

Editorial of the Day – 20.12.2025**Index**

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1. The Significance of a Strong Defence Industrial Base(TH)**General Studies 3– Security/Economy**

Topic– Security challenges and their management in border areas; Effects of liberalization on the economy.

The Significance of a Strong Defence Industrial Base

Introduction– India's vision to emerge as a developed nation by 2047 rests on two pillars– socio-economic transformation and robust strategic capabilities. At the heart of this strategic framework lies the Defence Industrial Base (DIB). Historically, India's defence sector suffered from a "policy imbalance" where domestic private participation was restricted while foreign imports were freely permitted, creating structural vulnerabilities. Today, a decisive shift is underway to reverse this trend, ensuring both economic growth and national security.

A Shift After Reforms– From Dependence to Resilience

Historical Context– For decades, restrictive policies curtailed the domestic private sector, fostering an overdependence on imports. This undermined national security and economic self-reliance.

Key Policy Reforms– Opening of the defence sector to private participation. Easing of Foreign Direct Investment (FDI) norms. Corporatisation of the Ordnance Factory Board (OFB). Expansion of procurement under the 'Make' procedure. Active promotion of innovation within the sector.

Visible Outcomes– Steady rise in domestic defence production. Exponential expansion of exports to over 80 countries. Emergence of a maturing ecosystem capable of integrating into global supply chains.

The Strategic Imperative– Why Self-Reliance is Non-Negotiable

Global Instability– Ongoing conflicts in Europe, West Asia, and Asia highlight the severe risks associated with global supply-chain disruptions.

Security Challenges– Facing persistent border and maritime challenges, self-reliance (Aatmanirbharta) in defence has become indispensable, not optional.

Emerging Opportunities

Geopolitical Shifts– Increased defence spending in Europe creates new demand.

Cost-Efficiency– There is a growing global demand for cost-effective defence platforms.

Strategic Location– India's position in the Indian Ocean Region (IOR) and its growing diplomatic footprint enhance its credibility as a global supplier.

Simplifying Procedures– The Path to ₹50,000 Crore Exports

To achieve the export target of ₹50,000 crore by 2029, reform momentum must be sustained.

Addressing Regulatory Complexities– Current regulations constrain private sector participation, particularly for MSMEs and Startups. Processes for export licensing, Joint Ventures (JVs), and Technology-Transfer (ToT) approvals need to be faster and clearer.

Building Investor Confidence– Long-term demand projections are essential to enable large-scale private investments.

Redefining DRDO's Role

DRDO Focus– Should shift exclusively to frontier research.

Industry Role– Production, scaling, and commercialization should be handed over to the industry.

Significance– This aligns with global best practices and enhances competitiveness.

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Dedicated Facilitation Agency- Need for a dedicated defence export facilitation agency staffed with professionals.

Function- Provide a single-window interface for global partners, addressing inter-ministerial coordination gaps.

Key Steps to Strengthen the Ecosystem

Comprehensive reforms are needed in financial, testing, and certification frameworks to support manufacturing.

Financial Reforms

Issue- Indian firms face constraints due to limited access to competitive credit.

Solution- Introduce specialised export financing instruments to ease capital constraints.

Strategic Financing- Greater use of Lines of Credit (LoC) and Government-to-Government (G2G) agreements to build buyer confidence.

Testing and Certification

Infrastructure- Expanding integrated testing facilities will reduce delays and lower compliance costs for private players.

Standards- Overly stringent domestic standards should be rationalized. Adopting international certification protocols is crucial for global acceptability.

Service Commitments- Offering long-term service commitments alongside hardware sales strengthens India's reputation as a reliable partner.

Conclusion

A strong defence industrial base does more than ensure security; it reduces import dependence, creates high-skilled employment, and enhances India's geopolitical leverage. While recent progress is encouraging, the moment demands consistent efforts to deepen reforms. Building an ecosystem that actively promotes innovation and investment is a defining stride in India's journey toward becoming a confident and influential global power.

Source- <https://www.thehindu.com/opinion/op-ed/the-significance-of-a-strong-defence-industrial-base/article70416769.ece#~~~text=The%20pursuit%20of%20a%20strong,capable%20and%20influential%20global%20power.>

2. Viksit Bharat-Guarantee for Rozgar and Aajeevika Mission (Gramin) (VB-GRAMG)(IE)

General Studies 2- Governance

Topic- Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes

Before criticising VB-G RAM G, Punjab gave only 26 days' work this year under MGNREGS, says BJP's Sunil Jakhar

Introduction

The Viksit Bharat-Guarantee for Rozgar and Aajeevika Mission (Gramin), abbreviated as VB-GRAMG, represents a significant reform in India's rural employment landscape. It aims to modernize and strengthen social protection by addressing the structural limitations of the existing MGNREGA framework. By providing statutory guarantees for wage employment and explicitly linking work to the creation of productive assets, the mission seeks to balance immediate livelihood security with long-term rural resilience.

