



TATHASTU
Institute Of Civil Services

DAILY CURRENT AFFAIRS

14th November, 2025



TATHASTU
Institute Of Civil Services



9560300770



www.tathastuics.com



enquiry@tathastuics.com

Plot No.B 22, Bada Bazar Road, Old Rajinder Nagar, New Delhi-110060

Topics Covered

- Digital Personal Data Protection Act
- Flexible inflation targeting
- Great Nicobar project
- Strait of Hormuz

Digital Personal Data Protection Act

The government has put into effect most parts of the **Digital Personal Data Protection (DPDP) Act, 2023**, which is a law to protect the personal data of Indians.

This law follows the Supreme Court ruling that privacy is a fundamental right. (2017 K.S. Puttaswamy v. Union of India judgment affirming the right to privacy.)]

Central government notifies key parts of Digital Personal Data Protection Act

Aroon Deep

NEW DELHI

The Union government notified large parts of the Digital Personal Data Protection (DPDP) Act, 2023 on Friday, addressing the need for a law to protect the data privacy of Indian citizens.

The DPDP Rules, 2025 are also a significant step forward in compliance with the Supreme Court's 2017 *K.S. Puttaswamy v. Union of India* judgment affirming the right to privacy.

The law, passed in August 2023 in Parliament, requires firms to safeguard the digital data of Indian citizens, with exemptions for the "State

Closer to compliance

With key parts of the DPDP Act now notified, the government edges closer to enforcing the 2017 Supreme Court privacy judgment and strengthening protections for Indians' personal data



Aug. 2017: The Supreme Court rules that privacy is a **fundamental right**

July 2018: Retd. Justice B.N. Srikrishna-led committee submits its

report and a draft data protection Bill

Dec. 2022: A fresh draft Bill prepared by the IT Ministry

Aug. 2023: Parliament passes the **Digital Personal Data Protection Act, 2023**

Jan. 2025: Draft rules to enforce the Act are put out for **public consultation**

and its instrumentalities", and prescribes penalties for firms that breach these obligations.

Meanwhile, transparen-

cy activists have said the law weakens the Right to Information Act, 2005 by removing the obligation of government bodies to pro-

vide "personal information" if the public interest outweighs a public official's right to privacy.

That amendment is in force from Friday. However, "data fiduciaries", who collect and use personal data, will have until November 2026 to comply with some provisions, such as putting out the details of their designated Data Protection Officer.

That same month, the Consent Manager framework, which allows firms to exercise data removal and amendment rights on behalf of "data principals" (users), will also come into force.

CONTINUED ON
» PAGE 12

The law, passed in August 2023 in Parliament, requires firms to safeguard the digital data of citizens, with exemptions for the “State and its instrumentalities”, and prescribes penalties for firms that breach these obligations. ‘

Weakens RTI Act

Meanwhile, transparency activists have said the law weakens the Right to Information Act, 2005 by removing the obligation of government bodies to provide “personal information” if the public interest outweighs a public official’s right to privacy.

That amendment is in force from Friday.

Some parts of the law—like appointing a **Data Protection Officer**— will only be mandatory for companies by **2026–27**, especially for big tech firms.

A new **Data Protection Board** with four members will handle complaints and punish companies for data breaches.

The DPDP Act, 2023 is India’s new law that regulates **how personal data of individuals is collected, stored, processed and used** by the government and private companies (including foreign companies operating in India).

Key Terms

- **Personal Data:** Any data that can identify a person (name, phone number, Aadhaar, location, email, etc.)
- **Data Principal:** The person whose data is being collected.
- **Data Fiduciary:** The company/organisation that decides how your data will be used (e.g., WhatsApp, Zomato, banks).
- **Consent:** Permission from the user before collecting or processing personal data.

