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DAILY PRACTICE QUESTIONS

BEST FOR UPSC | UP PCS EXAM

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DAILY PRACTICE QUESTIONS FROM STATIC PART

Q.1. With reference to the **Industrial Revolution in Britain**, consider the following statements:

1. The emergence of the factory system was facilitated not merely by technological inventions but also by the concentration of workers, machinery and capital under a centralised system of production.
2. The Industrial Revolution immediately eliminated the importance of traditional artisanal production because mechanised factories became economically superior in every branch of production from its very beginning.

Which of the above statements are correct?

- (a) Statement 2 only
- (b) Both statements
- (c) Neither statement
- (d) Statement 1 only

Answer: (d) Statement 1 only

Detailed Explanation:

- **Statement 1 is correct.** The factory system represented a fundamental organisational transformation in production. Workers, machines, raw materials and capital were brought together at a common workplace under supervision. Technological innovations such as mechanised spinning and weaving strengthened this process, but the Industrial Revolution was not simply a story of inventions; it involved a transformation in the **organisation of labour and capital**.
- **Statement 2 is incorrect.** The transition from artisanal production to factory production was **gradual and uneven**. Traditional artisans and domestic production continued to coexist with factories for a considerable period. Certain specialised goods continued to be produced through skilled craftsmanship because mechanisation was not equally advantageous in every sector.

The important analytical distinction is between **technological change** and **structural transformation**. Industrialisation involved both, but neither occurred uniformly or instantaneously.

The Industrial Revolution also produced significant social consequences. The factory system created a large wage-dependent working class, accelerated urbanisation and generated new forms of labour organisation. Therefore, its significance extended beyond machinery into the realms of **class relations, urban society, capitalism and labour politics**.

Q.2. Which one of the following best explains the ecological significance of **ecological succession**?

- (a) It represents the permanent replacement of one ecosystem by another without any possibility of disturbance-induced change.
- (b) It describes the relatively predictable, sequential change in species composition and community structure of an area over time, often involving changes in environmental conditions.
- (c) It occurs only in areas completely devoid of soil and therefore necessarily begins with pioneer species capable of forming soil.
- (d) It refers exclusively to seasonal changes in species abundance within an already established ecosystem.

Answer: (b)

Detailed Explanation:

Ecological succession refers to the process through which the composition and structure of a biological community change over time.

The process generally involves:

Pioneer community → intermediate stages → relatively stable community

The process can occur as **primary succession** or **secondary succession**.

- **Primary succession** begins on a surface where a biological community has not previously existed and where soil is absent or largely undeveloped.
- **Secondary succession** occurs where an existing community has been disturbed but the soil and some biological components remain.

Therefore, succession does **not necessarily begin with soil formation**. That is a characteristic associated particularly with primary succession.

The significance of succession is that organisms themselves can alter environmental conditions. For example, vegetation can modify soil properties, nutrient availability, moisture and microclimate, thereby influencing which species can subsequently establish themselves.

The process is also **not irreversible**. Fire, floods, cyclones, human activities, invasive species and other disturbances can alter or restart successional trajectories.

Thus, ecological succession should be understood as a **dynamic process of community development and replacement**, rather than a simple seasonal fluctuation or an absolutely irreversible progression towards a predetermined ecosystem.

Q.3. With reference to the **external sector of an economy**, consider the following statements:

1. A current account deficit necessarily implies that the country is experiencing a net overall balance-of-payments deficit.
2. A country may finance a current account deficit through net capital inflows without experiencing an immediate overall balance-of-payments deficit.
3. A depreciation of the domestic currency can improve the trade balance, but the outcome depends partly on the responsiveness of export and import quantities to changes in relative prices.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

Answer: (b) Only two

Detailed Explanation:

- **Statement 1 is incorrect.** A **current account deficit (CAD)** does not necessarily mean that the overall Balance of Payments (BoP) is in deficit. A country may attract sufficient capital and financial inflows to finance the current account deficit.

- **Statement 2 is correct.** If capital and financial inflows adequately finance the current account deficit, the overall external balance may remain manageable. This is one reason why the composition and stability of capital flows are important for external-sector sustainability.
- **Statement 3 is correct.** Currency depreciation makes exports relatively cheaper for foreign buyers and imports relatively more expensive domestically. However, the improvement in the trade balance depends on the **price elasticity of demand** for exports and imports. This is associated with the **Marshall–Lerner condition**.

