

## 19<sup>th</sup> November 2025: Daily Study Contents

### SC recalls its judgment on retrospective environmental clearances

#### Why in News?

A three-judge Bench of the Supreme Court has withdrawn its earlier ruling delivered on May 16, 2025, which had held retrospective or ex-post facto environmental clearances to be “patently illegal.”

The majority—CJI B.R. Gavai and Justice K. Vinod Chandran—felt that enforcing the earlier verdict would create severe economic disruption.

Justice Ujjal Bhuyan dissented sharply, stating that the Court was undoing decades of progressive environmental jurisprudence.

#### Relevance

- **GS 3:** EIA, environmental governance, precautionary principle
- **GS 2:** Judicial review, environmental rights under Article 21
- **GS 3:** Infrastructure, industry, regulatory compliance

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#### Environmental Clearances (ECs): Meaning

ECs stem from the Environment (Protection) Act, 1986 and EIA Notification, 2006. Projects needing approval for construction, expansion, or operation must first undergo:

- Environmental Impact Assessment (EIA)
- Public hearing process
- Environmental safeguards
- Compliance checks

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#### Ex Post Facto ECs

Clearances granted **after** a project has begun or been completed. They are controversial because they:

- Undermine the precautionary approach
- Weaken sustainable development norms
- Incentivise violation of law

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#### The May 16, 2024 Verdict (Now Withdrawn)

A Bench comprising Justice A.S. Oka and Justice Ujjal Bhuyan held that:

- Post-facto clearances are fundamentally illegal
- They violate Article 21, which includes the right to a healthy environment

- Projects without valid ECs must face strict consequences

The ruling would have affected major real-estate, industrial and infrastructure projects involving investments worth thousands of crores.

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## November 2025 Review Judgment

### Majority Opinion (CJI Gavai & Justice Chandran)

- Enforcing the old judgment would trigger catastrophic economic consequences.
- Huge investments would become illegal instantly.
- The recall was allowed not due to reinterpretation of law but due to economic practicality.
- Procedural lapses should be rectifiable, especially when the project is already functional.

### Minority Opinion (Justice Bhuyan)

- Called the recall a “regressive retreat” from strong environmental law.
- Warned that principles like precautionary action, polluter-pays, and inter-generational equity are being diluted.
- Said retrospective approvals effectively reward violations.
- Pointed to Delhi’s pollution as an example of the cost of weak enforcement.

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## Key Debates Raised

### 1. Precaution vs Economy

- Majority favoured economic continuity.
- Minority stressed environmental integrity.

### 2. Separation of Powers

- Can courts legitimise retrospective permissions that dilute statutory requirements?

### 3. Environmental Rule of Law

- Concern that judicial scrutiny of EC violations may weaken.

### 4. Governance Consequences

- Developers may become indifferent to compliance, expecting post-facto regularisation.

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## Implications

### Short-Term

- Relief for real estate, construction, and industrial sectors.
- Large-scale demolition halted.

### Long-Term

- Reduced deterrence for environmental violations
- EIA regime may lose credibility
- Raises concerns over India's sustainable development path

### Conclusion

The case reflects the classic clash between ecological protection and economic continuity. It marks a shift from the strict environmental stance of the Oka–Bhuyan line of reasoning to a more “pragmatic” balancing approach adopted by the majority.

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## What Can Local Bodies Expect From the 16th Finance Commission?

### Why in News?

The 16th Finance Commission has submitted its recommendations to the President. Its mandate includes:

- Vertical devolution (Union → States)
- Horizontal distribution across States
- Strengthening panchayat and municipal finances (under Article 280)

### Relevance

- **GS 2:** 73rd/74th Amendments, local governance
- **GS 3:** Fiscal federalism
- **GS 2:** Centre–State relations

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## Finance Commission Structure

### Union Finance Commission (Article 280)

Constituted every five years to recommend:

- Tax devolution
- Measures to support State finances
- Grants to augment State funds for local bodies

### State Finance Commissions

Mandated under the 73rd and 74th Amendments to recommend:

- Local body share in State taxes
- Revenue assignments

- Grants
  - Functional devolution
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## **Local Governments: Functions & Finances**

### **Functions**

Listed under:

- **11th Schedule** – Panchayats (29 subjects)
- **12th Schedule** – Municipalities (18 subjects)

These lists are indicative; actual responsibilities vary widely across States.