Key Features of the Act

1. **Consent-Based Data Use :** clear, informed in simple, easy plain language
2. **Rights of Individuals (Data Principals):** Right to **Know** how your data is used, **Access** your data, **Correct or delete** your data, **Withdraw consent anytime**, **Nominate a person** in case of death/incapacity
3. **Duties of Companies (Data Fiduciaries):** They must:
 - Use data only for the purpose it was collected
 - Keep data secure
 - Delete data when it is no longer needed
 - Report **data breaches** to the government and users
 - Maintain accuracy of data
4. Stronger protection for users **below 18 years**
5. Large platforms handling sensitive data (e.g., big tech companies) may be designated as SDFs. They must follow **extra rules**, such as:
 - Appointing a **Data Protection Officer (DPO)**

Cross-Border Data Transfer

- India may allow transfer of data to specific trusted countries notified by the government.
- No blanket ban, more flexible than earlier draft laws.



Flexible inflation targeting, a good balance

The present Flexible Inflation Targeting (FIT) framework in India as a mandate for monetary policy to manage inflation at 4% (+/-) 2% is ending in March 2026 and is under review. In this regard the Reserve Bank of India (RBI) has brought out a well-researched discussion paper, and has several questions for which views have been sought. Here, this article addresses three questions: headline versus core (excluding food), acceptable level of inflation, and inflation band.

Controlling inflation

Before responding to these questions, it is pertinent to highlight that inflation control by itself is an important objective of monetary policy. High inflation, above a tolerable level, is a regressive consumption tax that affects poorer households more disproportionately than the rich and households whose incomes are hedged. Indeed, high and volatile inflation hurts savings and misdirects investments. The issue of acceptable level of inflation came up first before the Chakravarty Committee which was of the opinion that "...the acceptable rise in prices is 4 per cent (reflecting changes in relative prices necessary to attract resources to growth sectors)...." The reasoning given is somewhat opaque.

The RBI has been focusing on inflation management all along, and more explicitly since the dismantling of automatic monetisation in 1994 that gave functional autonomy to the RBI in conducting monetary policy. In 2016, India adopted the FIT framework that also gave, in a broad sense, institutional autonomy. Since 2016,



C. Rangarajan

is Chairman, Madras School of Economics, Chennai



N.R. Bhanumurthy

is Director, Madras School of Economics, Chennai

Deriving acceptable rates of inflation that are consistent with growth prospects and macro conditions is worth undertaking

India's inflation is range-bound, by and large, despite facing multiple shocks. This is an achievement for a framework that is still evolving.

What to target

An issue that keeps recurring is the issue of what to target – headline or core inflation. If the overall objective of inflation control is to promote savings and investments and to protect the poor from shocks, then headline inflation should be the appropriate target. The assumption that 'food inflation' is only the result of supply shocks is not necessarily true. As some episodes in the past have shown, 'food inflation' in an environment of expansionary monetary policy will be much higher than in an environment of contractionary monetary policy.

There is also a mistaken conclusion that the behaviour of individual prices adds up to the increase in general price level (and, hence, inflation). As Milton Friedman famously said to an Indian audience in Mumbai in 1963, "If the Government is committed to a full employment policy, it may in response thereto expand the money supply by printing more money for Government expenditures or for other purposes. In that case, it is true that the upward push in wages produced inflation, not because it was necessarily inflationary but because it happened to be the mechanism which forced an increase in the stock of money."

Without an expansion in overall liquidity or money supply, the general price level cannot rise. The present debate in India between headline versus core inflation appears to miss the distinction between changes in relative prices and general price level. When there is no change in aggregate demand, food inflation results only in changes in relative prices. The general price level is not affected. However, Indian data show second round impacts of food inflation on core inflation through upward pressure on wages and other channels. This could lead to a change in the general price level, if the aggregate demand is allowed to expand, as Friedman warned. In such a situation, the scope of monetary policy must include 'food inflation'.

Acceptable level of inflation

Some studies, using Phillips Curve, have argued that there is a trade-off between growth and inflation. Empirically, the Phillips Curve argument did not stand the test of time. As Friedman and others argued, there is only a short-run trade-off, at best, and in the long run,

with the expectations built-in, there will be no trade-off.