A further complication is the **J-curve effect**. Following depreciation, the trade balance may initially deteriorate because existing import commitments continue to be priced at earlier quantities and contracts. Over time, if export and import volumes respond sufficiently to changed relative prices, the trade balance may improve.

The question therefore distinguishes:

Current Account Balance $\neq$ Overall BoP Balance

and

Currency depreciation $\neq$ Automatic improvement in trade balance.

These distinctions are particularly important in analysing exchange-rate movements and external-sector stability.

Q.4. With reference to **Indian politics and the functioning of democratic institutions**, consider the following statements:

1. The anti-defection framework seeks to address political instability arising from certain forms of changing party affiliation by legislators.
2. The existence of an anti-defection law completely eliminates the possibility of political realignment within a legislature.
3. The Speaker or Chairman's role under the Tenth Schedule has been subject to constitutional scrutiny because decisions under the anti-defection framework can have significant consequences for legislative composition.
4. The anti-defection law makes every disagreement by a legislator with the leadership of the political party an automatic ground for disqualification.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

Answer: (b) Only two

Detailed Explanation:

- **Statement 1 is correct.** The **Tenth Schedule**, inserted through the 52nd Constitutional Amendment Act, 1985, was designed to curb political defections and promote stability in legislatures.

- **Statement 2 is incorrect.** The law does not completely eliminate political realignment. Political parties can merge under specified constitutional conditions, and legislators may also change political positions through constitutionally permissible mechanisms.
- **Statement 3 is correct.** The adjudicatory role assigned to the **Speaker of the House or Chairman** under the Tenth Schedule has generated substantial constitutional debate. In *Kihoto Hollohan v. Zachillhu*, the Supreme Court upheld the broad constitutional validity of the anti-defection law while recognising the possibility of judicial review of the adjudicating authority's decision.
- **Statement 4 is incorrect.** Mere disagreement with party leadership does not automatically result in disqualification. The Tenth Schedule specifies circumstances such as **voluntarily giving up membership of the political party** or voting/abstaining contrary to the party direction in circumstances covered by the Schedule.

The deeper constitutional dilemma is between two competing objectives:

Political stability and party discipline

versus

Representative freedom and legislative deliberation.

The anti-defection framework attempts to balance these objectives, although concerns remain that excessive party control can weaken the deliberative role of individual legislators.

Q.5. Consider the following:

Assertion (A): The occurrence of **jet streams** at high altitudes is closely associated with strong horizontal temperature gradients in the atmosphere.

Reason I: A strong horizontal temperature gradient produces a corresponding horizontal pressure gradient with height, which contributes to the development of strong upper-air winds.

Reason II: Jet streams are confined to the lower atmospheric boundary layer because friction with the Earth's surface is necessary for their formation and maintenance.

Which one of the following is correct?

- (a) Assertion is correct, and both Reason I and Reason II are correct, and both correctly explain the Assertion.
- (b) Assertion is correct, Reason I is correct but Reason II is incorrect.
- (c) Assertion is incorrect, but both Reason I and Reason II are correct.
- (d) Assertion is correct, but both Reason I and Reason II are incorrect.

Answer: (b)

Detailed Explanation:

The **Assertion is correct**. Jet streams are narrow bands of very strong winds occurring predominantly in the **upper troposphere**, particularly near the tropopause. Their formation and intensity are closely related to strong horizontal temperature contrasts.

Reason I — Correct

A strong horizontal temperature gradient produces differences in atmospheric pressure with height. Through the **thermal-wind relationship**, stronger horizontal temperature gradients are associated with stronger

vertical changes in geostrophic wind speed. This helps explain the concentration of very strong winds near the tropopause.

The **polar front jet stream**, for example, is strongly associated with the temperature contrast between relatively cold polar air and warmer air at lower latitudes.

Reason II — Incorrect

Jet streams are **not confined to the lower atmospheric boundary layer**. In fact, they are primarily **upper-tropospheric phenomena**. Friction with the Earth's surface is relatively important in the planetary boundary layer but becomes much less significant at the altitudes where jet streams occur.

