, gig, platform workers

Prelims: General Studies Paper - 1

Current events of national and international importance

Mains: General Studies - 2

Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Why in Focus?

- The **Union Labour Ministry** has notified the constitution of the **National Social Security Board for Unorganised Workers** and the **National Social Security Board for Gig & Platform Workers**.
- These Boards **aim to integrate unorganised, gig, and platform workers** into India's formal

welfare system.

Key Highlights:

- The **National Social Security Board for Unorganised Workers** consists of 40 members, while the **Board for Gig & Platform Workers** has 22 members.
- The Boards include representatives from **Central and State governments**, **aggregator companies, employers, civil society organisations**, and workers' unions.
- The Boards are **tasked with designing, monitoring, and recommending welfare schemes** for gig, platform, and traditional unorganised workers.
- The composition of both Boards, chaired by **Union Labour Minister** , has raised concerns over **centralisation and inadequate representation of trade unions and State Governments**.
- Labour falls under the **Concurrent List**, **requiring Union–State cooperation to strengthen workers' welfare**.
- The **ILO** defines **social security as protection against risks** such as old age, unemployment, sickness, disability and maternity.
- Despite social security coverage rising to **64.3% in 2025**, unorganised, gig and platform workers, **continue to face protection gaps**.
- The **National Commission for Enterprises in the Unorganised Sector**, headed by **Arjun Sengupta** recommended **comprehensive social security, minimum working conditions and livelihood support** for unorganised workers.

Implications:

- Limited State participation may weaken **cooperative federalism** and centralise labour welfare decision-making.
- **Inadequate representation and social protection** leave vulnerable workers without reliable **healthcare and income security**.
- Weak social security increases workers' vulnerability to **illness, unemployment and income shocks**.
- **Delayed reforms and implementation may prevent eligible workers** from accessing welfare benefits effectively.

Way Forward:

- Ensure adequate representation of **trade unions and State Governments** in the National Social Security Boards.
- Strengthen **Centre–State coordination** in designing and implementing labour welfare schemes.
- Implement pending recommendations of the **Arjun Sengupta-led Commission** to improve informal-sector social security.

Mains Question:

Discuss the significance of establishing social security boards for unorganised, gig, and platform workers in India. What challenges do these boards face in effectively implementing welfare schemes, and what measures can be taken to ensure comprehensive social security coverage for these workers? (250 Words,15 Marks)

KEYWORDS

International Court of Justice (ICJ)

- The **International Court of Justice** is the principal judicial organ of the **United Nations (UN)**, established in **1945** under the UN Charter.
- It is headquartered at the **Peace Palace in The Hague, Netherlands**, the **only principal UN organ located outside New York**.
- The ICJ consists of **15 judges**, elected for **nine-year terms** by the **UN General Assembly (UNGA)** and **UN Security Council (UNSC)**.
- Candidates must secure an **absolute majority in both organs**, which vote separately but simultaneously.
- To ensure continuity, **one-third of the judges are elected every three years** and are **eligible for re-election**.
- It settles **legal disputes between states** and provides **advisory opinions** on legal questions referred to it by UN organs and specialised agencies.
- It **exercises jurisdiction over disputes** between states based on their **consent**, which may be expressed through treaties or special agreements

ISRO NVS-03 Mission

- **Navigation Satellite Series (NVS) 03** was recently launched aboard **Geosynchronous Satellite Launch Vehicle (GSLV)-F18** from **Satish Dhawan Space Centre, Sriharikota**, into **Geosynchronous Transfer Orbit (GTO)**.
- It is the third second-generation satellite in the **Navigation with Indian Constellation (NavIC)** series.
- NVS-03 carries an **indigenous atomic clock** and supports **L1, L5 and S-band signals**, improving navigation services.
- **NavIC** provides regional **Positioning, Navigation and Timing (PNT)** services across India and **1,500 km beyond its borders**.
- **GSLV** is a **three-stage launch vehicle** with solid, liquid and cryogenic stages, designed to launch satellites into **GTO**.
- Its **cryogenic upper stage** uses **liquid hydrogen as fuel** and **liquid oxygen as oxidiser**.



