

DAILY CURRENT AFFAIRS (DCA)

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DENOTIFIED TRIBES DEMAND CONSTITUTIONAL RECOGNITION AND SEPARATE CENSUS ENUMERATION

Context

- Denotified Tribes (DNTs), Nomadic Tribes (NTs), and Semi-Nomadic Tribes (SNTs) across India are demanding a separate column in the 2027 caste census and constitutional recognition through a distinct Schedule, citing long-standing political misclassification, and exclusion from welfare benefits.

Nomadic, Semi Nomadic, and Denotified Tribes (NTs, SNTs, and DNTs)

- Nomadic and semi-nomadic communities** are defined as those who move from one place to another rather than living at one place all the time.
- The term **'De-notified Tribes'** stands for all those communities which were once notified under the **Criminal Tribes Acts**, enforced by the **British Raj between 1871 and 1947**.
 - These Acts were repealed by the Government in **1952**, and these communities were **"De-Notified"**. A few of these communities which were listed as de-notified were also nomadic.
- While most DNTs are spread across the Scheduled Castes (SC), Scheduled Tribes (ST) and Other Backward Classes (OBC) categories, some **DNTs are not covered in any of the SC, ST or OBC categories**.

Status in India

- It has been estimated that South Asia has the **world's largest nomadic population**.
- In India, roughly **10 percent** of the population is Denotified and Nomadic.
 - While the number of Denotified Tribes is about **150**, the population of Nomadic Tribes consists of about **500 different communities**.
- While the Denotified Tribes have almost settled in various States of the country, the Nomadic Communities continue to be largely nomadic in pursuit of their traditional professions.

Challenges faced by NTs, SNTs, and DNTs

- Lack of Recognition and Documentation:** Denotified communities lacking citizenship documents, which makes their identity invisible and causes hindrances in obtaining government benefits, constitutional, and citizenship rights.
- Limited Political Representation:** Inadequate representation for these communities making it challenging for them to voice their concerns and advocate for their rights.

- Social Stigma and Discrimination:** NTs, SNTs, and DNTs often face discrimination and social stigma, both due to their historical denotified status and their distinct way of life.
- Economic Marginalization:** Lack of access to resources, markets, and employment opportunities results in economic marginalization of these communities.
- Educational Deprivation:** Educational opportunities for these tribes are limited, leading to high illiteracy rates.

Steps taken by government

- Based on the recommendations of the **Idate Commission** the Government of India constituted the **Development and Welfare Board for DNTs, SNTs & NTs (DWBDNCs)** in 2019.
- Scheme for Economic Empowerment of DNTs (SEED):** The scheme was launched in **2022** for the welfare of Denotified, Nomadic and Semi Nomadic Communities. The components of the Scheme for Economic Empowerment of DNTs are;
 - To provide **good quality coaching** for DNT candidates to enable them to appear in competitive examinations;
 - To provide **Health Insurance** to them;
 - To facilitate **livelihood initiative** at community level; and
 - To provide financial assistance for **construction of houses** for members of these communities.

Idate Commission

- In **2014**, a National Commission for Denotified, Nomadic and Semi Nomadic Tribes was constituted under the Chairmanship of **Bhiku Ramji Idate** for a period of three years.
- The commission has given the following recommendations;
 - There is a need to identify challenges faced by the NTs, SNTs, and DNTs owing to the stigma imposed by the enactment of the **Criminal Tribes Act, 1871** and later by the **Habitual Offenders Act, 1952** and figure out a way to modify discriminatory provisions of the latter.
 - It also suggested the non-inclusion of DNTs/NTs/SNTs under the SC/ST/OBC and formulation of specific policies for the former, among many others.
 - Setting up a permanent commission** for Nomadic, Semi Nomadic, and Denotified Tribes (NTs, SNTs, and DNTs) in India.

- ◆ It stressed on taking measures to discern hurdles endured by the communities in availing basic facilities such as education, employment, health care, and legal documents, among others.

Source: TH

PSU DISINVESTMENT AS A PILLAR OF GROWTH-ORIENTED FISCAL CONSOLIDATION

Context

- The Union Budget 2026–27 reiterates the government's preference for growth-led fiscal consolidation, balancing deficit reduction with sustained capital expenditure, and disinvestment.