Therefore:

Strong horizontal temperature gradient → pressure-gradient variation with height → strong upper-level winds → jet stream

The question also highlights an important UPSC distinction between **surface winds** and **upper-air circulation**. Surface friction significantly influences near-surface winds, whereas the large-scale structure of jet streams is primarily governed by pressure gradients, Earth's rotation and atmospheric temperature distribution.

DAILY PRACTICE QUESTIONS FROM CURRENT AFFAIRS

Q.1. With reference to **Samudra Manthan (National Offshore Exploration Scheme)**, consider the following statements:

1. It is a Central Sector Scheme under the Ministry of Petroleum and Natural Gas intended to reduce the financial and technological risks associated with domestic offshore hydrocarbon exploration.
2. Its financial support is restricted exclusively to exploratory drilling and does not extend to seismic data acquisition or common offshore evacuation infrastructure.

Which of the above statements are correct?

- (a) Statement 2 only
- (b) Both
- (c) Neither
- (d) Statement 1 only

Answer: (d) Statement 1 only

Detailed Explanation:

- **Statement 1 is correct.** Samudra Manthan is a **Central Sector Scheme** under the Ministry of Petroleum and Natural Gas, with a reported outlay of **₹84,084 crore up to FY 2030–31**. Its objective is to de-risk and accelerate offshore oil and gas exploration, particularly in deepwater and frontier basins.
- **Statement 2 is incorrect.** The scheme follows a much broader value-chain approach. Apart from support for deepwater and ultra-deepwater drilling, it provides for:

- large-scale **seismic data acquisition and interpretation**;
- common production and evacuation infrastructure;
- manufacturing and services zones; and
- digital governance and capacity building.

Notably, the scheme allocates substantial resources for seismic data and common evacuation infrastructure.

The analytical significance is that the government is attempting to address the **risk structure of offshore exploration as a whole**, rather than merely subsidising individual drilling operations.

Q.2. The **Pradhan Mantri Surya Sarovar Yojana (PM-SSY)** primarily seeks to promote:

- (a) Large-scale rooftop solarisation of residential buildings with mandatory net metering.
- (b) Floating solar photovoltaic projects on reservoirs and other inland water bodies, coupled with energy-storage systems.
- (c) Solar-powered irrigation pumps exclusively for small and marginal farmers.
- (d) Offshore floating wind-solar hybrid parks along India's coastal economic zone.

Answer: (b)

Detailed Explanation:

PM-SSY is a renewable-energy scheme designed around **floating solar photovoltaic (FSPV)** projects on reservoirs, dams and other inland water bodies. It is under the **Ministry of New and Renewable Energy (MNRE)**, with the **Solar Energy Corporation of India (SECI)** as the implementing agency.

The scheme has a reported outlay of **₹5,070 crore** and targets the addition of **5,000 MW of floating solar capacity**, accompanied by **10,000 MWh of energy storage**, during FY 2026–27 to FY 2030–31.

Its significance extends beyond renewable-energy generation. Floating solar can:

- reduce competition for scarce land;
- potentially reduce water evaporation through surface shading;
- facilitate co-location with existing reservoirs;
- improve renewable-energy integration when combined with storage; and
- create demand for domestic manufacturing of floating platforms, mooring systems, modules and batteries.

A key UPSC trap is to confuse **floating solar on inland water bodies** with **offshore marine solar**.

Q.3. With reference to the **revamped Khelo India Scheme**, consider the following statements:

1. The revamped framework seeks to create a structured pathway connecting school-level sports development with higher-level athlete training and competitive excellence.
2. The introduction of Emerging Khelo India Athletes (E-KIAs) is intended to expand the pool of athletes receiving structured professional and scientific support.

3. The revamped scheme confines its institutional training ecosystem to National Centres of Excellence and excludes State-level and other specialised training centres.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

Answer: (b) Only two

Detailed Explanation:

- **Statement 1 is correct.** The revamped framework seeks to establish a continuum from **school-level sports participation and talent identification** to Khelo India Centres and higher-performance systems. Initiatives such as **Khelo India Feeder Schools (KIFS)** and **Khelo India Utkrishta Vidyalayas (KIUV)** are intended to strengthen early identification and development of sporting talent.
- **Statement 2 is correct.** The **Emerging Khelo India Athletes (E-KIAs)** category has been introduced alongside existing Khelo India Athletes (KIAs), expanding the structured athlete-development ecosystem.
- **Statement 3 is incorrect.** The training ecosystem is explicitly broader than NCOEs. It includes:
 - **National Centres of Excellence (NCOEs);**
 - **Khelo India State Centres of Excellence (KISCEs);**
 - **SAI Training Centres (STCs);** and
 - **Youth Sports Companies (YSCs)** operated by the Armed Forces.

