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THE HINDU

India's China+1 lessons lie within its own States

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.

Why in Focus?

- The **East Asian Institute** conducted a study in 2026 on **global firms reworking their China+1 plans**, highlighting the role of Indian States.
- **Tamil Nadu** and **Karnataka** serve as case studies for successful industrial growth in India, **providing lessons for the China+1 strategy**.

Key Highlights:

- **China+1 strategy** involves diversifying supply chains by adding locations outside China.
- **Foxconn** employs tens of thousands in Sriperumbudur, Tamil Nadu, **assembling iPhones, showcasing the State's industrial capabilities**.
- **Tata Electronics** expanded operations in Hosur, Tamil Nadu, and took over **Wistron's iPhone plant** in Narsapura, Karnataka.

- The **Electronics Components Manufacturing Scheme (ECMS)** approved projects in Tamil Nadu, including those by **Yuzhan Technology** and **Tata Electronics**.

ECMS aims to promote electronics manufacturing in India.

- **Karnataka** focuses on **software and engineering talent**, with Foxconn's campus in Devanahalli aiming to create around 50,000 jobs.
- The **Production-Linked Incentive (PLI) scheme** for electronics manufacturing ended in March 2026, with a successor approved in July 2026.

PLI scheme provides financial incentives based on production output.

- The Cabinet approved easing **Press Note 3** in March 2026, which regulated investments from countries sharing a land border with India.

India's Press Note 3 (2020) is a regulation issued by the **Department for Promotion of Industry and Internal Trade (DPIIT)** that requires **prior government approval for any Foreign Direct Investment (FDI)** coming from countries sharing a land border with India.

- Tamil Nadu ranks fifth in the **Department for Promotion of Industry and Internal Trade (DPIIT)** data on **FDI equity inflows from October 2019 to March 2026**, accounting for about 6%.
- **Maharashtra leads in FDI equity inflows with 31%**, followed by Karnataka (21%), Gujarat (15%), and Delhi (13%).



- **Electronics exports from India reached about \$48 billion in 2025-26**, while imports stood at about \$116 billion.
- **State governments play a critical role in providing the necessary infrastructure** and policy continuity to attract and retain investors.
- **Central government provides national incentives and policies** aimed at promoting geographically balanced industrial growth.

Implications:

- **India's China+1 strategy should leverage the strengths of States** like Tamil Nadu and Karnataka rather than looking abroad for models.
- **National policy incentives like tariffs and PLIs create a competitive edge**, but state-level delivery and capacity building are crucial.
- **The concentration of industrial growth in southern and western States** risks neglecting populous States like Bihar, Chhattisgarh, and Jharkhand.
- Despite national incentives, the establishment of factories depends on individual States' offerings, **highlighting disparities in state-level capacities**.
- The **need for national policy incentives versus the necessity of state-level delivery** and capacity building is a critical tension.

Way Forward:

- **Replicate successful strategies of Tamil Nadu and Karnataka in other States** to ensure balanced regional development.
- **Enhance state-level capacity building and infrastructure** to attract and sustain foreign investment.
- Focus on policy continuity and honoring commitments to **maintain investor confidence**.
- **Promote geographically balanced industrial growth** by spreading national incentives and support to underdeveloped regions.

Mains Question:

Discuss the China+1 strategy and its significance for India, focusing on Tamil Nadu and Karnataka. Examine investment challenges and suggest

measures for stronger industrial ecosystems and balanced regional development. (250 words)

A split verdict, faltering remedies and people's power

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 **Supreme Court delivered a split verdict** on September 23, 2026, in **Dr. Jaya Thakur vs Union of India**, challenging the 2023 law on appointing the Chief Election Commissioner (CEC) and Election Commissioners (ECs).
- The verdict has sparked nationwide protests and debates regarding the **legitimacy of the current law and the role of the judiciary in electoral appointments**.

Key Highlights:

- **Justice Dipankar Datta** emphasized the need to examine the 2023 Act in light of the **Anoop Baranwal (2023)** judgment, which opposes executive-dominated committees selecting impartial umpires like the CEC and ECs.

Chief Election Commissioner (CEC): The head of the Election Commission of India, responsible for administering election processes in India.