About

- Economic growth has been prioritised over fiscal deficit reduction to sustain demand and investment.
- **Capital expenditure and infrastructure spending** have been protected due to their high growth multiplier effects.
- The fiscal deficit is projected at **4.4% of GDP in FY26** and **4.3% in FY27**, reflecting gradual consolidation.

What is PSU Disinvestment?

- PSU disinvestment refers to the process by which the **government reduces its ownership stake** in Central Public Sector Enterprises (CPSEs).
- It can involve **partial sale, strategic sale, or increase in public shareholding**, while retaining or transferring management control.
- Disinvestment is **distinct from privatisation**, as ownership and control may still remain with the government.
- **Department of Investment and Public Asset Management (DIPAM):**
 - ◆ DIPAM is a Department under the **Ministry of Finance**.
 - ◆ It deals with all matters relating to management of Central Government investments in equity including disinvestment of equity in Central Public Sector Enterprises (CPSE's).

Modes of Disinvestment of CPSEs

- **Strategic Disinvestment:** It implies the entire or substantial sale of Government shareholding of a CPSE along with **transfer of management control**.
- **Minority Stake Sale:** Minority stake sale in certain CPSEs are carried out without transfer

of management control through various SEBI-approved methods like **Initial Public Offer (IPO), Offer for Sale (OFS) and Buyback of shares etc.**

Objectives of PSU Disinvestment

- To **mobilise non-tax revenue** and reduce dependence on borrowing.
- To **improve efficiency, productivity, and corporate governance** in CPSEs.
- To enable the government to **reallocate resources towards social and infrastructure sectors**.
- To **support fiscal consolidation** without compressing productive expenditure.

Challenges in PSU Disinvestment

- **Market-related constraints:** Volatility in **equity and debt markets** affects valuation discovery and optimal timing of disinvestment.
- **Labour concerns:** Resistance from employee unions stems from **fears of job losses, wage restructuring**, and dilution of social security.
- **Procedural delays:** Lengthy approval processes, inter-ministerial coordination issues, and litigation delay execution.
- **Sector-specific investor limitations:** Certain CPSEs operate in sectors with low profitability or high regulation, limiting investor appetite.
 - ◆ Strategic disinvestment becomes difficult where long-term commercial viability is uncertain.
- **Operational inefficiencies of CPSEs:** Persistent underperformance, high legacy costs, and outdated technology reduce asset attractiveness.

Way Ahead

- **Transparency in timelines** and methods will enhance investor confidence.
- **Cleaning up balance sheets, resolving legacy liabilities**, and rationalising manpower before disinvestment will improve asset attractiveness.

Source: IE

CHEMICAL PARKS

In News

- The Union Budget 2026–27 has introduced a new scheme to assist States in setting up **three dedicated Chemical Parks** with a budgetary allocation of **Rs 600 crore in BE FY 2026–27**.

What are Chemical Parks?

- Chemical parks are planned industrial clusters explicitly **designed for chemical and**

petrochemical manufacturing, where multiple units operate together, sharing world-class infrastructure and common services.

- They are envisaged as **cluster-based, plug-and-play manufacturing ecosystems**, supported by common infrastructure and shared facilities.
- They are intended to strengthen domestic manufacturing capabilities, enhance supply-chain integration, and reduce import dependence in the chemicals sector.