The deeper reform is therefore a shift from isolated sports infrastructure towards an **integrated athlete-development pipeline** involving schools, states, specialised training, coaching and sports science.

Q.4. With reference to the **Favara–UPI Cross-Border Payment Corridor**, consider the following statements:

1. It integrates the Maldives' Favara Instant Payment System with India's Unified Payments Interface.
2. The initial arrangement facilitates real-time person-to-person transfers from Maldives to UPI-enabled Indian bank accounts.
3. The corridor was initially designed exclusively for QR-based merchant payments by Indian tourists in the Maldives.
4. The arrangement involves cooperation among the Maldives Monetary Authority, the Reserve Bank of India and NPCI International Payments Limited.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

Answer: (c) Only three

Detailed Explanation:

- **Statement 1 is correct.** The corridor integrates the Maldives' **Favara Instant Payment System** with India's **UPI**.
- **Statement 2 is correct.** The initial arrangement enables **real-time P2P transfers**, allowing funds to move from MVR into UPI-enabled INR bank accounts in India.
- **Statement 3 is incorrect.** QR-based merchant payments are identified as a **future expansion**. The initial facility focuses on person-to-person remittances, including permitted categories such as family-maintenance and gift-related remittances.
- **Statement 4 is correct.** Institutional cooperation includes the **Maldives Monetary Authority (MMA)**, **RBI**, **NPCI International Payments Limited (NIPL)** and participating financial institutions.

The broader significance lies in India's **Digital Public Infrastructure (DPI) diplomacy**. Cross-border interoperability of instant-payment systems can reduce transaction costs and improve financial connectivity without requiring users to rely exclusively on traditional correspondent-banking mechanisms.

Q.5. With reference to the use of **pellet guns for crowd control in India**, consider the following statements:

1. Their classification as less-lethal weapons implies that their use is legally and operationally permissible irrespective of the nature and intensity of the threat posed by an assembly.
2. The principle of proportionality requires the force used by law-enforcement agencies to correspond to the nature of the threat and to cease when the necessity for such force no longer exists.
3. The wide dispersion pattern of pellets creates a particular risk of injury to persons other than the intended target.

How many of the above statements are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

Answer: (b) Only two

Detailed Explanation:

- **Statement 1 is incorrect.** The description of pellet guns as **less-lethal** does not mean that their use is unrestricted. The current framework described in the reported context emphasises **necessity, proportionality and exceptional/last-resort use**.
- **Statement 2 is correct.** Proportionality means that the force employed must correspond to the threat and must not continue once the necessity for such force has ceased. The reported operational framework places pellet guns within a **graded escalation of force**.
- **Statement 3 is correct.** A single cartridge can release a large number of pellets that disperse over a broad area. This creates the possibility of injury to bystanders and peaceful protesters and is one of the major human-rights concerns associated with their use.

The UPSC-level conceptual issue here is the distinction between “less-lethal” and “non-harmful.” Less-lethal weapons are designed to reduce the likelihood of fatality compared with conventional firearms, but they can still cause severe or permanent injuries. Therefore, their deployment remains subject to **necessity, proportionality and operational safeguards**.

Q.6. With reference to **Broad Peak**, recently in the news, consider the following statements:

1. It is located in the Karakoram mountain range.
2. It lies in close proximity to K2.
3. It is located in the Himalayan range to the east of Nepal.

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

Answer: (b) 1 and 2 only

Detailed Explanation:

- **Statement 1 is correct.** Broad Peak is situated in the **Karakoram Range**.
- **Statement 2 is correct.** It lies approximately **8 km southeast of K2**, making the spatial relationship between the two peaks particularly important for map-based questions.
- **Statement 3 is incorrect.** Broad Peak is **not in the Himalayan range east of Nepal**. It belongs to the Karakoram region in the northwestern part of the broader Himalayan mountain system.

