

Parliamentary Panel highlights Systemic challenges with the working of IBC

Standing Committee on Finance in its 28th Report expressed concern over the **low recovery rate** against total admitted claims under the **Insolvency and Bankruptcy Code (IBC)**.

Successes and Behavioural changes due to IBC

- **Post-Resolution Revival:** Resolved firms demonstrated significant operational and financial turnarounds, with average sales increasing by 76% in the three years following resolution and total assets growing by approximately 50%.
- **Improved Credit Culture:** Substantial reduction in the average number of days loan accounts remain "Overdue," dropping from a range of 248–344 days to 30–87 days post-IBC.
- **Debt Settlement outside the Code:** The IBC's deterrent effect has led to the settlement of significant debt before formal admission.

Core challenges impeding IBC's effectiveness

- **Time Overruns:** Due to vacant judicial/ staff positions in NCLT/ NCLAT, procedural ambiguities with the Adjudicating Authorities, etc.
- **Low realization and excessive 'Haircuts':** Due to value erosion of assets as companies enter IBC process at late stage of distress, lack of transparency and accountability in the valuation process, etc.
- **Jurisdictional conflicts:** Conflict between IBC and the Prevention of Money Laundering Act (2002), litigants frequently approach High Courts under Article 226/227 of the Constitution to obtain stays or injunctions, etc.

Key Recommendations

- **Institutional Capacity enhancement:** Immediately expedite the creation of additional NCLT benches, notify dedicated "Adjudicating Authority Rules" for IBC, etc.
- **Process streamlining:** Accelerate the development and implementation of the **Integrated Technology Platform (iPIE)** to serve as a "single source of truth", mandate an upfront threshold deposit for unsuccessful resolution applicants to deter frivolous litigations, etc.
- **Enhancing Value realization:** Shift the focus of asset valuation from liquidation value to **enterprise value**, global outreach and transparent e-auction platforms to foster greater competition, etc.

Supreme Court rules that Illegal Immigrants have no Legal Rights in India

While hearing a **Habeas Corpus petition**, alleging the disappearance of a few Rohingyas from the custody of authorities, Court observed that the benefits and amenities should be concentrated on citizens of the country rather than on someone who has entered illegally.

Supreme Court's Key Observations

- **On legal status of Rohingyas:** Court challenged the classification of Rohingyas as refugees, emphasizing the need for an official government declaration.
 - ⌚ The illegal status, hence, negates legal rights within the country.
- **On obligations for illegal entrants:** While acknowledging a baseline Humanitarian treatment of entrants, Court expressed skepticism about non-citizens demanding legal rights after entering illegally.
- **On National priorities and Security:** Court emphasized the needs of India's own population over those of illegal migrants and the strategic importance of border control, particularly in the northeast.

Legal Provisions related to Refugees

- **International Law: 1951 Refugee Convention:** Defines the term 'refugee' and outline their rights and the international standards of treatment for their protection.
 - ⌚ India is **not** a signatory to this Convention or its **1967 Protocol**.
 - ⌚ **Customary Law:** India accepts the principle of **Non-Refoulement** (no forced return to persecution) as a norm of customary international law.
- **Domestic Laws:** Refugees are governed by the **Foreigners Act, 1946, Registration of Foreigners Act, 1939, Passports Act, 1967, and the Citizenship Act, 1955**.
- **Ad-hoc mechanism:** Refugee status is granted via "**strategic ambiguity**" using executive/administrative channels rather than legislative ones. Management is divided:
 - ⌚ **Union Ministry of Home Affairs:** Directly manages Sri Lankan Tamils and Tibetan refugees.
 - ⌚ **UNHCR:** Manages other groups (Rohingya, Afghans, Myanmar, African nationals).
- **India granted refugee status to:** Tibetan Refugees, Sri Lankan Tamil Refugees, Chakma and Hajong Refugees, etc.

Parliamentary Panel highlights adverse impact of rising medicine prices on Common Citizens

Standing Committee on Chemicals and Fertilisers raised concerns over excessive profiteering, delayed policy reforms, and the absence of effective legal mechanisms to ensure affordable access to essential drugs.

Key Findings of the Report

- **Medicines are costly due to huge profit margins:** Many commonly used medicines have extremely high markups sometimes between 500% and 1800% making them unaffordable for ordinary citizens.
- **Price control applies only to some medicines:** Only medicines listed as essential under the National List of Essential Medicines (NLEM) are price-controlled. Other medicines (non-scheduled drugs) are not regulated at the initial pricing stage, allowing companies to set very high MRPs.
- **Weak transparency in pricing:** The government and NPPA do not have access to real cost data such as Price to Stockist (PTS), which hides how much profit is added at each level.
- **Trade Margin Rationalisation (TMR) delayed:** Although TMR for capping trade margins was tested earlier and showed good results in reducing prices of cancer drugs, it has not yet been made a permanent policy, despite years of discussion.