Importance

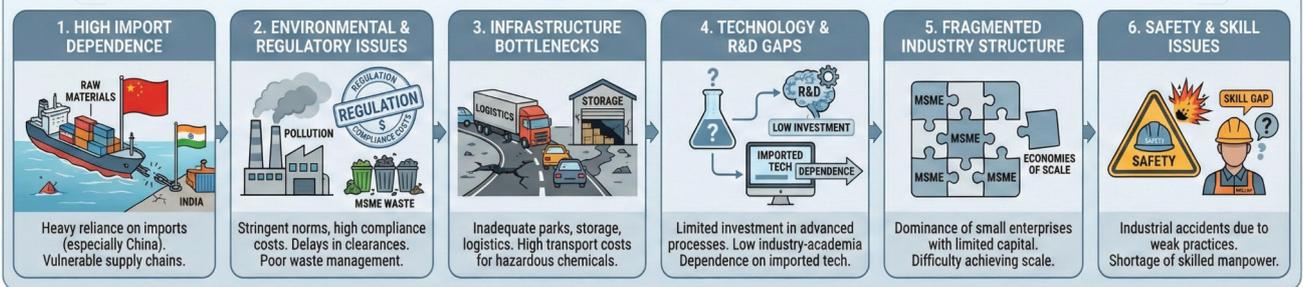
- India's chemical industry is increasingly moving toward cluster-based, integrated development, building on the success of Plastic Parks, Bulk Drug Parks, and Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIRs).
- The proposed Chemical Parks aim to extend this model across the entire chemical value chain, offering plug-and-play infrastructure, shared utilities, logistics support, and streamlined regulatory facilitation.
- These parks are expected to reduce project timelines and costs, enable economies of scale, strengthen value chain integration, and improve environmental and safety management.

Status of Chemical Industry in India

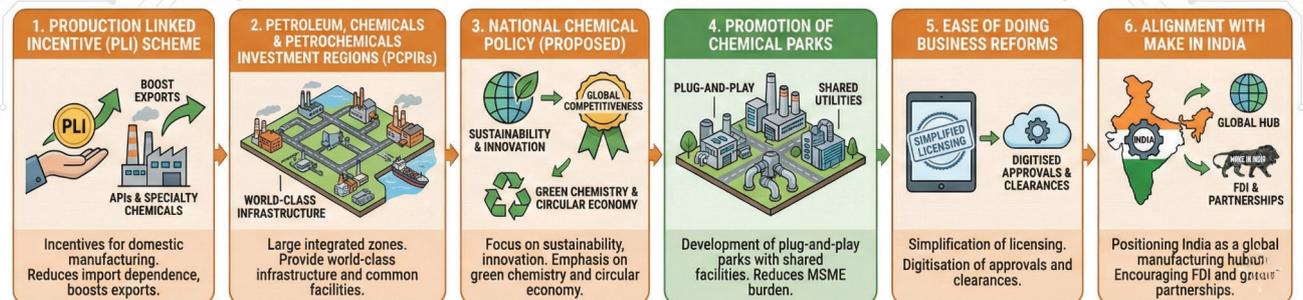
- India ranks as the **world's sixth-largest chemical producer and third in Asia**.
- India's chemical industry contributes about **7 percent to national GDP**.
- The Economic Survey 2025–26 notes that the **chemical sector accounted for 8.1 percent of manufacturing Gross Value Added in FY24**, alongside a steady rise in output over the past decade.

'INDIAN CHEMICAL INDUSTRY: CHALLENGES & GOVERNMENT INITIATIVES'

CHALLENGES FACED



GOVERNMENT INITIATIVES



Source :PIB

STRENGTHENING INDIA'S TEXTILE VALUE CHAIN

Context

- In the **Union Budget 2026-27**, a **comprehensive and integrated policy framework** has been declared to bolster the entire textile value chain—from fibre to fashion, from village industries to global markets.

Integrated Programme for the Textile Sector

- Objective:** Boosting competitiveness, fostering self-reliance and creating jobs.
- It is structured around **five sub-components:**



Overview of India's Textile Industry

- Contribution:** With an estimated size of **USD 179 billion**, the Indian T&A industry contributes **~2%** to the country's GDP, accounts for **~11%** of manufacturing gross value added (GVA), and **8.63% to exports**.
- Export Basket:** India is the **6th largest global exporter** of T&A, with a share of **~4%** in world exports in this segment.
 - India's export of T&A (including Handicrafts) increased to USD 37.75 billion in FY25, up from USD 35.87 billion in FY24.
 - In 2025, India's textile sector recorded export growth across 118 countries and export destinations.
- Employment:** It is the **second largest employment generator**, after agriculture, with over 45 million people employed directly.
 - As per the **Economic Survey 2026-27**, textiles industry has a **9% share** in employment across 8 major industry groups.