Key Features and Reforms

Legal Guarantee of Employment

Enhanced Mandate- The Bill statutorily guarantees 125 days of wage employment per rural household annually (an increase from the traditional 100 days).

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Unemployment Allowance- It introduces a mandatory unemployment allowance if work is not provided within 15 days of application.

Removal of Disentitlement- The Bill actively removes earlier disentitlement clauses present during the MGNREGA era, ensuring that rights are enforceable rather than discretionary.

Integration with Rural Asset Creation

Productive Focus- Employment generation is strictly linked to the creation of productive public assets.

Target Areas- Water security (water conservation and harvesting). Core rural infrastructure (roads, connectivity). Livelihood-related infrastructure. Climate resilience works.

Dual Benefit- This approach ensures that expenditure leads to both immediate income support for workers and long-term developmental capital for the village.

Addressing Structural Weaknesses

Governance Reform- The framework focuses heavily on transparency, grievance redressal, and accountability.

Global Best Practices- It aligns with recommendations from the World Bank (2022) and NITI Aayog by institutionalizing timely grievance resolution mechanisms and robust monitoring systems.

Local Planning and Cooperative Federalism

Decentralized Planning- Gram Panchayats retain the primary authority over planning works based on local needs, supported by state and district administration.

National Stack- Works are aggregated into the Viksit Bharat National Rural Infrastructure Stack. This digital infrastructure enhances visibility and coordination without centralizing the decision-making power.

Synergy with Agriculture- States are empowered to notify peak agricultural periods. During these times, public works can be adjusted to avoid labor shortages for farming activities, ensuring harmony with the local agrarian economy.

Technology and Accountability

Digital Enforcers- The Bill mandates the use of- Biometric authentication for workers. Geo-tagging of assets. Real-time monitoring dashboards.

Ghost Worker Prevention- Public disclosure serves as a check against "ghost workers" and leakages.

Participatory Oversight- Social audits conducted by Gram Sabhas are strengthened to ensure community oversight, balancing high-tech monitoring with grassroots democracy.

Fiscal and Policy Flexibility

Objective Allocation- Normative allocations are determined through objective criteria rather than arbitrary decisions.

State Flexibility- States are allowed to operationalize schemes within the statutory framework, promoting equitable resource distribution and the spirit of cooperative federalism.

Critical Analysis

Strengthening Social Protection

Enforceable Rights- Contrary to fears of dilution, VB-GRAMG enhances worker rights by making entitlements legally enforceable and closing existing loopholes.

Poverty Alleviation- By enhancing livelihood security, it contributes directly to poverty alleviation and inclusive growth, aligning with findings from the ILO (2023) and Economic Survey 2025.

Balancing Employment and Productivity

Resilience over Relief- By linking wages to asset creation, the scheme shifts from mere relief work to building rural resilience.

Labor Harmony- The provision to pause works during peak agricultural seasons addresses the long-standing complaint of farmers regarding labor unavailability during sowing and harvesting.

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Modern Governance and Efficiency

Tech-Enabled Inclusion- It incorporates technology for transparency while maintaining flexibility for exception handling, ensuring legitimate beneficiaries are not excluded due to technical glitches.

Aggregation- The "Stack" approach prevents the fragmentation of works, addressing chronic inefficiencies often observed in rural schemes.

Fiscal Prudence and Decentralization

Rules-Based- The move towards rules-based fiscal allocation ensures financial discipline.

Empowerment- It strikes a pragmatic balance between central oversight (for standards and funding) and decentralized planning (for implementation and relevance).

Conclusion

The VB-GRAMG Bill is not a retreat from the state's responsibility but a renewal and modernization of the rural employment guarantee. By combining a legal mandate for 125 days of work with a focus on productive assets, technology-driven accountability, and cooperative federalism, the Bill seeks to transform rural wage employment into a mechanism that is effective, dignified, and sustainable for the future.

Source- <https://indianexpress.com/article/cities/chandigarh/vb-g-ram-g-punjab-26-days-work-mgnregs-sunil-jakhar-10429064/>