Key Recommendations

- **Trade Margin Rationalisation (TMR):** Make TMR a legal and permanent tool so that drug prices cannot be inflated across the supply chain.
- **Control non-scheduled drug prices:** Put a mechanism in place to check runaway pricing of commonly used medicines that are currently outside strict regulation.
- **Reduce and monitor stent prices:** Ensure that stents are never sold above NPPA-fixed prices and take steps to lower their cost further.
- **Make cancer drug pricing transparent:** Create a system to collect real-time pricing data from companies, hospitals, and online sellers. Regulate online platforms to ensure genuine products and fair prices.

Drug Regulatory and Institutional Framework

- **Department of Pharmaceuticals (DoP):** Within the Union Ministry of Chemicals and Fertilizers.
- **National Pharmaceutical Pricing Authority (NPPA):** Independent body under the Department of Pharmaceuticals tasked with implementing and enforcing the Drugs (Prices Control) Order (DPCO).
- **Drugs (Prices Control) Order (DPCO), 2013:** Regulates prices based on the National List of Essential Medicines (NLEM).
- **National Pharmaceutical Pricing Policy (NPPP), 2012:** aims to ensure availability of essential medicines at reasonable prices.

FAO publishes The State of the World's Land and Water Resources for Food and Agriculture (SOLAW) 2025

Published every two years, SOLAW 2025 focuses on the **hidden and untapped potential of land, soil and water resources** to enhance sustainable agricultural production, food security, resilience, and ecosystem services.

Key Highlights of Report

- **Core Challenges:** By 2050, increase in global population require **agriculture to produce 50% more food, feed and fibre** than in 2012, alongside 25% more freshwater while expanding agricultural area is no longer viable.
 - ⊕ Over **60% of human-induced land degradation occurs on agricultural lands** and agriculture accounts for more than 70% of global freshwater withdrawal.
 - ⊕ Intensive agricultural practices and unsustainable use of chemicals increasingly **lead to pollution and the depletion of land, soil and water resources.**
- **Potential for Sustainable Agricultural Production:**
 - ⊕ **Increase Land Productivity:** By reducing the yield gap, selecting resilient crops suited to local conditions and adopting sustainable management practices.
 - ⊕ **Increasing Productivity of Rainfed Agriculture:** By scaling up conservation agriculture, and drought-resilient practices such as soil moisture conservation, crop diversification etc.
 - ◆ For instance, in Gorakhpur, India, **management of effective microorganisms**, significantly increased farmers' incomes.
 - ⊕ **Integrating Systems:** Such as agroforestry, rotational grazing and forage improvement, as well as rice-fish farming.
 - ⊕ **Institutional Capacity Development:** Through modern extension approaches including training programmes like **FAO's Farmer Field Schools (FFS)**.
 - ◆ In Andhra Pradesh, FFS approach has supported the **Community Managed Natural Farming initiative**, regenerating ecosystems and improving livelihoods.



Bioremediation provides a sustainable approach to Environmental Restoration

Bioremediation is emerging as a **low-cost and key sustainable tool** for India's worsening **pollution crisis**.

Bioremediation

- Bioremediation is the process of **treating and detoxifying environmental contaminants** (oil, pesticides, plastics, sewage, heavy metals etc.) in soil, water or other environments by taking advantage of natural biological processes.
- It can be done using plants (phytoremediation), microbes (biostimulation), fungi (mycoremediation) or even animals such as fish (biomanipulation).
- **Types of Bioremediation:**
 - ⊕ **In situ** – Treatment at the contaminated site (e.g., **oil-eating bacteria like Oilzapper sprayed on spills**).
 - ⊕ **Ex situ** – Contaminated material is removed, and **treated in a facility** using methods like biopiles, bioreactors composting etc.