Poverty and Equity Brief for India 2026

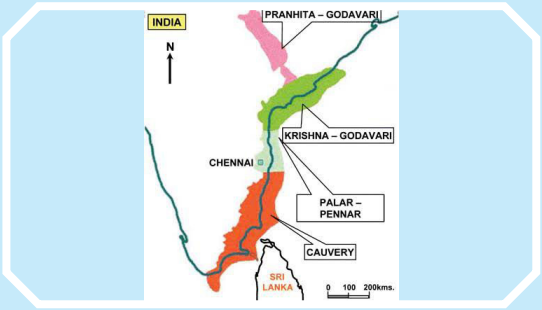
- The **Poverty and Equity Briefs (PEBs)** are published **twice a year by the World Bank** during the Spring and Annual Meetings of the **World Bank Group and IMF**.
- They track **poverty, shared prosperity and inequality trends** across more than **100 developing countries**.
- The **World Bank** uses **Purchasing Power Parity (PPP)** to compare living standards across countries by accounting for differences in prices.
- According to the **October 2026 Brief**, India lifted an estimated **496 million people out of poverty** between **2011 and 2023**.
- **Extreme poverty** declined from **27.1% in 2011 to 2.6% in 2023**.
- Poverty below the **lower-middle-income poverty line of $4.20 per day** fell from **57.7% to 16.1%** between **2011 and 2023**.

Places in News

Krishna-Godavari Basin

- Recently, the **Supreme Court** referred the **Krishna-Godavari gas migration dispute** between the Centre and **Reliance Industries Limited (RIL)** to mediation.

- The **Krishna-Godavari Basin** is located in **Andhra Pradesh** and was formed by sediments deposited by the **Krishna and Godavari rivers**.
- It covers approximately **15,000 sq. km onshore** and **25,000 sq. km offshore**.
- Its geological formations range from the **Late Carboniferous (around 323–299 million years ago) to the Pleistocene Epoch (2.58 million–11,700 years ago)** and include **upland, coastal, flood and delta plains**.
- The **D-6 block**, an offshore oil and natural gas exploration area in the basin has **significant natural gas reserves** that contribute to **India's energy security**.
- The basin's coastal and marine ecosystems provide habitat for the **Vulnerable Olive Ridley Sea Turtle**.



Galwan Valley

- The valley came into focus after the **India–China military clash on 15 June 2020**, which resulted in the deaths of **20 Indian soldiers**.
- The **Galwan Valley** is located in **eastern Ladakh**, near the **Line of Actual Control (LAC)** between India and China, west of **Aksai Chin**.
- The **Galwan River** originates in the **Aksai Chin region** and flows westward to join the **Shyok River** in Ladakh.
- The valley lies at an altitude of over **14,000 feet** in the **eastern Himalayas**.
- It is strategically important due to its proximity to the **Darbuk–Shyok–Daulat Beg Oldie (DSDBO) Road**, which provides military connectivity to India's northern border areas.



Shintaphu Lake

- **Shintaphu Lake** is located below **Wakila Mountain** in the **Gasa District of northwestern Bhutan**.
- The lake lies in the **Laya/Lemthang region** and is associated with the headwaters of the **Mo Chhu River**.
- On **29 October 2026**, a **Glacial Lake Outburst Flood (GLOF)** occurred at the lake, releasing approximately **7.4 million cubic metres of water**.
- The flood surge entered the **Mo Chhu River system**, triggering flood alerts in **West Bengal and Assam**.



Species In News

Chinar tree

- **Jammu and Kashmir** is undertaking conservation measures, including **geo-tagging and QR-code-based identification**, to protect and monitor Chinar trees.
- The **Chinar tree (Platanus orientalis)**, also known as the **Oriental Plane Tree**, is a large deciduous tree and the **"official tree of Jammu and Kashmir"**.
- It can grow up to **30 metres tall**, with a ground-level girth of **10–15 metres**.
- Its leaves turn **red, amber and golden yellow** during autumn, making it

a distinctive feature of **Kashmir's landscape**.

- The **Digital Tree Aadhaar initiative**, involving the **Jammu and Kashmir Forest Department**, uses geo-tagging and QR codes to monitor and conserve Chinar trees.