However, even in the short-run, low levels of inflation may even facilitate growth. But beyond a level, high inflation does hurt growth and this is how the concept of threshold inflation emerged. This may be noted in the graph where annual data for both inflation and growth since the 1991 period (excluding the COVID-19 year) is presented. A simple quadratic line between the two variables gives a non-linear relationship. The point of inflection is estimated at 3.98, suggesting that acceptable inflation for India could be about 4%.

Ideally, as the monetary policy is largely forward looking and the present review of FIT is to suggest the framework for the next five years, up to 2030-31, deriving acceptable rates of inflation consistent with growth prospects and macro conditions is worth undertaking. A preliminary simulation exercise in this direction does suggest inflation of below 4% as the acceptable rate. While this needs some robustness checks, especially about what the fiscal and external pressures could be in the next five years, this suggests that there is a very limited case for arguing for a higher inflation target above 4%.

On inflation band

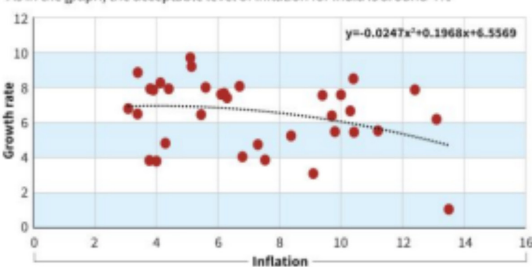
The present limit of +/-2% has delivered enough flexibility for the monetary authorities to navigate. But what is not prescribed is how long the central bank can stay closer to the upper limit. In fact, staying close to the upper limit will defeat the spirit of the framework. The graph also suggests that beyond 6% inflation, the growth rate declines sharply.

It also depends on how we navigate the fiscal policy going forward. If we look back at the history of inflation in India, a major cause of high inflation in the 1970s and 1980s is the monetisation of fiscal deficit. That is why one major element in the reform process in the early 1990s was to abolish the system of issuing ad hoc treasury bills, which had the effect of an automatic monetisation of deficit. This was followed up later by the Fiscal Responsibility and Budget Management (FRBM) Act. A natural follower of this is FIT. FRBM provisions and FIT must go together. Slipping on any one of the two frameworks will have consequences on the other, thus, risking overall macroeconomic stability.

The views expressed are personal

Relationship between inflation and growth

As in the graph, the acceptable level of inflation for India is around 4%



Flexible inflation targeting

India's current **Flexible Inflation Targeting (FIT)** system — keeping inflation at **4% ± 2%** — ends in March 2026, and the RBI is reviewing it. The RBI's discussion paper raises key questions like whether we should target **headline inflation** (overall inflation) or **core inflation** (excluding food), what the **ideal inflation level** should be, and whether the current inflation band should change.

- **Headline inflation** should be targeted because food inflation also affects the general price level when overall money supply is rising.

High inflation harms the poor, reduces savings, and misguides investments, so keeping inflation low is crucial.



Looking at India's data, economists find that economic growth starts to fall when inflation goes above **4%**. So the acceptable inflation level should remain around **4%** and not be increased.

The current band of **4% ± 2%** (i.e., 2%–6%) gives enough flexibility, but the RBI should not remain near the upper limit for too long because inflation above **6%** reduces growth sharply.

India must strictly follow both the **Fiscal Responsibility laws (FRBM)** and **inflation targeting**, because weak discipline in one will destabilize the other.

(Fiscal Responsibility laws are rules made by the government to **control its borrowing, reduce fiscal deficit, manage debt and ensure responsible use of public money.**)

- As per the original Fiscal Responsibility and Budget Management Act, 2003 (FRBM Act):
- The Central Government was required to limit the fiscal deficit to 3% of GDP by 31 March 2021.
- The target was not met, and in subsequent years the government adopted a more flexible path aiming for below 4.5% of GDP by FY 2025-26.