- Future Projections:** Indian textile market currently **ranks fifth globally**, and the government is actively working to accelerate this growth to a rate of **15-20% over the next five years**.



Challenges Faced by the Sector:

- Fragmented Structure:** Predominantly unorganised and decentralised, especially in the powerloom and handloom sectors.
- Outdated machinery in many units leads to:** Low productivity, poor quality output and higher operational costs compared to global competitors (e.g., China, Bangladesh).
- Inadequate Infrastructure:** Poor logistics, power shortages, and high cost of electricity.
- Environmental Concerns:** Textile processing is water- and chemical-intensive.
 - Non-compliance with environmental norms leads to factory closures and export bans.
- Stiff Global Competition:** Competes with low-cost producers like Bangladesh, Vietnam, and China.
 - India's higher production and compliance costs reduce export competitiveness.
- Fluctuating Export Demand:** Trade barriers, global economic slowdown, and changing consumer preferences affect exports.

Government Initiatives

- The Make in India initiative** has catalyzed textile manufacturing and exports through key policy interventions, enhanced infrastructure, and incentives.
- Production Linked Incentive (PLI) Scheme for Textiles:** To increase manufacturing in man-made fibre (MMF) and technical textiles.
 - Financial incentives for large-scale textile manufacturers.

- **PM MITRA (Mega Integrated Textile Region and Apparel) Parks:** For developing integrated large scale and modern industrial infrastructure facilities for the total value-chain of the textile industry like spinning, weaving, processing, garmenting, textile manufacturing, processing & textile machinery industry.
 - ♦ **Current Status:** A total of 7 Parks established in states of Gujarat, Maharashtra, Madhya Pradesh, Tamil Nadu, Karnataka, Uttar Pradesh, and Telangana.
- **Amended Technology Upgradation Fund Scheme (ATUFS):** It provides capital subsidies for technology upgradation.
- **Samarth (Scheme for Capacity Building in Textile Sector):** To provide skill training to workers in the textile industry, in partnership with the Ministry of Skill Development & Entrepreneurship.
- **Textile Cluster Development Scheme (TCDS):** To create an integrated workspace and linkages-based ecosystem for existing as well as potential textile units/clusters to make them operationally and financially viable.
- **National Technical Textiles Mission (NTTM):** The Mission focuses on research, innovation and development; promotion and market development; education and skilling and; export promotion in technical textiles to position the country as a global leader in technical textiles.
- **Initiative to Promote Sustainability and Circularity:** A tripartite MoU was signed between Textiles Committee, GeM and Standing Conference of Public Enterprises (SCOPE), to promote and mainstream the public procurement of upcycled products.
- **The Union Budget 2026-27 further** emphasizes employment generation, inclusive growth, sustainability, and coordinated implementation led by the Ministry of Textiles, reinforcing India's position as a competitive, reliable, and forward-looking global textile and apparel hub.

Conclusion

- The Make in India initiative has significantly enhanced India's position in global textile manufacturing and exports through targeted policies, infrastructure development, and investment promotion.
- With sustained efforts, India is poised to become a global textile leader, driving economic growth and employment generation.

Source: PIB

STRENGTHENING CAPITAL GOODS SECTOR

Context

- The Union Budget 2026-27 has estimated ₹12.2 lakh crore for public capital expenditure, from ₹2.63 lakh crore in FY18.

