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Editor's Note

The latest edition of Pala Civil Times is here, bringing you closer to the key issues shaping Kerala, India and the world.

Our National page examines why Kerala is considering the dissolution of the Kerala Infrastructure Investment Fund Board (KIIFB) and explores the wider debate over how States mobilise resources for infrastructure development while maintaining fiscal discipline.

On the World page, we explore India's delicate diplomatic balancing act within BRICS and the Shanghai Cooperation Organisation (SCO), as it navigates competing strategic interests involving the United States, Russia, Ukraine, Israel, Iran and Palestine.

Our trusted Editorial Decoder examines two pressing concerns: why decades of regulatory failures have allowed industrial pollution in Rajasthan's Jojari river to persist despite repeated Supreme Court intervention, and why workforce reductions across Microsoft and other technology companies have raised concerns about AI-driven disruptions to employment.

The Science page turns to glaciers ending in lakes, oceans and on land, explaining how their different characteristics influence ice loss and why expanding glacial lakes pose serious risks of glacial lake outburst floods, particularly in the fragile Himalayan region.

We hope this edition helps you understand these developments, connect current affairs with broader concepts and build a clearer perspective on the issues that matter.

Happy reading!

P6. SCIENCE



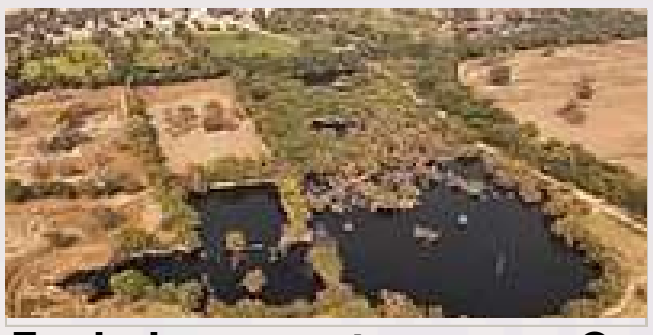
Glacial Ice Loss : Why do lake-ending glaciers lose ice faster?

Explains how a glacier's terminus environment influences ice loss and how expanding glacial lakes can increase the risk of catastrophic floods, particularly in the Himalayas.

Editorials Decoded

THE HINDU

The Indian EXPRESS



Fouled waters: On Rajasthan's river pollution

Explores how industrial effluents, inadequate sewage treatment, illegal sand mining and regulatory failures have sustained river pollution in Rajasthan.



Workforce shake-up is here to stay. Brace for it

Examines how AI adoption is changing employment patterns, raising concerns about layoffs, entry-level hiring, youth unemployment and the future of India's technology workforce.

KIIFB: Off-Budget Borrowing, Fiscal Discipline and Kerala's Infrastructure Financing

The Kerala Infrastructure Investment Fund Board (KIIFB) was established to mobilise resources for infrastructure development in Kerala. An expert committee appointed by the newly elected United Democratic Front (UDF) government has recommended winding it up and transferring its functions to the State government. The debate raises a broader question: how can States finance essential infrastructure while maintaining fiscal discipline, transparency and debt sustainability.

What is KIIFB, and why is its future being debated?

Establishment and mandate: KIIFB came into existence on November 11, 1999, under the Kerala Infrastructure Investment Fund Act, 1999. It was established to finance projects in sectors such as roads, irrigation, power, water supply, ports, inland navigation, drainage and solid waste management.

Restructuring and infrastructure financing: KIIFB underwent a major restructuring in 2016. It mobilised extra-budgetary resources to expand public investment, including through international financing arrangements and Masala Bonds.

Expert committee recommendation: The committee constituted by the current state government has recommended winding up KIIFB and transferring its functions and capabilities to the State government. Its principal argument is that integrating KIIFB's borrowing function with the State budget has weakened the rationale for maintaining it as a separate special purpose vehicle (SPV).

Infrastructure financing gap: Despite its relatively high own-tax revenue relative to Gross State Domestic Product (GSDP), Kerala reportedly spends only around 1.5% of GSDP on infrastructure.

Why do States resort to off-budget borrowing?

Fiscal constraints: The Fiscal Responsibility and Budget Management (FRBM) framework imposes a fiscal deficit limit of 3% of GSDP for States. This limit the scope for expanding conventional budgetary expenditure through borrowing.

Meaning of off-budget borrowing: Off-budget borrowings (OBBs) are resources raised through arrangements outside the regular State budget. Special purpose vehicles and other financial institutions can help mobilise additional funds for public investment.