Broad Peak has an elevation of approximately **8,051 metres** and is counted among the world's highest mountains. It is situated in the **Gasherbrum massif region**, close to K2.

Map-based memory aid:

Karakoram → K2 → Broad Peak → Gasherbrum massif

DAILY PRACTICE QUESTIONS FOR MAINS ANSWER WRITING PRACTICE

GS Paper I: Indian Society / Modern Indian History

Q.1 “The relationship between peasants, zamindars and the colonial state in eighteenth-century India was characterised neither by complete exploitation nor by harmonious cooperation, but by a complex process of negotiation and contestation.” Discuss.

NCERT Reference: *Themes in Indian History – Part I*, Class XII — Chapter 8, **Peasants, Zamindars and the State: Agrarian Society and the Mughal Empire (c. 16th–17th Centuries).**

Model Answer

The agrarian structure of pre-colonial India was not simply a binary relationship between an oppressive state and an exploited peasantry. It consisted of a complex network involving **peasants, zamindars, local intermediaries, village communities and the Mughal state**, each possessing different forms of economic and social power. The relationship was therefore characterised by both cooperation and contestation.

The Mughal Empire depended heavily upon agricultural production because land revenue constituted the principal source of state income. The state attempted to assess agricultural production and collect revenue through an elaborate administrative apparatus. However, the state generally did not directly cultivate the land. The actual production process depended upon peasants who possessed customary rights and knowledge of cultivation.

The **zamindars** occupied an intermediary but powerful position. They could possess hereditary rights over land, collect revenue and exercise considerable influence within villages. Their authority was derived not merely from formal state recognition but also from social status, control over resources and connections with local communities.

Consequently, the relationship between zamindars and peasants was ambivalent. Zamindars could extract resources from peasants, but they could also provide protection, facilitate cultivation and participate in the expansion of agricultural settlements. Their interests therefore did not always coincide with those of the imperial state.



Peasants themselves were not passive victims. Historical evidence indicates that they possessed considerable agency. They could migrate, resist excessive demands, alter cropping patterns and, in extreme circumstances, participate in collective rebellion. Peasant resistance could therefore become an important indicator of the limits of state extraction.

The role of the state

The Mughal state attempted to maximise revenue without completely destroying agricultural productivity. Excessive extraction could reduce cultivation and consequently diminish future revenue. This created an inherent tension between **short-term revenue maximisation and long-term agrarian stability**.

The expansion of cash crops also connected rural production to wider markets. Commercialisation increased opportunities for prosperous peasants and merchants, but it could simultaneously expose poorer cultivators to indebtedness and market fluctuations.

Thus, agrarian relations were characterised by **negotiation, dependence, extraction and resistance**.

The significance of this historical experience lies in demonstrating that rural society cannot be understood through a simple oppressor–victim framework. Power was distributed across multiple levels, and peasants retained varying degrees of agency.

Therefore, the agrarian system was sustained through a **delicate equilibrium between state revenue requirements, zamindari interests and peasant production**. Whenever this equilibrium was disturbed by excessive extraction, political instability or environmental stress, resistance and conflict became more likely.

GS Paper II: Governance

Q.2 “The effectiveness of governance in a federal democracy depends not merely on constitutional allocation of powers but also on the quality of inter-governmental coordination.” Discuss with reference to Indian federalism.

NCERT Reference: *Politics in India Since Independence*, Class XII — Chapter 7, **Regional Aspirations**; *Indian Constitution at Work*, Class XI — Federalism and Centre-State Relations.

Model Answer

India's federal system combines constitutional division of powers with a relatively strong Union. However, effective governance in such a diverse country cannot depend solely upon formal constitutional allocation. It requires continuous **cooperation, consultation, coordination and institutional dialogue between the Union and States**.

The Constitution distributes legislative powers through the **Union, State and Concurrent Lists** under the Seventh Schedule. Financial relations, administrative responsibilities and constitutional mechanisms such as the Finance Commission further structure Centre-State relations. Nevertheless, many contemporary policy challenges—climate change, public health, migration, internal security, infrastructure and disaster management—cut across jurisdictional boundaries.

This makes **cooperative federalism** essential.

For instance, the **GST Council** represents a significant institutional experiment in fiscal federalism. It brings the Union and States together to deliberate on taxation matters. Similarly, the Finance Commission facilitates the distribution of financial resources between the Union and States, thereby addressing horizontal and vertical fiscal imbalances.