Key Announcements in Union Budget 2026-27 For the Capital Goods Sector

- **Increased Public Capital Expenditure:** Public capital expenditure proposed at ₹12.2 lakh crore in FY 2026–27 reinforcing infrastructure-led growth and supporting demand for capital goods across sectors such as transport, energy, urban infrastructure, and industry.
- **Hi-Tech Tool Rooms for Precision Manufacturing:** Establishment of Hi-Tech Tool Rooms by Central Public Sector Enterprises (CPSEs) at two locations, functioning as digitally enabled, automated service centres for design, testing, and manufacturing of high-precision components.
- **Scheme for Enhancement of Construction and Infrastructure Equipment (CIE):** Introduction of a dedicated scheme to strengthen domestic manufacturing of high-value, technologically advanced construction and infrastructure equipment.
 - ♦ It covers equipment such as lifts, fire-fighting systems, tunnel-boring machines, and machinery for metro and high-altitude road projects.
- **Scheme for Container Manufacturing:** Launch of a ₹10,000 crore scheme over five years to develop a globally competitive container manufacturing ecosystem in India.
 - ♦ Aims to reduce import dependence and support logistics, trade, and port infrastructure.
- **Tax Incentives for Toll Manufacturing: Five-year income tax exemption** for non-resident entities supplying capital goods, equipment, or tooling to toll manufacturers operating in bonded zones.
 - ♦ Intended to lower capital costs and promote contract manufacturing in India.
- **Support for Energy Transition: Extension of basic customs duty exemption** on capital goods used for manufacturing Lithium-ion cells for battery energy storage systems.
 - ♦ Strengthens India's clean energy and energy storage ecosystem.
- **Critical Minerals Processing: Customs duty exemption on capital goods** required for processing critical minerals in India.

- ♦ Aims to build domestic value chains and enhance energy and resource security.
- **Continued Alignment with PLI and Competitiveness Schemes:** Budget measures complement ongoing **PLI schemes** and **Phase II of the Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector**, supporting technology upgradation, testing infrastructure, and skill development.

What are Capital Goods?

- The term **'Capital Goods'** means any plant, machinery, equipment or accessories **required for manufacture or production**, either directly or indirectly, of goods or for rendering services, including those required for **replacement, modernisation, technological upgradation or expansion**.
- These goods may be used in **manufacturing, mining, agriculture, aquaculture, animal husbandry, floriculture, horticulture, pisciculture, poultry, sericulture and viticulture** as well as for use in the services sector.

Significance/Importance of Capital Goods in India

- **Foundation of Industrial and Manufacturing Growth:** Capital goods provide the **essential machinery and equipment** required for **manufacturing** across sectors such as **steel, cement, automobiles, electronics, chemicals, and textiles**.
 - ♦ **Manufacturing GVA growth accelerated to 9.13% in Q2 FY26**, supported significantly by capital goods availability and investment.
 - ♦ Capital goods enable **modernisation, capacity expansion, and technological upgradation** of industries.
- **Driver of Infrastructure Development:** Large-scale infrastructure projects i.e. roads, railways, ports, power plants, metros, and renewable energy facilities are heavily dependent on capital goods such as construction equipment, electrical machinery, and heavy engineering products.
- **Strong Multiplier Effect on the Economy:** The capital goods sector has a **high multiplier effect**, as investments in this sector stimulate demand across manufacturing, mining, agriculture, services and logistics.
 - ♦ The capital goods supply **critical inputs to the entire production ecosystem**, thereby boosting output, income, and employment across user industries.
- **Indicator of Investment and Economic Momentum:** Capital goods production and imports are widely regarded as **barometers of investment activity** in the economy.

- ♦ Capital goods under the **Index of Industrial Production (IIP)** grew **8.1% YoY in December 2025**.
- **Support to Export Growth and Global Competitiveness:** The expansion of domestic capital goods capacity has strengthened India's export performance:
 - ♦ Capital goods exports increased to **₹33,356 crore in FY25** from **₹31,621 crore in FY24**.
 - ♦ Technologies developed under government schemes have found markets in **France, Belgium, and Qatar**, reflecting rising global competitiveness.
- **Enabler of Technological Advancement and Innovation:** Capital goods play a crucial role in **high-precision and high-technology manufacturing**, and promote **industry-academia collaboration** and indigenous R&D.
- **Catalyst for Employment Generation:** Capital goods manufacturing is **skill-intensive**, generating **direct and indirect employment** across **engineering, design, fabrication, testing, and maintenance**.
 - ♦ **Production Linked Incentive (PLI)** schemes linked to capital goods have contributed to **over 12.6 lakh jobs** by September 2025.
- **Strategic Role in Energy Transition and National Security:** The sector supports India's **energy transition and critical mineral value chains** by enabling:
 - ♦ Manufacturing of lithium-ion batteries and energy storage systems;
 - ♦ Processing of critical minerals through customs duty exemptions on capital goods;