Great Nicobar project

The Great Nicobar project and a Ministry in knots

In an important submission made before the National Green Tribunal (NGT) on October 30, 2025, the Union Environment Ministry admitted that the Great Nicobar mega infrastructure project will have a significant impact on this biodiversity and forest-rich island located at the extreme south of the Andaman and Nicobar chain (*The Hindu*, "Fully aware of Great Nicobar project's impact, says Centre", October 31, 2025).

The project that envisages an investment of ₹92,000 crore (₹72,000 crore in 2021) includes a transshipment port, an airport, a power plant and a greenfield tourism project and township. It has seen intense scrutiny and challenges before both the NGT and the Calcutta High Court.

Defending the environmental clearance granted to the project in November 2022, Additional Solicitor General Aishwarya Bhati, admitted before the NGT, in the latest hearing on October 30, that Galathea Bay, the site of the port and also the centre-piece of the project, had over 20,000 live coral colonies, over 50 nesting mounds of the endemic Nicobar Megapode (also a Schedule I species as per the Wildlife (Protection) Act 1972) and also an active nesting site of the Giant Leatherback turtle. Ms. Bhati noted that the Ministry was fully aware of the impact of the project and of its duty to undertake mitigation measures, given that it had prescribed conservation measures till 2052.

A finger points to the Environment Ministry

The fundamental questions that arise and which the Ministry would rather side-step is the need in the first place for the conservation and mitigation measures. Presenting the project as *fait accompli* and mitigation measures as a solution conceals, first, the Ministry's own complicity in allowing the project and second, the failure of its primary mandate of conservation and protection.

There are at least two important recent developments that underline this fundamental contradiction. First in 2021, the National Board for Wildlife (NBWL) denotified the Galathea Bay



Pankaj Sekhsaria

is the author and editor of seven books on the Andaman and Nicobar Islands including, most recently, 'The Great Nicobar Betrayal' (*The Hindu Group*, 2024) and 'Island on Edge - The Great Nicobar Crisis' (2025)

The Union Environment Ministry has ignored scientific rigour and procedural propriety

Wildlife Sanctuary that had been proposed in 1997 precisely for the protection of leatherback turtles, coral colonies, nesting populations of the megapode and important elements of biodiversity such as mangroves and salt water crocodiles. It can only be considered ingenious for the institution that created the wildlife sanctuary and has the statutory responsibility for its protection to first remove this protection, and then say that conservation and mitigation plans are being put in place.

Coastal regulation applies

The second issue is a category of land labelled by Indian law as coastal regulation zone (CRZ)-IA. Coastal areas which have mangroves, corals, turtle nesting beaches, sea grass beds and nesting grounds of birds and/or which are notified as protected areas (wildlife sanctuary and national park) are all included in CRZ-IA. These are areas with maximum protection and are, by implication, out of bounds for large construction projects such as the port in Great Nicobar. Galathea Bay qualifies as CRZ IA on all counts. This is where the Environment Ministry has tied itself up in multiple knots of its own making.

This became explicit and inescapable when an NGT order of April 2023 noted that the port site had 20,668 coral colonies and "that part of the project is in CRZ-IA area where Port is prohibited". The NGT then appointed a high-powered committee to look into the matter, which in turn asked the Chennai-based National Centre for Sustainable Coastal Management (NCSCM), Ministry of Environment, Forest and Climate Change, to conduct a ground truthing survey.

Based on the survey, the layout provided by the project proponent, the Andaman and Nicobar Islands Integrated Development Corporation (ANIIDCO), and the clarification received from the Andaman and Nicobar Forest Department, the NCSCM concluded that no part of the project area fell under CRZ-IA. A confidential report that the NCSCM then submitted to the high-powered

committee became the basis for its claim that the port site was not CRZ-IA. ANIIDCO's affidavit in the NGT in September 2024 makes this explicit: "The HPC came to the conclusion that in the Report submitted by the NCSCM, it has been determined that construction of [a] port is permissible in CRZ-IB area but not permissible in CRZ-IA. The NCSCM, hence, concluded that no part of the project area is falling under CRZ-IA."