Economic rationale: Infrastructure projects require substantial upfront investment but may generate economic and social benefits over long periods. Projects such as roads, water supply and environmental protection may not directly generate enough revenue to cover their full costs.

Productive use of borrowed funds: Extra-budgetary financing can be justified when the investments generate sufficient economic growth and comply with sound expenditure and financial management principles. Borrowing becomes problematic when it creates unsustainable liabilities or conceals the actual fiscal position.

What is the way forward?

Undertake a comprehensive review: Assess KIIFB's projects, liabilities, economic returns and institutional capabilities before deciding whether to retain, restructure or dissolve it.

Strengthen fiscal transparency: Disclose off-budget liabilities and borrowing commitments clearly, strengthen audit compliance and ensure effective legislative scrutiny.

Prioritise productive investments: Direct borrowed funds towards infrastructure that supports long-term economic growth, public welfare and environmental sustainability.

Manage debt and currency risks: Evaluate repayment capacity, interest costs and exchange rate exposure before undertaking additional borrowing.

PYQ COMPASS

Q. Explain how the Fiscal Health Index (FHI) can be used as a tool for assessing the fiscal performance of states in India. In what way would it encourage the states to adopt prudent and sustainable fiscal policies? (GS III - 2025)

India's 'balancing act' risks eroding Russia's trust

The 2026 summits of the Shanghai Cooperation Organisation (SCO) in Bishkek and BRICS in New Delhi highlighted the growing challenges facing India's foreign policy. India's endorsement of a declaration supporting Iran's sovereignty, alongside Prime Minister Narendra Modi's public appeal to Russian President Vladimir Putin to end the war in Ukraine, reflects the difficulty of balancing competing strategic interests amid global conflicts.

> ***Key takeaway:*** *New Delhi wants to support Israel while condemning attacks on Iran; buy Russian oil while aligning more closely with the West on Ukraine; and remain central to BRICS and the SCO while assuring Washington that it is not part of an anti-American bloc.*

What do India's recent diplomatic shifts indicate?

Support for Iran: At the SCO summit on August 31–September 1, 2026, India endorsed the Bishkek Declaration, which condemned attacks on Iran as violations of international law, reaffirmed its sovereignty and territorial integrity, and mourned the killing of Supreme Leader Ayatollah Ali Khamenei in U.S.-Israeli air strikes.

A stronger message to Russia: Prime Minister Modi publicly urged President Putin to end the war in Ukraine. This reinforced India's position that prolonged warfare should give way to peace.

A shift in diplomatic positioning: At the BRICS summit in New Delhi on September 12–13, India supported strong language criticising Israel's actions and affirming Palestinian rights and the two-state solution. This differed from its earlier tendency to avoid direct criticism of Israel and the United States.

Why is India's multi-alignment becoming more difficult?

Conflicting strategic interests: India seeks strong relations with the United States and Israel while maintaining ties with Russia and participating actively in BRICS and the SCO.

Balancing Russia and the West: India continues to purchase Russian oil and military equipment, but its public appeal to Putin over Ukraine may be interpreted by Moscow as an attempt to reassure Western countries at Russia's expense.

Concerns over diplomatic consistency: India's criticism of the war in Ukraine raises questions about whether it applies the same principles consistently to military actions by other countries, including the United States and Israel.

Growing Russia–China alignment: As Russia increasingly relies on China as a strategic partner, India's efforts to strengthen relations with Washington could weaken the traditional Russia–India partnership.

What does this mean for India's foreign policy?

Strategic autonomy under pressure: India's traditional approach of maintaining independent relations with competing power centres is becoming more difficult as geopolitical conflicts force clearer diplomatic choices.

Importance of multilateral forums: The SCO and BRICS allow India to engage with Russia, China and other non-Western countries without abandoning its Western partnerships. However, consensus within these forums can require difficult diplomatic compromises.

Need for principled consistency: India's credibility as an independent global actor depends on applying international law and sovereignty principles consistently, rather than appearing selective in its response to conflicts.

PYQ COMPASS

Q. Consider the following:

1. Asian Infrastructure Investment Bank
2. Missile Technology Control Regime
3. Shanghai Cooperation Organisation

India is a member of which of the above?

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

Fouled waters: On Rajasthan's river pollution

The Supreme Court has again criticised the Rajasthan government over industrial pollution in the Jojari river and the risks it poses to local communities. The decades-old problem highlights the consequences of inadequate wastewater treatment, illegal sand mining and weak enforcement of environmental regulations. It also raises questions about state accountability and the limits of judicial intervention in environmental governance.