Significance of Bioremediation

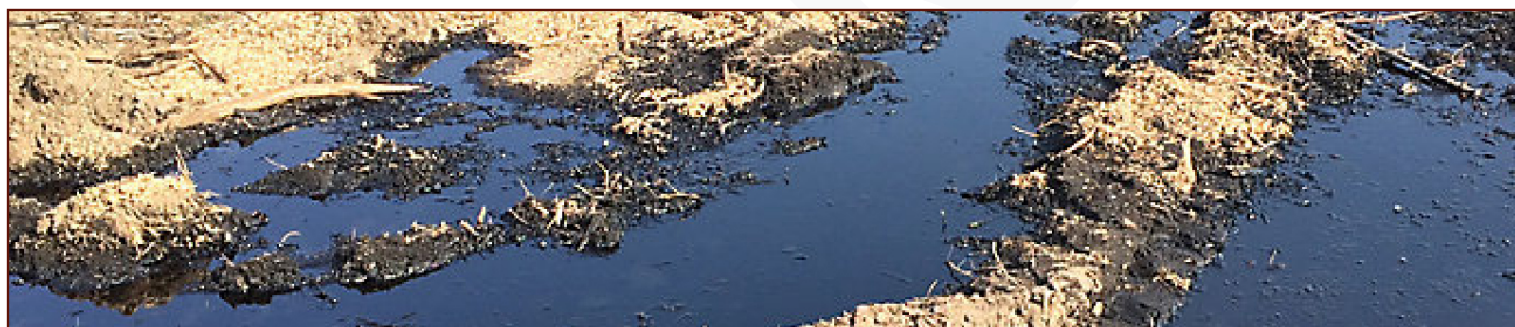
- **Affordability:** Traditional clean-up methods are **expensive and energy-intensive** while bioremediation offers low-cost solution.
- **Ecosystem Restoration:** Bioremediation tend to be less invasive and enhances existing biological processes without disrupting already stressed ecosystem.
- **Rich Microbial Diversity:** India's rich microbial biodiversity offers **locally adapted strains that** can provide sustainable locally managed solutions.

Challenges in its application

- **Risk of ecological imbalance:** If not controlled properly microbes, **especially genetically modified strains may disrupt the balance**.
- **Slow rate of treatment:** Industries and cities **often prefer faster solutions** due to commercial and political pressure.
- **Lack of standard protocols:** India lacks **unified bioremediation standards, and clear rules for microbial products** which deter large scale adoption.

India's Efforts

- **Clean Technology Programme:** The Department of Biotechnology (DBT) funds bioremediation **under the Clean Technology Programme**.
- **Collaborations:** **CSIR-NEERI, IITs, and universities** developing microbial technologies and materials for oil spills and soil detoxification.
- **The Fermentation Technology Research Centre:** The state-of-the-art microbial fermentation facility established by **TERI to support large-scale production of microbial products used in bioremediation**.



Also In News



Ombudsman Scheme

Credit cards became the largest source of customer grievances under the Reserve Bank – **Integrated Ombudsman Scheme (RB-IOS)** in FY25.

About RB-IOS, 2021

- **Objective:** Provide customers of regulated entities (REs) a speedy, cost-effective and expeditious alternate grievance redress mechanism.
- **Coverage:** All Commercial Banks, RRBs, NBFCs, Credit Information Companies, etc.
- **Integrates three Ombudsman schemes of RBI-** Banking Ombudsman Scheme, 2006; NBFC Ombudsman Scheme, 2018 and Ombudsman Scheme for Digital Transactions, 2019.
 - ⊕ Adopted the '**One Nation One Ombudsman**' approach.
- **Power:** The Ombudsman can award up to ₹20 lakh in compensation, plus up to ₹1 lakh for the complainant's time, expenses, and any mental distress or harassment.



Cyber Slavery

Over the last few years, Southeast Asian countries like Myanmar, Cambodia, and Laos have emerged as major hubs for cyber slavery.

- **Cyber slavery** is a form of modern-day human trafficking in which people are lured with false job offers often and then forcibly used to carry out online scams, cyber frauds, and digital crimes under threat, coercion, or confinement.

How It Works

- **Deception:** Victims are promised high-paying jobs abroad.
- **Confiscation of documents:** Passports and IDs are seized to prevent escape.
- **Forced online criminal work:** Victims are compelled to operate fake call centres, romance scams, cryptocurrency frauds, phishing, etc.
- **Physical and psychological abuse:** Workers are subjected to torture, long working hours, restricted movement, and constant surveillance.



Domestic Systemically Important Bank

RBI has identified State Bank of India, HDFC Bank, and ICICI Bank as Domestic Systemically Important Banks (D-SIBs) in its 2025 list.

About D-SIBs

- D-SIBs are banks **whose failure can severely impact the entire financial system** and the national economy.
- They are considered **"too big to fail"** because their size, interconnectedness, and critical role in the banking sector make them essential for financial stability.
- They are identified by the **Reserve Bank of India (RBI)** based on their systemic importance.
- Must maintain **additional Common Equity Tier-1 (CET1) capital** over and above regular requirements.
- They are placed in **different buckets** depending on how critical they are to the financial system.