- The current law establishes a **Prime Minister's Committee** with the Prime Minister and a Cabinet Minister forming two-thirds of the selection committee, marginalizing the Opposition leader.
- **Justice Satish Chandra Sharma** proposed **referring the case to a larger Constitution Bench**, which would delay a final decision on the law's validity.

Constitution Bench: A bench of the Supreme Court of India consisting of five or more judges, convened to decide substantial questions of law as to the interpretation of the Constitution.

- The statute grants the CEC and ECs **lifelong**



immunity for their actions while in office, raising concerns about accountability.

- **Justice Satish Chandra Sharma's** potential **conflict of interest** due to his **son's association with the Election Commission** has been highlighted, questioning the impartiality of his decision.
- **Dr. B.R. Ambedkar** warned against government servants influencing elections in favor of the ruling party, highlighting the risks of executive dominance.

Implications:

- The **split verdict** underscores the **inadequacy of judicial remedies in addressing unconstitutional laws promptly**, as the referral to a larger bench delays resolution.
- The **2023 law may violate the Baranwal judgment** by giving the **executive greater control over electoral appointments**, raising concerns about their independence and impartiality.
- The **presence of the Opposition leader in the selection committee is merely ornamental**, undermining the legitimacy of the electoral process.
- The **Bangalore Principles of Judicial Conduct** and the **Restatement of Values of Judicial Life** stress avoiding impropriety and conflicts of interest, which are **crucial for maintaining judicial integrity**.

Way Forward:

- A new law should be enacted to ensure a **neutral body selects the CEC and ECs**, aligning with the **Baranwal judgment** to maintain impartiality.
- The judiciary should **decide constitutional cases quickly to prevent potentially unconstitutional laws** from remaining in force for long..
- Addressing potential conflicts of interest in judicial proceedings is crucial to **uphold the integrity of the judiciary**.
- **Encouraging peaceful people's movements** can play a significant role in upholding constitutional values and rectifying systemic flaws in electoral appointments.

Mains Question:

Critically examine the Supreme Court's split verdict in *Dr. Jaya Thakur vs Union of India* on election appointments. Discuss its implications for electoral independence and suggest measures to ensure an impartial selection process. (250 Words)

How has the SC strengthened arrest safeguards?

Prelims: General Studies Paper - 1

Indian Polity and Governance-Constitution, Political System, Panchayati Raj, Public Policy, Rights Issues, etc.

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 Supreme Court's ruling in **Jaskaran Jeet Singh Deol v. State of Punjab (September 2026)** emphasized the **necessity of written grounds for arrest**.
- Recent judgments have highlighted the **importance of procedural safeguards in arrests to protect constitutional rights**.

Key Highlights:

- The **Supreme Court** in *Jaskaran Jeet Singh Deol* case held that **re-arrest requires magistrate's permission if previous arrest was illegal due to non-supply of written grounds**.
- **Departmental action** was recommended for **negligent investigating officers** in the *Jaskaran Jeet Singh Deol* case.
- **Article 21** ensures **no deprivation of life and personal liberty** except according to procedure established by law.
- **Article 22(2)** mandates that **arrested individuals must be produced before a magistrate within 24 hours**.
- **Section 50 of the CrPC** (now Section 47 of BNSS) requires police to **communicate grounds of arrest to an accused arrested without a warrant**.
- In **Pankaj Bansal v. Union of India & Ors. (2023)**, the SC held that **written grounds of**



arrest must be provided under the Prevention of Money Laundering Act, 2002.

- **Prabir Purkayastha v. State (NCT of Delhi) (May 2024)** reiterated that **written grounds of arrest are mandatory** under the Unlawful Activities (Prevention) Act, 1967.

Unlawful Activities (Prevention) Act, 1967: An Act to provide for the more effective prevention of certain unlawful activities of individuals and associations.

- **Rajesh Mihir Shah v. State of Maharashtra and Another (2025)** ruled that **informing the arrestee of grounds of arrest is mandatory for all offences**.

Implications:

- The SC's mandate for written communication of arrest grounds **strengthens procedural fairness and protects the rights of the accused**.
- Written grounds of arrest **prevent disputes over what was communicated, aiding effective legal counsel and bail applications**.
- The rulings balance the need for **procedural safeguards against practical challenges faced by law enforcement**.
- **Investigating officers may face departmental action** for non-compliance, ensuring accountability.