### **Revenue**

Local bodies mainly rely on:

- Property tax
- Advertisement tax
- Market/user fees

But financial capacity remains far below expenditure responsibilities for water, sanitation, public health, and infrastructure.

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### **Problems with State Finance Commissions**

- Irregular constitution
- Frequent delays
- Weak legislative follow-up
- Poor implementation

This forces panchayats and municipalities to depend more on Union FC transfers than on States.

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### **Past Finance Commissions on Local Bodies**

#### **13th FC: A Turning Point**

- Introduced formula-based, buoyancy-linked transfers
- Ensured predictable revenue

#### **14th & 15th FC: Reversal**

- Returned to lump-sum grants
- Introduced constantly changing conditionalities

- Disrupted reform continuity

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### Core Federal Issues

1. **Vertical & Horizontal Imbalances**
2. **Unclear Functional Assignments**
3. **Dependence on Union FCs**
4. **Instability in Conditions for Grants**

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### Expectations from the 16th FC

- Move away from ad hoc transfers
- Use stable, formula-based allocations
- Estimate actual resource needs of panchayats & municipalities
- Standardise performance-linked conditions
- Strengthen local institutions for development and social justice

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### Amendments Proposed to the Plant Variety Protection Act

#### Why in News?

The Union Agriculture Minister stated that the government plans to amend the **PPV&FRA Act, 2001**.

A committee chaired by R.S. Paroda has started consultations.

#### Relevance

- **GS 3:** Agriculture, seed policy
- **GS 3:** IPR under TRIPS
- **GS 2:** Governance & regulatory frameworks

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### PPV&FRA Act, 2001

India's unique TRIPS-compatible law that:

- Protects plant breeders' rights
- Recognises farmers' rights to save, reuse, exchange, and sell (non-branded) seeds
- Provides for benefit sharing and protection of traditional varieties
- Creates the PPVFR Authority



### Why Amend the Act?

- Advances in breeding technologies (tissue culture, synthetic seeds, hybrids)
- Evolving trade and IPR pressures
- Need to clear ambiguities and improve implementation

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### Key Areas Being Reviewed by the Paroda Committee

#### 1. Definitions

Possibility of redefining:

- “Variety” to include genotype combinations
- “Seed” to cover all propagating materials including tissue culture, tubers, and synthetic seeds
- “Institution” within breeder category

#### 2. DUS Testing

- Considering trait-based DUS guidelines
- Reviewing irregularities reported in evaluation processes

#### 3. Abusive Acts

Plans to classify and penalise:

- Selling deceptive varieties
- Using identical denominations
- Import or export of misleading material

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### Concerns of Farmer Groups

1. Community varieties must be protected against private misappropriation
2. Fear of manipulation during DUS testing
3. Small farmers see seeds as shared commons, not proprietary goods
4. Worries about hidden pressure to align with UPOV
5. Compensation mechanisms for seed failure remain unclear

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### Broad Assessment

#### Legal Significance

India’s law is globally recognised as farmer-friendly; amendments may shift balance.

#### Technological Need

New propagation technologies require modernised definitions.

### **Farmers' Rights**

Risk of biopiracy if community-developed varieties are registered by private entities.

### **Governance**

DUS testing lacks uniform oversight.

### **International Context**

Growing global movement for open-source seed systems.

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### **Way Forward**

- Conduct transparent consultations
- Strengthen DUS processes
- Protect communal varieties
- Establish enforceable compensation rules
- Preserve India's sui generis model

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### **DPDP Rules 2025 – Separate Section for Persons with Disabilities**

#### **Why in News?**

Disability rights groups opposed the draft DPDP Rules that had placed PwDs and children in the same category for guardian-based consent.