Major Issues and Concerns

- **Weak Private Sector Capital Formation:** Private investment and corporate capex **remains uneven and cautious** in India, and concentrated in a few sectors, while MSMEs face limited access to long-term finance.
 - ♦ Crowding-in effects of public capex are **slower than expected**.
- **Financing Constraints and Cost of Capital:** Infrastructure financing literature highlights persistent **asset-liability mismatches**. Capital investment in India is affected by:
 - ♦ **High cost of borrowing**, especially for infrastructure and manufacturing projects;
 - ♦ Limited availability of long-tenure finance;
 - ♦ Overdependence on banks rather than deep corporate bond markets.
- **Infrastructure Bottlenecks and Project Delays:** Despite increased allocations, capital projects often suffer from land acquisition challenges, environmental and regulatory clearances, contract enforcement delays.

- ◆ These factors increase project costs and reduce investment efficiency.
- **Skill Gaps and Productivity Constraints:** Capital-intensive sectors require **highly skilled labour**, but India faces:
 - ◆ Shortage of advanced technical and 'new-age' skills;
 - ◆ Mismatch between industrial needs and workforce capabilities.
- **Regional and Sectoral Imbalances:** Capital investment is unevenly distributed:
 - ◆ Concentrated in a few states and urban centres;
 - ◆ Limited penetration in eastern and north-eastern regions;
 - It leads to **unequal development and underutilisation of national capacity**.
- **Dependence on Imports and External Vulnerabilities:** India remains dependent on **imported capital goods and advanced technologies**, especially in electronics, renewable energy, and heavy engineering.
 - ◆ It exposes capital investment to **exchange rate volatility and geopolitical risks**.
- **Sustainability and Environmental Concerns:** Large-scale capital investment raises concerns about environmental degradation, carbon intensity of infrastructure, and climate resilience of assets.
 - ◆ **Balancing growth with sustainability remains a key policy challenge.**

Conclusion

- India's capital goods sector is **emerging as a central pillar** of its **investment-led growth strategy**.
- The sector is strengthening industrial capacity, accelerating infrastructure creation, and reinforcing India's long-term economic momentum and global competitiveness supported by sustained public investment, targeted policy interventions, and Budget 2026–27 initiatives.

Source: PIB

NEWS IN SHORT

LAKE URMIA

In News

- Iranian authorities have resorted to cloud seeding to induce artificial rainfall over the Lake Urmia basin amid Iran's worst drought in decades.

About Lake Urmia

- It is situated in the Azerbaijan region of northwestern Iran and lies between East Azerbaijan and West Azerbaijan provinces.
- High evaporation rates make it extremely saline.
- It is the largest lake in the Middle East.
- Designated a Ramsar wetland and UNESCO Biosphere Reserve, the lake has shrunk dramatically since the 1990s.

Source: AIR

RAFAH BORDER

News

- Israel has reopened the Rafah border crossing between Gaza and Egypt for limited civilian movement after months of closure.
 - ◆ The crossing has largely been closed since the Gazan side was captured by Israeli forces in **May 2024**.

Why is Rafah important to Gaza?

- **Location:** Rafah border is located on the Gaza–Egypt border, which was recognized by the 1979 Egypt–Israel peace treaty.
- **Significance:** The Rafah Border Crossing or Rafah Crossing Point is the sole crossing point between Egypt and the Gaza Strip.

The Rafah crossing between the Gaza Strip and Egypt

Egypt is the only country apart from Israel to share a border with the Gaza Strip, which is home to 2.3 million people. The Rafah crossing between Egypt and Gaza is the sole route for aid to enter Gaza from outside Israel and the only non-Israeli exit.



Source: BBC

PRESIDENT'S RULE ENDS IN MANIPUR

Context

- The **President's rule in Manipur** was revoked and **Yumnam Khemchand Singh sworn in as Chief Minister of Manipur**.