Way Forward:

- Implement **clear statutory requirements for written communication** of arrest grounds across all jurisdictions.
- Train law enforcement officers on the importance of **procedural safeguards and constitutional rights**.
- Establish **oversight mechanisms to monitor compliance** with arrest safeguards and take corrective actions.
- Encourage the use of **technology to document and communicate arrest grounds** effectively.
- **Strengthen legal aid frameworks** to ensure accused persons can access timely and effective legal representation.

Mains Question:

Discuss the significance of recent Supreme Court rulings on arrest safeguards in protecting Articles 21 and 22, their impact on law enforcement, and measures for effective implementation. (250 words)

Why is Spain facing a housing crisis?

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.

Why in Focus?

- Spain is facing a **severe housing crisis, marked by rapidly rising rents** and a shortage of affordable homes.
- The **crisis has triggered nationwide protests** and increased political pressure on Prime Minister Pedro Sánchez's government.

Key Highlights:

- An **87-year-old woman, María del Carmen Abascal, was evicted from her Madrid home** after an investment fund increased her rent from €500 to €2,650.
- Her eviction triggered **nationwide protests over Spain's severe housing crisis**.
- **Rental costs** in Spain have **surged by an average of 84% over the last decade**, with cities like **Malaga** and **Marbella** seeing increases of 113% and nearly 150%, respectively.
- The **average gross monthly salary** in Spain is approximately 2,460 euros, while a **50-square-metre apartment** in Madrid costs about 1,170 euros monthly.
- The **Bank of Spain** estimates a **housing shortfall of around 750,000 homes**, potentially increasing deficit by another 300,000 homes between 2026 and 2028.
- **Urbagestión, an investment fund, raised the rent of Abascal's apartment** from €500 to €2,650, showing **how investment funds can increase rents** by seeking higher returns from rental properties.

An investment fund pools money from many



investors to buy securities together.

- **1.2 million new households** were formed between 2021 and 2025, but **fewer than half a million new homes were constructed**.
- The **COVID-19 pandemic** increased material costs, further hampering construction efforts.
- Spain's **Ministry for Consumer Rights** ordered Airbnb to remove about 66,000 unlicensed listings to curb short-term rentals.

Public housing: Housing provided by the government to low-income families at a reduced cost.

- Government-owned rental properties account for **less than 2%** of Spain's total housing stock, with Madrid having only around **10,000 public housing units** for its 3.5 million residents.
- The **2009 Eurozone crisis** and the **2008 Global Financial Crisis** caused Spain's construction industry to shrink.

Implications:

- The housing crisis is exacerbated by **investment funds** purchasing properties and **significantly increasing rents, reducing affordability for residents**.
- **Tourism** contributes to the crisis as **properties are converted into short-term rentals**, limiting long-term housing availability.
- The construction industry's **inability to keep pace with demographic changes** has led to a significant housing shortfall.
- **Limited public housing options force young adults to stay with their parents longer**, indicating a lack of affordable housing.
- The **rejection of emergency housing measures** by **Congress** has intensified protests and political instability, impacting Sánchez's government.
- The far-right **Vox party** is potentially **benefiting from public discontent** and poised to gain power if they win the election.

Way Forward:

- Implement **rent control** measures to **limit rent increases and protect tenants** from exploitation by investment funds.
- Increase the construction of **public housing** to **provide affordable options** for low-income

families and reduce the housing deficit.

- **Regulate and limit the number of short-term rentals** to ensure more properties are available for long-term residents.
- Encourage **investment in construction** to address the housing shortfall and meet the demands of new households.
- Strengthen **tenant protections** to **prevent evictions and ensure housing stability** for vulnerable populations.