The **Inter-State Council**, Zonal Councils and other coordination mechanisms can also contribute to dialogue and conflict resolution.

However, Indian federalism faces several challenges.

First, **fiscal asymmetry** gives the Union substantial financial influence. States often argue that expenditure responsibilities have expanded faster than their independent revenue-generating capacity.

Second, disputes regarding the **Governor's role**, centrally sponsored schemes, investigation agencies, administrative jurisdiction and the use of Article 356 have periodically generated Centre-State tensions.

Third, regional aspirations can create demands for greater autonomy. The experience of linguistic reorganisation demonstrates that India's federal structure has historically evolved through accommodation rather than rigid centralisation.

Governance dimension

Effective federal governance requires institutional mechanisms that transform political disagreement into structured negotiation.

The following measures can strengthen federal governance:

- Regular meetings of the Inter-State Council.
- Greater consultation with States before major legislative and policy decisions affecting them.
- Strengthening fiscal predictability.
- Rationalisation of centrally sponsored schemes.
- Greater functional and financial empowerment of local governments.
- Institutionalised mechanisms for resolving inter-state disputes.
- Respect for constitutional conventions concerning Governors.

The **Punchhi Commission and Sarkaria Commission** have both emphasised the importance of consultation and cooperative functioning in Centre-State relations.

At the same time, cooperative federalism does not imply the absence of political disagreement. A healthy federation permits disagreement while providing institutions through which disagreements can be negotiated.

Therefore, Indian federalism should be understood not merely as a constitutional division of subjects but as a **continuous political process of accommodation**. The quality of governance ultimately depends upon whether the Union and States view one another as competing authorities or as complementary constitutional partners.

GS Paper III: Economy

Q.3 “For an emerging economy such as India, external-sector stability is not synonymous with exchange-rate stability.” Explain the distinction and examine the factors that determine India's external-sector resilience.

NCERT Reference: *Introductory Macroeconomics*, Class XII — Chapter 6, **Open Economy Macroeconomics**.

Model Answer

External-sector stability refers to an economy's ability to manage its international transactions without generating unsustainable external imbalances, excessive vulnerability to sudden capital-flow reversals or persistent pressure on foreign-exchange resources. It is therefore much broader than merely maintaining a stable exchange rate.

The **exchange rate** represents the price of one currency in terms of another. A currency may depreciate or appreciate without necessarily indicating external-sector instability. Indeed, a flexible exchange rate can sometimes act as a shock absorber by allowing the currency to adjust to changes in global conditions.

India's external sector is influenced by several components.

1. Current account

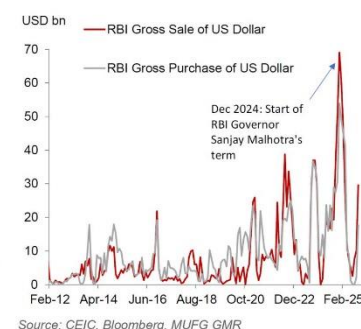
The current account includes trade in goods and services, income flows and transfers. India's merchandise trade balance is structurally influenced by its dependence on imported crude oil, gold and certain intermediate and capital goods.

At the same time, India possesses a significant strength in **services exports**, particularly information technology, business services and professional services.

CHART 4: THE INDIAN RUPEE HAS ENDURED A DIFFICULT AND MORE VOLATILE SPELL, GIVEN A CHANGE IN THE UNDERLYING FX FLOW DYNAMICS



CHART 5: RBI'S FX INTERVENTION STRATEGY HAS ALSO BEEN EVOLVING SINCE RBI GOVERNOR SANJAY MALHOTRA STARTED HIS TENURE, AND MOVING AWAY FROM DAMPENING TWO-WAY SWINGS



2. Capital and financial flows

Foreign Direct Investment (FDI), portfolio investment and external borrowing can finance current-account gaps and support investment. However, portfolio flows can be volatile and may reverse rapidly during global financial stress.

Therefore, the **quality and stability of capital inflows** matter as much as their magnitude.

3. Foreign-exchange reserves

Adequate foreign-exchange reserves provide a buffer against external shocks. They enhance confidence and allow the monetary authority to manage disorderly market conditions.