Article 356 of the Constitution

- **Article 356** empowers the President of India to impose **President's Rule** in a state when **governance cannot be carried out** as per constitutional provisions.
- This typically follows a report from the Governor, stating that the state machinery has failed.
 - ♦ The President issues a proclamation that transfers the state government's functions to the Centre and the state legislature's powers to Parliament.
 - ♦ The judiciary, especially the **High Court, continues to function** without interference.
 - ♦ The proclamation remains **valid for up to two months** but must be **approved by both Houses of Parliament** to extend further.
 - ♦ If approved, the **Rule can last for six months** and be extended in increments of six months, up to a maximum of **three years**.

President's Rule in India

- Since the adoption of the Constitution, **Article 356** has been invoked **over 130 times** across various states and Union Territories.
- **Manipur** has witnessed the imposition of President's Rule the highest number of times. However, some states and UTs have spent longer durations under central control than others.
 - ♦ For example, **Jammu and Kashmir or Punjab** have had fewer instances but longer periods of President's rule due to specific circumstances like prolonged political instability or security concerns.

S R Bommai v Union of India (1994) Case

- The Supreme Court, in the landmark **S R Bommai v. The Union of India** case placed restrictions on the misuse of **Article 356**.
- The judgment established that;
 - ♦ The President's decision is subject to **judicial review**.
 - ♦ Courts can strike down the imposition if found illegal, malafide, or based on extraneous considerations.

Emergency Provisions

- **Part XVIII** of the Constitution speaks of emergency provisions.
- The emergency provisions can be classified into three categories:
 - ♦ **Articles 352, 353, 354, 358, and 359** relate to National emergency,
 - ♦ **Articles 355, 356, and 357** deal with the imposition of President's rule in States in a certain situation and,
 - ♦ **Article 360** speaks of financial emergency.

- ♦ The state legislature alone would be suspended, and the executive and other arms of governance would continue unless Parliament ratified the proclamation within two months.

Source: TH

FORGE INITIATIVE

In News

- India has expressed support for the **FORGE Initiative** at the inaugural Critical Minerals Ministerial hosted by the United States in Washington DC.

What is the FORGE Initiative?

- FORGE is a **multilateral international cooperation framework** aimed at de-risking global critical mineral supply chains by bringing together like-minded countries.
 - ♦ It has been created as a successor to the **Minerals Security Partnership (MSP)**.
- Core Idea is to reduce over-dependence on a few dominant suppliers, build trusted, transparent and resilient critical mineral ecosystems

India's Alignment with the FORGE Initiative

- India sees FORGE as complementary to its domestic efforts such as:
 - ♦ National Critical Minerals Mission (NCMM)
 - ♦ Rare Earth Corridors
 - ♦ Focus on self-reliance with global cooperation

Why FORGE Matters for India?

- Reduces import vulnerability
- Supports clean energy and EV goals
- Strengthens India's role in global supply chains
- Enhances strategic partnerships with the US and other countries.

Source: AIR

ADVANCE PRICING AGREEMENT (APA)

Context

- The Union Budget 2026-27 introduced a fast-track **Unilateral Advance Pricing Agreement (APA)** process for IT services, aiming for completion within 2 years, with an optional 6-month extension.

What is an Advance Pricing Agreement?

- **APA** is a binding agreement between a taxpayer and the tax administration that predetermines the **arm's length price (ALP)** or the **pricing methodology** for international transactions for a specified future period.

- **Legal Framework in India:** The APA regime in India was introduced under Sections **92CC and 92CD** of the **Income Tax Act, 1961**.
 - ♦ **The Central Board of Direct Taxes (CBDT)** is the competent authority for administering APAs.

Types of APAs

- **Unilateral APA:** An agreement involving only the taxpayer and the tax authority of their home country.
- **Bilateral APA:** An agreement involving the taxpayer, Indian tax authority, and the tax authority of the foreign country concerned.
 - ♦ It provides protection against double taxation.
- **Multilateral APA:** Involves multiple countries and their respective tax authorities for complex, multi-jurisdictional transactions.

Significance of APA for India

- APAs help in **reducing prolonged tax litigation**, which has been a major concern for foreign investors.
- They **promote a non-adversarial tax regime**, aligning with India's objective of stable and predictable taxation.
- APAs support India's efforts to position itself as a **trusted destination for global services and digital economy** operations.