Mains Question:

Examine the factors behind Spain's housing crisis, including tourism, investment funds and limited public housing. Discuss its socio-economic impacts, assess government measures, and suggest strategies to ensure affordable housing and market stability. (250 words)



KEYWORDS

High-Level Committee on Demographic Changes (HLCDC)

- In the news: The Ministry of Home Affairs launched a portal inviting public input on demographic changes in India.
- The **High-Level Committee on Demographic Changes (HLCDC)** was constituted on **May 26** and is chaired by former Supreme Court judge **Prakash Prabhakar Naolekar**.
- It aims to study the **nature, causes, and consequences** of demographic changes across India.
- The portal seeks input from various stakeholders, including **Union government ministries, State governments, civil society organizations, NGOs, academic institutions, industry associations, international organizations, and individual citizens**.
- The survey focuses on demographic changes post-2011, especially in **border districts**, affecting **employment, education, healthcare, and local economies**.
- It also addresses the **identification, detention, and deportation of illegal immigrants**.
- Respondents must provide their **mobile phone number, address, and email ID** and consent to data processing.
- The portal's URL is **<https://demography.mha.gov.in>**.

Pradhan Mantri Samajik Sahayata Yojana (PMSSY)

- In the news: The Union Cabinet approved an outlay of ₹53,428 crore for the **continuation of the National Social Assistance Programme (NSAP)** from 2026-27 to 2030-31, renaming it as the **Pradhan Mantri Samajik Sahayata Yojana (PMSSY)**.
- The **Pradhan Mantri Samajik Sahayata Yojana (PMSSY)** provides **financial support to the elderly, widows, and disabled individuals in India**.

- It was previously known as the **National Social Assistance Programme (NSAP)**.
- The scheme includes sub-schemes for **old-age, widow, and disability pensions**, with a beneficiary cap of **3.09 crore individuals**.
- The Cabinet decision revised **eligibility criteria and assistance rates** for disability pension beneficiaries.
- The scheme's budget of **₹53,428 crore** is allocated for a five-year period from **2026-27 to 2030-31**.
- Unlike other welfare schemes, PMSSY does not use the **2011 Socio-Economic and Caste Census (SECC)** data to identify beneficiaries.

Places in News

Ayutthaya

- In the news: Ayutthaya is in the news due to **deliberate flooding by Thai authorities to protect Bangkok and other economic hubs from severe monsoon floods**.
- Ayutthaya is a **province in central Thailand**, located about 20 km from Bangkok, known for its **historical significance and the Ayutthaya Historical Park**, a UNESCO World Heritage Site with centuries-old temple ruins.
- The **Chao Phraya River flows through Ayutthaya**, making it prone to flooding, especially during the monsoon season.
- **Recent infrastructure changes**, like embankments and water gates, have exacerbated flooding in local communities.
- A **\$780-million flood diversion canal is planned to alleviate flooding by 2030**, designed to carry 1,200 cubic metres of water per second around the **Chao Phraya bottleneck in Ayutthaya**.



Dhahran

- In the news: Dhahran was in the news due to an attack on Saudi Aramco's headquarters, causing a fire that spread across several floors.
- Dhahran is located in the **Eastern Province of Saudi Arabia**, near the **Persian Gulf**, and is part of the **Dammam metropolitan area**, which includes Dammam and Khobar.
- It is known for being the headquarters of **Saudi Aramco**, the world's largest oil company by revenue, with facilities critical to Saudi Arabia's oil production and export operations.
- Dhahran is home to the **King Fahd University of Petroleum and Minerals**, a leading science and engineering university in the region.



Ishan Agarwal and Aniruddha Datta-Roy in Odisha's Koraput district.

- This **nocturnal gecko**, approximately **3.6 inches long**, has a comparatively large head and a yellow-orange body.
- It was **first documented in 1878** by British naturalist **Richard Henry Beddome**.
- The species inhabits **high-elevation forests** (900-1,400 metres) of the **Eastern Ghats** in Odisha and Andhra Pradesh.
- Just four individuals have been documented in the past year in Odisha's Balda hills, part of the **Nageswari reserve forest**.
- The species' habitat is threatened by activities such as **bauxite mining**, which has already led to **habitat loss in Potangi, Odisha**.



Species In News

Jeypore Ground Gecko (Cyrtodactylus jeyporensis)

- In the news: A proposed bauxite mining project in Odisha's Balda hills threatens the habitat of the rare Jeypore Ground Gecko.
- The **Jeypore Ground Gecko (Cyrtodactylus jeyporensis)** was **presumed extinct for 130 years** until rediscovered in 2010 by herpetologists