Not only is the logic absurdly circular, but it is also important to note that neither the NCSCM's report nor the high-powered committee's submission to the NGT are in the public domain. The Ministry has repeatedly refused to release these, arguing that parts of the project are defence related even though denotification of the sanctuary and the downgrading to CRZ IB were done entirely for commercial projects.

Galathea Bay is ecologically important

Importantly, Ms. Bhati's most recent submission, that Galathea Bay has corals, megapode nests and the beach is used for nesting by leatherback turtles and in fact that the Ministry was well aware of this reality, confirms the continued importance of this location. The Andaman and Nicobar Islands Forest Department's own data shows in fact that the beach at Galathea Bay saw over 600 leatherback nestings in the nesting season of 2024 – one of the highest ever recorded in Great Nicobar.

This being the case, it is not possible that Ms. Bhati and the high-powered committee/NCSCM report are both telling the truth. If Ms. Bhati's submission and admissions before the NGT are indeed correct, Galathea Bay is still very much CRZ-IA and deserves the highest protection. This raises a serious question about the reports submitted before the NGT that argue otherwise. It is then not just a matter of the Ministry tying itself up in knots (which it surely has). It also raises fundamental issues of scientific rigour and procedural propriety and honesty.

The views expressed are personal

The Centre has admitted before the NGT that the **Great Nicobar mega project** will significantly impact the island's biodiversity — including **20,000+ coral colonies, Nicobar megapode nesting mounds, and leatherback turtle nesting beaches.**

Despite knowing this, the Environment Ministry defends the project by highlighting long-term mitigation plans (till 2052), but this hides:

1. **The Ministry's role in allowing the harmful project, and**
2. **Its failure to prioritise conservation, which is its primary mandate.**

Two major contradictions expose this:

1. In 2021, the National Board for Wildlife **denotified the Galathea Bay Wildlife Sanctuary**, which was originally meant to protect exactly the species now endangered by the project.
2. Galathea Bay clearly qualifies as **CRZ-1A (Coastal Regulation Zone- highest protection zone)**, where ports are **prohibited** — yet the Ministry claims it is **CRZ-1B**, allowing construction.

The NGT in 2023 acknowledged the presence of over **20,668 coral colonies** and said this area was indeed **CRZ-1A.**

But a confidential report later claimed nothing falls under CRZ-1A — a conclusion not made public and based on circular logic.

The Forest Department's own data show **600 leatherback turtle nests in 2024**, proving Galathea Bay is still ecologically rich and **should remain CRZ-1A.**

Strait of Hormuz

Iran seized a Marshall Islands-flagged oil tanker as it travelled through the narrow Strait of Hormuz on Friday, a U.S. official said, turning the ship into Iranian territorial waters in the first-such interdiction in months in the strategic waterway.

Iran did not immediately acknowledge the seizure, though it comes as Tehran has been increasingly warning it can strike back after facing a 12-day war in June with Israel that saw the U.S. strike Iranian nuclear sites.

The ship, the *Talara*, was travelling from Ajman, UAE, onward to Singapore when Iranian forces intercepted it, said the official.

Iran seizes oil tanker in the Strait of Hormuz'

Associated Press
DUBAI

Iran seized a Marshall Islands-flagged oil tanker as it travelled through the narrow Strait of Hormuz on Friday, a U.S. official said, turning the ship into Iranian territorial waters in the first-such interdiction in months in the strategic waterway.

Iran did not immediately acknowledge the seizure, though it comes as Tehran has been increasingly warning it can strike back after facing a 12-day war in June with Israel that saw the U.S. strike Iranian nuclear sites.

The ship, the *Talara*, was travelling from Ajman, UAE, onward to Singapore when Iranian forces intercepted it, said the official.

Strategic importance of the Strait of Hormuz

- One of the world's most crucial oil chokepoints.
- Control over this waterway gives Iran the ability to exert pressure during crises.
- Nearly **20% of global petroleum and one-third of LNG** trade passes through it.
- Essential route for exports from Saudi Arabia, UAE, Kuwait, Iraq, Qatar, and Iran.