Key takeaway: *According to the NITI Aayog's Composite Water Management Index (CWMI) report, in India, around 2,00,000 people die each year due to diseases caused by polluted water, with 37.7 million suffering from waterborne illnesses such as cholera, dysentery, hepatitis A, and typhoid, while the economic burden of water pollution is estimated at about 3% of the country's GDP.*

What are the causes and consequences of river pollution in Rajasthan?

Industrial pollution: The Jojari, Luni and Bandi are seasonal rivers flowing through the arid districts of Jodhpur, Balotra and Pali. Untreated or inadequately treated effluents from textile-dyeing and steelworking industries have contaminated river water and soil.

Public health risks: The pollution threatens the health and livelihoods of around 20 lakh residents who depend on the affected region's water resources.

Inadequate wastewater treatment: According to the State's submissions to the Court in 2025, sewage treatment plants could accommodate only around half of the sewage generated in the three urban centres. Common effluent treatment plants also showed substantial underutilisation, raising concerns about treatment capacity, inadequate connections and industries bypassing treatment facilities.

Long-standing administrative failure: Public interest litigation brought the problem to the Rajasthan High Court's attention in 2011. Despite this, authorities reportedly regularised mining leases in areas where illegal operations were known to exist. *Unauthorised mining in riverbeds further degrades river ecosystems.*

What has the Supreme Court directed, and why is it significant?

Judicial intervention: In 2025, the Court initiated a suo motu writ petition and constituted a High-level Ecosystem Oversight Committee chaired by Justice Sangeet Lodha to audit treatment plants and prepare a river-restoration plan.

Restrictions on construction and industries: Based on the committee's status reports, the Court prohibited construction within 100 metres of river edges and hazardous industries within 500 metres of the rivers' present courses or flood lines, where available.

Accountability for regulatory failure: The Court questioned local authorities over their failure to enforce pollution norms and considered the possibility of collusion between officials and industrial interests.

Polluter Pays Principle: The Court indicated that the State could also be held liable under this principle for its negligence. The principle requires those responsible for pollution to bear the costs of preventing and remedying environmental damage; the possibility of state liability highlights that regulatory negligence may also carry financial consequences.

Institutional concerns: The case illustrates the importance of judicial oversight when regulatory agencies fail. However, the long-term responsibility for restoring rivers must remain with the State and its regulatory institutions rather than becoming dependent on continuing judicial supervision..

PYQ COMPASS

Q. Industrial pollution of river water is a significant environmental issue in India. Discuss the various mitigation measures to deal with this problem and also the government's initiatives in this regard. (GS III - 2024)

Workforce shake-up is here to stay. Brace for it.

The Indian EXPRESS

Technology companies are increasingly reducing their workforces while investing heavily in artificial intelligence (AI). Although automation can improve productivity, the trend raises concerns about job security, the future of white-collar employment and India's ability to create quality jobs for its growing youth population.

Key takeaway: *Microsoft's latest* "voluntary exit offer" *affects 27 per cent of MS's total workforce spread across the US, Canada, the UK and India.*

What explains the recent workforce reductions?

Microsoft's voluntary exit offer: On October 26, 2026, Microsoft announced a Voluntary Exit Offer (VEO) covering approximately 60,000 employees globally. Eligible employees in participating divisions, including Copilot, Windows and Devices, Xbox, finance and human resources, can leave with financial support. The scheme extends to India, where Microsoft employs around 23,000 people.

AI-driven productivity: AI tools can automate tasks previously performed by software developers, customer support staff and other white-collar employees, allowing smaller teams to accomplish more work.

Resource reallocation: Companies are redirecting resources towards AI infrastructure, including computing capacity, cloud services and AI development, while reorganising traditional business functions.

Wider industry trend: Block announced plans to cut over 4,000 jobs in February 2026, explicitly citing AI-driven productivity. Salesforce reduced its customer support workforce as AI agents assumed more tasks. In India, Livspace announced workforce reductions amid its shift towards an AI-led operating model.

What should India do?

Reskill and upskill workers: Expand accessible training in AI, data analytics, digital technologies and other emerging skills, while strengthening foundational and problem-solving abilities.

Promote employment-intensive sectors: Support manufacturing, healthcare, education, tourism and other sectors capable of generating diverse employment opportunities.

Strengthen transition support: Encourage companies to provide adequate severance, career counselling and reskilling assistance to displaced workers.

Reorient human resource planning: Integrate AI adoption with employment forecasting, labour-market data and policies that prepare young people for changing occupational requirements.

Ensure responsible AI adoption: Encourage businesses to deploy AI in ways that improve productivity while supporting human workers, particularly in roles requiring judgement, creativity and interpersonal engagement.