Source: TOI

PRIMARY AGRICULTURAL CREDIT SOCIETIES (PACS)

Context

- The Government's initiative to transform **Primary Agricultural Credit Societies (PACS)** into multipurpose entities has significantly strengthened **rural economic activity across the agriculture, dairy and fisheries sectors**.

About

- PACS are the **grass root level arms** of the **short-term co-operative credit structure**.
- It is registered under the **State Cooperative Societies Act (or Multi-State Cooperative Societies Act, 2002 where applicable)**.
- PACS **deals directly with the rural (agricultural) borrowers**, give those loans and collect repayments of loans given and also undertake distribution and marketing functions.
- They occupy a **predominant position in the co-operative credit structure** and form its base.

- It serves as the **final link** between the ultimate borrowers on the one hand and the higher financing agencies, namely the Scheduled Commercial Banks, and the RBI/NABARD on the other hand.
- **Ministry:** Ministry of Cooperation.

Organisational Structure of PACS

- **General Body of PACS:** Exercise the control over board as well as management.
- **Management Committee:** Elected by the general body to perform the work as prescribed by the society's rules, acts, and by-laws.

Source: PIB

SARUS CRANES CENSUS DATA

In News

- The population of sarus cranes in Uttar Pradesh has gone up by 634 or 3.1% in a year, as per a government census.

Sarus crane

- It is the tallest flying bird in the world standing 152-156 cm tall with a wingspan of 240cm.
- **Nature:** It is a social creature, found mostly in pairs or small groups of three or four. Known to mate for life with a single partner, its breeding season coincides with heavy rainfall in monsoon.
- **Habitat and Distribution:** The Sarus habitat is outside protected areas, in natural wetlands with low water depth, marshy and fallow areas and agricultural fields.
 - ♦ The Sarus crane has three disjunct populations in the Indian sub-continent, south-east Asia and northern Australia.
 - In the Indian subcontinent, it is found in northern and central India, Terai Nepal and Pakistan.
 - It was once a common site in the paddy fields of Uttar Pradesh, Bihar, Rajasthan, West Bengal, Gujarat, Madhya Pradesh and Assam.
- But now it is mainly concentrated in Uttar Pradesh.
- **Ecological Role :** They play a vital role in ecological balance by controlling the population of harmful insects and have significant cultural importance, while also being sociable. Sarus is omnivorous, feeding on fish and insects, as well as roots and plants.
- **Protection status :** Listed in Schedule IV of the Wildlife (Protection) Act 1972 and as Vulnerable on IUCN Red List

Source :HT

EXERCISE KHANJAR

Context

- The 13th edition of the India–Kyrgyzstan joint military exercise KHANJAR has begun in Sonitpur district of Assam.

About

- Exercise KHANJAR is an annual training event conducted alternatively between India and Kyrgyzstan **since 2011**.
 - ♦ The previous edition was held in Kyrgyzstan in March 2025.
- The 14-day-long military exercise aims to enhance interoperability between the Special Forces of both nations, with a focus on joint operations in **urban warfare** and **counter-terrorism scenarios** under the **United Nations mandate**.

Source: AIR

BHARAT TAXI

Context

- Union Minister for Home Affairs and Cooperation launched *Bharat Taxi*, India's first cooperative-based ride-hailing platform.

About Bharat Taxi

- Bharat Taxi is a **cooperative-led mobility platform** registered under the **Multi-State Cooperative Societies Act, 2002**, and was established on June 6, 2025.
- The initiative aims to transform the mobility sector by placing drivers, referred to as *sarathis*, at the centre of ownership, operations, and value creation, offering an alternative to aggregator-based models.
 - ♦ Drivers are also free to operate on other platforms without exclusivity clauses.
- The platform operates on a **zero-commission and surge-free pricing model**, with profits directly shared with drivers.
- It prioritises driver welfare through social security measures such as health insurance, accident insurance, retirement savings, and dedicated support systems.
- With over three lakh drivers and more than one lakh users already registered, Bharat Taxi aims to expand to **all States and cities across India within the next two years**.

Source: TH