The Ministry has revised the Rules, creating a distinct section for PwDs.

#### **Relevance**

- **GS 2:** Data protection, rights-based policy
- **GS 2:** Vulnerable groups, RPWD Act
- **GS 2:** Social justice & autonomy

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### **What Changed?**

PwDs are no longer:

- Clubbed with children
- Subject to mandatory parental permissions
- Restricted from behavioural or targeted data-based services

A new consent framework has been created.

### Why This Matters

- Acknowledges autonomy of adults with disabilities
  - Avoids structural discrimination
  - Aligns the Rules with RPWD Act, 2016 and UNCRPD
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### Remaining Challenges

- No illustrations given for scenarios requiring or exempting guardian consent
  - Confusion about which guardianship law applies (NT Act 1999 vs RPWD Act 2016)
  - No procedure for verifying guardianship
  - No clarity for cases of fluctuating psychosocial disability capacity
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### Concerns from Civil Society

- PwDs may still face paternalistic treatment
  - Ambiguity could encourage platforms to deny services
  - Lack of awareness among marginalised PwD communities
  - Fear that outdated NT Act interpretations may override autonomy
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### Positive Steps

- Allows personalised accessibility services
  - Removes unnecessary gatekeeping
  - Shows responsiveness of the policy process
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### Way Forward

- Add scenario-based illustrations
  - Strengthen supported decision-making
  - Clarify guardian verification
  - Amend the Act text to separate PwDs from children
  - Prioritise RPWD Act principles
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### First Wild Sighting of the Ginkgo-Toothed Beaked Whale

#### Why in News?



Scientists off Baja California, Mexico documented the first confirmed sighting of the ginkgo-toothed beaked whale in the wild.

Study published in *Marine Mammal Science*.

### Relevance

- **GS 3:** Biodiversity, marine ecology
  - **GS 3:** Deep-sea research
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### Basics

- Species: *Mesoplodon ginkgodens*
- Family: Ziphiidae
- Habitat: Deep seas; extremely elusive

### Distinctive Features

- Ginkgo-shaped teeth
  - Length up to 17.3 ft
  - Less scarred than other beaked whales → implies less male-male aggression
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### Ecological Importance

- Beaked whales dive deeper and longer than almost any other mammal
  - Rare surfacing makes them hard to study
  - Provide clues about deep-ocean ecosystems and evolution
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### Significance of the Sighting

- First robust documentation of this species alive
  - Improves understanding of distribution, behaviour and morphology
  - Helps identify conservation priorities
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### Threats

- Bycatch
- Noise pollution from sonar
- Deep-sea mining proposals
- Climate-related changes

The lack of data makes protection challenging.

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## Glass vs PET: Alcobev Sector Reconsiders Packaging

### Why in News?

Alcohol manufacturers are increasingly moving towards PET and aseptic packs due to fluctuating glass prices and supply interruptions.

The Supreme Court has also criticised pocket-sized packs for being unsafe and misleading.

### Relevance

- **GS 3:** Industry trends, supply chain economics
- **GS 3:** Waste management and recyclability
- **GS 3:** Packaging technologies

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### Packaging Options

#### Glass

- Premium, inert, recyclable
- Expensive, fragile, unstable supply

#### PET

- Cheaper, lightweight
- Environmental concerns
- Less premium appeal

#### Aseptic Packs

- Dominant in low-end markets
- Difficult to counterfeit
- Under SC scrutiny due to safety concerns

#### rPET

- Recycled PET; currently costlier
- Supports circular economy

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### Market Trends

- Karnataka uses mostly multilayered packs
- Many States—Kerala, AP, Maharashtra, Telangana—use PET
- Some States lack regulatory frameworks for rPET

### Economic Drivers

- Glass price instability due to furnace issues
- Higher freight costs
- PET reduces logistics expenses
- rPET offers long-term stability though not cheap yet

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### Industry Response

- Long-term supplier agreements
- PET migration in economy segments
- Glass retained for premium brands
- Anti-counterfeit measures prioritised

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### Regulatory Considerations

- Supreme Court warns about mis-leading small packs
- States differ on PET usage norms

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### Environmental Dimension

- Glass is infinitely recyclable but poorly recovered in India
- PET emits less during transport
- rPET expected to become economical as recycling grows

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### Structural vs Cyclical Change

The packaging shift appears permanent, driven by long-term supply chain and economic logic rather than temporary fluctuations in glass availability.