PYQ COMPASS

Q. Consider the following statements with respect to the AI Impact Summit, 2026 held in New Delhi:
1. The Summit's intellectual framework was based on three foundational Sutras: People, Planning, and Progress.
2. The Preamble of the Summit stresses Democratising AI Resources, which acknowledges the Charter for Democratic Diffusion of AI as a binding framework to support locally relevant innovation and strengthen resilient AI ecosystems while respecting national laws.
3. The New Delhi Declaration on AI Impact was structured around seven Access Chakras (Pillars), which included Access for Social Empowerment, AI for Science, and Secure and Trusted AI.
Which of the statements given above is/are correct?
(a) 1, 2 and 3 (b) 1 and 2 only (c) 2 and 3 only (d) 3 only

Glacial Ice Loss : Why do lake-ending glaciers lose ice faster?

Glaciers are retreating as the climate warms, but the rate of ice loss also depends on where a glacier terminates. A study published in Nature Communications highlights the disproportionate contribution of lake-, ocean- and ice-shelf-ending glaciers to global ice loss. The formation and expansion of glacial lakes also raise concerns about downstream flooding and disaster risks, particularly in the Himalayas.

What makes lake-ending glaciers significant?

Disproportionate ice loss: Glaciers terminating in lakes, oceans and ice shelves constitute only 3.2% of the world's glaciers but account for more than half of global glacier ice loss. They lost an average of 134 billion tonnes of ice annually between 2000 and 2019.

Differences in glacier flow: Lake-ending glaciers flow, on average, 10% faster than land-ending glaciers, while ocean-ending glaciers flow 44% faster. Lake-ending glaciers also lose around 57% more ice relative to their size than land-ending glaciers.

Why do lake-ending glaciers lose ice faster? They can lose large chunks of ice through calving, while lake water can melt the submerged portions of glacier ice. However, the precise reasons for their accelerated ice loss remain unclear.

Changing glacier environments: As the climate warms, some ocean-ending glaciers retreat onto land, while the formation and expansion of glacial lakes turn some land-ending glaciers into lake-ending ones. These transitions can alter the rate of ice loss.

Limitations of existing models: Current glacier models do not fully account for differences in glacier termini. Improved classification and modelling could strengthen projections of glacier retreat, sea-level rise, water resources and natural hazards.



How do glacial lakes form, and why are they hazardous?

Formation of glacial lakes: As glaciers retreat, they leave depressions that can fill with meltwater. Accumulated rocky debris, called moraine, may form a natural dam that holds the water.

Blue colour of glacial lakes: Fine rock particles, known as rock flour, remain suspended in the water and scatter light, producing the striking turquoise or blue appearance of many glacial lakes.

Natural hydrological buffers: Glacial lakes regulate the flow of meltwater. However, the accumulation of water behind unstable moraine dams can create hazards for downstream communities.

Glacial Lake Outburst Floods (GLOFs): When a natural barrier breaches, large volumes of stored water can rush downstream, damaging settlements, infrastructure and hydropower projects. Rising temperatures and increasing meltwater accumulation can heighten these risks.

PYQ COMPASS

Q. With reference to the water on the planet Earth, consider the following statements: (2021)
1. The amount of water in the rivers and lakes is more than the amount of groundwater.
2. The amount of water in polar ice caps and glaciers is more than the amount of groundwater.
Which of the statements given above is/are correct?
a) 1 only
b) 2 only
c) Both 1 and 2
d) Neither 1 nor 2

PYQ COMPASS

Q. Consider the following statements with respect to the AI Impact Summit, 2026 held in New Delhi (2026):

1. The Summit's intellectual framework was based on three foundational Sutras: People, Planning, and Progress.
2. The Preamble of the Summit stresses Democratising AI Resources, which acknowledges the Charter for Democratic Diffusion of AI as a binding framework to support locally relevant innovation and strengthen resilient AI ecosystems while respecting national laws.
3. The New Delhi Declaration on AI Impact was structured around seven Access Chakras (Pillars), which included Access for Social Empowerment, AI for Science, and Secure and Trusted AI.

Which of the statements given above is/are correct?

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

Ans : d

The AI Impact Summit 2026, held in New Delhi, focused on shaping the future direction of artificial intelligence through an inclusive and development-oriented approach. The summit adopted an intellectual framework based on three guiding Sutras — People, Planet, and Prosperity. It also emphasized the democratization of AI resources and introduced the New Delhi Declaration on AI Impact, which was organized around seven thematic Chakras or pillars addressing key areas of AI development and governance.