Alakananda Galaxy

Indian researchers discovered a **massive spiral galaxy** named **Alakananda** using NASA's James Webb Space Telescope.

- Galaxy has two well-defined spiral arms wrapping around a bright central bulge, spanning approximately 30,000 light-years in diameter.

About Spiral Galaxy

- These galaxies resemble giant rotating pinwheels with a pancake-like disk of stars and a **central bulge or tight concentration of stars**.
- Spiral galaxies are surrounded by halos, mixtures of old stars, star clusters, and dark matter – invisible material that does not emit or reflect light but still has a gravitational pull on other matter.



Navratna Status

Numaligarh Refinery Limited (NRL) has been accorded **Navratna status**.

- NRL was established in 1993 as a CPSE under the Union Ministry of Petroleum and Natural Gas.
- Central Public Sector Enterprises (CPSEs) are given ratna status **based on their performance and specific eligibility criteria**.

Criteria for grant of Navratna Status

- CPSEs which are **Miniratna I**,
- Have obtained **'excellent' or 'very good' MoU rating in three of the last five years**, and
- Have a composite **score of 60 or above** in selected performance indicators (net profit to net worth, earning per share, profit before interest and taxes to turnover, etc).



Biological Weapons Convention

India Calls for strengthened biosecurity at 50th Anniversary of Biological Weapons Convention (BWC).

About Biological Weapons Convention

- It effectively **prohibits the development, production, acquisition, transfer, stockpiling and use of biological and toxin weapons**.
 - ⊖ Biological weapons disseminate disease-causing organisms or toxins to harm or kill humans, animals or plants.
- It was the first multilateral disarmament treaty banning an entire category of weapons of mass destruction (WMD).
- **Parties:** 189 State Parties including India.
- **Genesis:** It opened for signature in 1972 and entered into force in 1975, and is a legally binding international treaty.
- **Administration:** Administered by the **United Nations Office for Disarmament Affairs (UNODA)**, headquartered in Geneva.



Hornbill

Nagaland started celebrating its **10-day long flagship cultural event**, the Hornbill Festival.

About the Festival

- Named after the **hornbill, a culturally respected bird in Naga folklore**.
- **Held** at Naga Heritage Village, Kisama.
- The festival promotes inter-tribal interaction and showcases and preserve cultural heritage of Nagaland.

About Hornbill

- Hornbills are tropical birds named for their unusually large, curved bills and a horn-like projection called casque on top of their beak.
- Hornbills are the **'farmers of the forest'** as they disperse the seeds of many tropical trees and keep the forest alive.
- India hosts nine hornbill species including Great Hornbill, Narcondam Hornbill, Malabar Grey Hornbill etc.



Companies (Specification of Definition Details) Amendment Rules, 2025

Union Ministry of Corporate Affairs has **notified revised definitions for Small Companies** under the **Companies (Specification of Definition Details) Amendment Rules, 2025**.

About the Rules

- A company will qualify as a small company if:
 - ⊖ Paid-up capital does **not exceed ₹10 crore**.
 - ⊖ Turnover does not exceed **₹100 crore in the previous financial year**.
- Earlier, it had a paid-up share capital limit of up to ₹4 crore and a turnover limit of up to ₹40 crore.

Personality in News



Swargadeo Chaolung Sukapha

Prime Minister greets people of Assam on Asom Diwas or Sukapha Divas, the occasion celebrates **Swargadeo Chaolung Sukapha's journey and leadership**.

About Swargadeo Chaolung Sukapha

- He was a **prince from the Tai kingdom of Mong Mao**, near present-day Ruili in Yunnan, China.
- After being denied his rightful claim to the throne, migrated for 13 years and **entered Assam on December 02, 1228**.

Key contributions

- **Established the Ahom Kingdom:** By declaring Capital at Che-rai -doi in 1253 CE.
 - ⊖ **Area:** Whole of Brahmaputra valley
 - ⊖ **Lasted for:** More than 600 years.
- British annexed the kingdom in 1826 temporarily.
 - ⊖ But in 1836 they completely subjugated the whole state and the state became dependent till 1947.
- The Tai people under the leadership of 39 kings formed a **united nationality** known as **Assamese** with unified language (Assamese).



AHMEDABAD



BENGALURU



BHOPAL



CHANDIGARH



DELHI



GUWAHATI



HYDERABAD



JAIPUR



JODHPUR



LUCKNOW



PRAYAGRAJ



PUNE



RANCHI