20<sup>th</sup> November 2025: Daily MCQs

#### 1. Consider the following statements regarding ex post facto Environmental Clearances (ECs):

1. They violate the precautionary principle embedded in India's environmental jurisprudence.
2. The Supreme Court in May 2025 declared them constitutionally valid.
3. Granting ex post facto ECs encourages compliance with sustainable development norms.

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

**Correct Answer: a)**

**Explanation:**

- **Statement 1 is correct** – Retrospective approvals contradict the need for *prior* environmental scrutiny.
- **Statement 2 is incorrect** – The May 2025 verdict held them “gross illegality”; only in **November 2025 the SC recalled this ruling**, not upheld it.
- **Statement 3 is incorrect** – They *undermine*, not encourage, compliance.

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**2. With reference to the Supreme Court’s recall of the 2025 EC verdict, consider the following:**

1. The majority recalled the judgment primarily to prevent economic disruption.
2. The dissenting judge argued that the recall weakens the environmental rule of law.
3. The recall order introduced a new legal doctrine redefining EC procedures.

**How many statements are correct?**

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

**Correct Answer: b)**

**Explanation:**

- (1) **Correct** – Economic consequences were the majority’s main reason.
- (2) **Correct** – Justice Ujjal Bhuyan criticised the rollback.
- (3) **Incorrect** – The recall did *not* create a new legal doctrine; it was a practical, not doctrinal, decision.

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**3. Consider the following regarding the Finance Commission and Local Bodies:**

1. Article 280(3)(bb) empowers the Finance Commission to recommend measures to augment the Consolidated Fund of a State for panchayats.
2. The 13th Finance Commission introduced formula-based, buoyancy-linked transfers to local bodies.
3. The 14th and 15th Finance Commissions continued the same formula without changes.

Which of the statements is/are correct?

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 only
- d) 1, 2 and 3

**Correct Answer: a)**

**Explanation:**

- (1) **Correct** – Mandated under the 73rd/74th Amendments.
- (2) **Correct** – It shifted from lump-sum to formula-based grants.
- (3) **Incorrect** – 14th & 15th FC **reversed** this approach and reintroduced lump-sum grants.

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4. Which of the following best explains the “assignment problem” in India’s local governance?

- a) Local bodies lack staff but not funds.
- b) Local governments have responsibilities disproportionate to their revenue powers.
- c) The Union government diverts funds meant for municipalities.
- d) SFCs transfer too much power to panchayats.

**Correct Answer: b)**

**Explanation:**

The mismatch between **functions assigned** and **funds made available** defines the assignment problem.

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5. With reference to the PPV&FRA Act, 2001, consider the following statements:

- 1. Farmers can freely sell branded seeds of protected varieties.
- 2. The Act provides for both breeders’ rights and farmers’ rights.
- 3. The Paroda Committee is considering redefining “variety” to include combinations of genotypes.

Which of the statements given above is/are correct?

- a) 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**Correct Answer: b)**

**Explanation:**

- (1) **Incorrect** – Farmers **cannot** sell branded seeds of protected varieties.
- (2) **Correct** – The Act is globally known for balancing both.



- (3) **Correct** – To align with technological changes.

Mains: Evaluate the role of Union Finance Commissions in strengthening panchayat and municipal finances since the 73rd and 74th Constitutional Amendments. In this context, what specific reforms should the 16th Finance Commission undertake to address the persistent **vertical and horizontal imbalances** faced by local governments? 250 words.