The summit framework was built around the three guiding principles of People, Planet, and Prosperity rather than People, Planning, and Progress. **Hence, statement 1 is not correct.**

While the preamble emphasizes the democratization of AI resources, the Charter for Democratic Diffusion of AI was envisaged as a voluntary and non binding framework rather than a legally binding arrangement. **Hence, statement 2 is incorrect.**

The New Delhi Declaration was structured around seven Chakras including Access for Social Empowerment, AI for Science, and Secure and Trusted AI: The declaration incorporated seven thematic pillars covering areas such as Access for Social Empowerment, AI for Science, and Secure and Trusted AI as part of its broader framework. **Hence, this statement 3 is correct.**

PYQ COMPASS

Q. Consider the following:
1. Asian Infrastructure Investment Bank
2. Missile Technology Control Regime
3. Shanghai Cooperation Organisation

India is a member of which of the above?
a) 1 and 2 only
b) 3 only
c) 2 and 3 only
d) 1, 2 and 3

Ans : d
India is the member of all the Organizations.
The **SCO** currently was founded in 2001 by China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. Expanded to include India and Pakistan in 2017, Iran in 2023, and Belarus in 2024, totalling 10 members.
Missile Technology Control Regime: On 27 June, India became a full member of the MTCR after a "deal" was struck with Italy. This marks the first entry into any multilateral export control regime for India.
Asian Infrastructure Investment Bank: On 24 October 2014, twenty-one countries signed a Memorandum of Understanding (MOU) regarding the AIIB in Beijing, China: Bangladesh, Brunei, Cambodia, India, Kazakhstan, Kuwait, Laos, Malaysia, Myanmar, Mongolia, Nepal, Oman, Pakistan, Philippines, Qatar, Singapore, Sri Lanka, Thailand, Uzbekistan and Vietnam.

Q. With reference to the water on the planet Earth, consider the following statements: (2021)
1. The amount of water in the rivers and lakes is more than the amount of groundwater.
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Which of the statements given above is/are correct?
a) 1 only
b) 2 only
c) Both 1 and 2
d) Neither 1 nor 2

Ans : b
Ocean water: 97.2 percent
Glaciers and other ice: 2.15 percent
Groundwater,: 0.61 percent
Fresh water lakes: 0.009 percent
Inland seas: 0.008 percent
Soil Moisture: 0.005 percent
Atmosphere: 0.001 percent, Rivers: 0.0001 percent.

PRACTICE QUESTIONS

Q. Consider the following statements regarding the implications of Artificial Intelligence (AI) replacing human jobs:

1. AI-driven productivity gains may put pressure on entry-level recruitment in India's labour-intensive IT services sector.
2. The displacement of workers by AI may intensify youth unemployment and social discontent in India.
3. Rising corporate profits resulting from AI adoption necessarily ensure that the economic benefits are distributed equitably among workers.
4. Workers whose skills become less relevant due to automation may face difficulties transitioning to new employment opportunities.
5. Job losses due to AI may create immigration-related challenges for employees working in the United States on H-1B visas.

Which of the statements given above are correct?
A) 1, 2 and 3 only
B) 1, 2, 4 and 5 only
C) 2, 3 and 5 only
D) 1, 2, 3, 4 and 5
Correct Answer: B) 1, 2, 4 and 5 only

- Statement 3 is incorrect: Higher corporate profits do not necessarily ensure equitable distribution of economic gains. The benefits of AI may not be shared equally among companies and workers.

Q. Consider the following measures for addressing river pollution and strengthening environmental governance in Rajasthan:

1. Upgrading sewage treatment plants and common effluent treatment plants while ensuring that industries treat their wastewater before discharge.
2. Strengthening regulatory monitoring to prevent illegal sand mining and unauthorised industrial operations.
3. Transferring the primary responsibility for river restoration from the State government to the judiciary to ensure continuous supervision.
4. Investigating regulatory lapses and fixing institutional accountability for environmental violations.
5. Implementing time-bound river restoration plans that address water quality, affected habitats and the needs of local communities.

Which of the statements given above are correct?
A) 1, 2 and 3 only
B) 1, 2, 4 and 5 only
C) 2, 3 and 5 only
D) 1, 2, 3, 4 and 5

Correct Answer: B) 1, 2, 4 and 5 only
Statement 3 is incorrect. The State government and its regulatory agencies remain primarily responsible for environmental protection and river restoration. Judicial intervention should enforce accountability and strengthen compliance rather than permanently replace the executive's regulatory functions.