4. Exchange-rate flexibility

A depreciation of the rupee can improve export competitiveness, but it can simultaneously increase the domestic-currency cost of imports. The ultimate effect depends on the structure of trade and price elasticities.

The relationship is also complicated by the **J-curve effect**, under which the trade balance may initially worsen following depreciation before improving as quantities adjust.

5. Global vulnerabilities

India remains exposed to:

- crude-oil price shocks;
- geopolitical disruptions;
- global interest-rate changes;
- supply-chain disruptions;
- sudden capital outflows;
- slowdown in major export markets.

Way Forward

External resilience requires more than defending a particular exchange-rate level. India should:

- diversify export products and destinations;
- deepen domestic manufacturing;

- reduce excessive dependence on imported energy;
- strengthen services exports;
- attract stable long-term capital;
- maintain adequate reserves;
- improve logistics and trade infrastructure;
- pursue prudent external borrowing.

The central distinction is therefore:

Exchange-rate stability → stability in the price of the currency.

External-sector stability → sustainability of the entire international economic position.

India should consequently focus on building an economy capable of absorbing external shocks rather than attempting to permanently maintain a particular exchange-rate level. A flexible currency, diversified exports, stable capital inflows and adequate reserves together create a more resilient external sector.

GS Paper IV: Ethics, Integrity and Aptitude

Q.4 “Ethical decision-making in public administration often requires balancing competing values rather than choosing between an absolute right and an absolute wrong.” Discuss with suitable examples.

NCERT/Reference Framework: UPSC GS Paper IV — **Ethical Decision-Making, Emotional Intelligence, Integrity and Public Service Values;** *Indian Constitution at Work*, Class XI.

Model Answer

Public administration frequently operates in situations where competing ethical values collide. An administrator may have to balance **transparency with privacy, compassion with procedural fairness, development with environmental protection, and political responsiveness with constitutional neutrality**. Therefore, ethical decision-making cannot always be reduced to identifying an obviously right or wrong option.

Consider a district administration dealing with the demolition of an illegal settlement situated on government land. From the perspective of **rule of law**, removal may be necessary. However, from the perspective of **compassion and social justice**, immediate demolition without rehabilitation could cause severe hardship to vulnerable families.

The ethical challenge is therefore not simply:

“Should the encroachment be removed?”

but rather:

“How can the rule of law be upheld while minimising avoidable human suffering?”

An ethically mature administrator may therefore provide lawful notice, conduct verification, identify vulnerable households, coordinate rehabilitation and then enforce the law.

Similarly, environmental governance often involves a conflict between **development and ecological sustainability**. A major infrastructure project may generate employment and connectivity but threaten forests or local livelihoods. The ethical response should not automatically favour either development or conservation. Instead, the administrator should examine alternatives, environmental impacts, rehabilitation requirements and long-term public interest.

Ethical principles involved

Several values can guide such decisions:

- **Integrity** — remaining faithful to constitutional and professional principles.
- **Impartiality** — avoiding favouritism.
- **Objectivity** — relying on evidence rather than pressure.
- **Empathy** — understanding the human consequences of decisions.
- **Justice** — ensuring fair distribution of benefits and burdens.
- **Accountability** — accepting responsibility for decisions.
- **Compassion** — preventing unnecessary suffering.

The distinction between **legality and morality** is also important. An action may technically comply with a rule but still produce an unjust outcome. Conversely, an apparently compassionate action may violate legal requirements and create arbitrary administration.

Hence, ethical governance requires **constitutional morality**, not merely personal morality.

Role of emotional intelligence

Emotional intelligence can help administrators recognise the concerns of different stakeholders without becoming emotionally captured by any particular group. Empathy can improve understanding, while self-regulation prevents impulsive decisions.

However, empathy must operate within the boundaries of **law and fairness**. Selective compassion can itself become discriminatory.

Way Forward

Fundamental Principles to Solve Ethical Dilemma



The provisions of Indian Constitution



Democratic accountability of administration



The rule of law and the principle of legality



Professional integrity, impartiality and neutrality



Larger public good



Responsiveness to society

Ethical decision-making can be strengthened through:

1. clear codes of conduct;
2. transparent decision-making;
3. stakeholder consultation;
4. ethical impact assessment;
5. institutional checks and balances;
6. reasoned written orders;
7. training in constitutional values and emotional intelligence.

Ultimately, ethical administration is not about finding a perfect solution in every situation. It is about selecting the **most justifiable course of action after systematically balancing competing values, considering consequences and remaining faithful to constitutional principles.**

Current Affairs: Western Ghats Conservation & Ecologically Sensitive Areas Debate

Q.5 “The prolonged debate over declaring parts of the Western Ghats as Ecologically Sensitive Areas demonstrates that environmental governance in India is as much a question of federalism and livelihood security as it is of biodiversity conservation.” Critically examine.

Model Answer

The **Western Ghats** are among India's most ecologically significant landscapes, recognised for exceptional biodiversity, high endemism, forest ecosystems, watershed functions and influence on the Indian monsoon. Yet attempts to establish an **Ecologically Sensitive Area (ESA)** across portions of the Western Ghats have remained contentious because conservation objectives intersect with questions of livelihoods, development, federalism and local participation.

The debate has its intellectual roots in the **Western Ghats Ecology Expert Panel (WGEEP)** headed by Madhav Gadgil and the subsequent **High Level Working Group (HLWG)** headed by K. Kasturirangan. The Gadgil approach advocated a relatively broader and more graded ecological protection framework, whereas the Kasturirangan approach sought a more targeted focus on ecologically valuable **natural landscapes**. The Union government has subsequently issued multiple draft notifications, with state governments and local stakeholders raising concerns over their implications.

The current debate again intensified in 2026, with the Centre issuing a **seventh draft notification** proposing approximately **56,825 sq km** as ESA across the six Western Ghats states. Local opposition in parts of Karnataka has focused on concerns that ESA designation could restrict development and affect livelihoods.

Why conservation is essential

The ecological case for stronger protection is compelling.

The Western Ghats:

- contain high levels of endemic biodiversity;
- regulate major river systems;

- influence rainfall patterns;
- support forests and wildlife habitats;
- provide ecosystem services to millions of people;
- act as important carbon and water reservoirs.

Recent scientific discoveries reinforce its ecological significance. In July 2026, researchers identified **five new species of Allographa**, a genus of lichen-forming fungi, in the Western Ghats. Such discoveries demonstrate that significant biological diversity remains incompletely documented.

At the same time, unregulated construction, mining, quarrying, infrastructure expansion, deforestation and land-use changes can increase ecological vulnerability, including landslide and watershed risks.

Why the opposition exists

ESA designation is often perceived locally as a threat to:

- agricultural livelihoods;
- housing and settlement expansion;
- infrastructure development;
- quarrying and local economic activity;
- land-use flexibility.

The challenge is therefore not simply **environment versus development**. Many local communities themselves depend upon healthy ecosystems for agriculture, water and livelihoods.

Federalism dimension

The Western Ghats ESA issue involves **six States — Gujarat, Maharashtra, Goa, Karnataka, Kerala and Tamil Nadu**.

Environmental governance is constitutionally shared across multiple levels of government, while land, agriculture, local development and livelihood concerns involve substantial State and local interests. Consequently, a uniform top-down model can generate political resistance.

The solution should therefore be based on **cooperative environmental federalism**.

Way Forward

A sustainable framework should include:

1. Scientific zoning:

Not every part of the Western Ghats requires identical restrictions. Ecologically critical landscapes should receive stronger protection.

2. Local participation:

Gram Panchayats, local communities, farmers and tribal groups should participate meaningfully in decision-making.

3. Incentive-based conservation:

States and local communities should receive financial incentives for maintaining ecosystem services.

4. Sustainable development:

Activities compatible with ecological carrying capacity should be distinguished from highly destructive activities.

5. Cumulative-impact assessment:

Projects should be assessed not only individually but also for their combined impact on landscapes, watersheds and biodiversity.

6. Disaster-resilience approach:

Land-use planning should incorporate landslide, flood and climate-risk assessments.

The Western Ghats debate therefore illustrates a larger principle of environmental governance: **conservation cannot be durable when local communities perceive it as an externally imposed restriction, while development cannot be sustainable when ecological carrying capacity is ignored.**

India needs a model combining **scientific evidence + federal consultation + local participation + livelihood security + ecological limits**. Such an approach can convert the Western Ghats from a recurring Centre-State conflict into a model of cooperative and participatory environmental governance.

