

DAILY CURRENT AFFAIRS (DCA)

Time: 45 Min

Date: 01-10-2026

Table of Content

Green Energy Corridor Scheme for development of intra-state transmission system

First-ever UN Declaration on Sea Level Rise, and India's Coastal Vulnerability

Investment Ecosystem in India

Southwest Monsoon Ends with 12% Deficit

US-India Review Bilateral Ties

News In Short

Sengol

Annual Survey of Industries

Rebate of State and Central Taxes and Levies (RoSCTL) Scheme

ASEAN-India Maritime Exercise (AIME-2026)

Increase in the Minimum Support Prices (MSP) for all mandated Rabi crops

SC/ST (Prevention of Atrocities) Act, 1989

Third Phase of Corporate Average Fuel Economy (CAFE-3) Norms

'Beamline for Schools' Competition

Bond Yield

GREEN ENERGY CORRIDOR SCHEME FOR DEVELOPMENT OF INTRA-STATE TRANSMISSION SYSTEM

In News

The Union Cabinet has approved the Green Energy Corridor Phase-III (GEC-III) scheme to strengthen India's Intra-State Transmission System (InSTS) and facilitate the evacuation of up to 135 GW of renewable energy across States and Union Territories.

Green Energy Corridor Phase-III (GEC-III) scheme

- The scheme is targeted to be set up by FY 2032-33 with total project outlay of Rs.1,86,405 crore.
- It comprises Rs.1,36,378 crore for the development of Intra-State Transmission Systems (InSTS) under GEC-III, Rs.50,000 crore for 50 GWh of Battery Energy Storage Systems (BESS).
- It will strengthen India's Intra-State Transmission System (InSTS) to enable evacuation of up to 135 Gigawatts (GW) of renewable energy across States/ Union Territories.

Features

- It provides for the deployment of 50 GWh of Battery Energy Storage Systems (BESS) at the Renewable Energy (RE) developer/generator end or any other location of importance for grid flexibility to address intermittency, congestion, peak-hour curtailment, and meet non-solar-hour demand.
- It will facilitate grid integration and power evacuation within the States/UTs of India.
- It includes Central Financial Support of Rs 54,082 crore, which will help offset intra-state transmission charges and help keep power costs down for end users.
- All Greenfield projects under the InSTS component will be implemented through Tariff Based Competitive Bidding (TBCB) mode
- Brownfield upgradation and network strengthening works will be executed under Cost Plus Basis (CPB).
- The State Transmission Utilities will be the overall implementing agency, and Transmission Service Providers (TSPs) will participate under TBCB on a Build-Own-Operate-Maintain (BOOM) model.

Progress

- The Ministry of New and Renewable Energy (MNRE) is implementing the Green Energy Corridor (GEC) in two phases to augment transmission lines and transformation capacity

through intra-state transmission (InSTS) and inter-state transmission (ISTS) networks.

- However, a parliamentary panel has previously flagged delays in the scheme's implementation.
- According to government data, under GEC Phase-I, being implemented across eight states — Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, and Tamil Nadu — 9,130 circuit kilometres (ckm) of transmission lines had been constructed as of June 30 against the target of 9,461 ckm.
- Under GEC Phase-II, which is being implemented in seven states — Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu and Uttar Pradesh — the target is to add 7,863 ckm of transmission lines and 24,388 MVA of substation capacity.

Importance

- **Energy security:** Green Energy Corridor will support the target of achieving 900 GW of installed non-fossil capacity by 2035.
 - It is also expected to contribute to long-term energy security and promote sustainable growth by reducing the carbon footprint.
- **Renewable Integration and Grid Resilience:** The corridor strengthens the intra-state transmission system to tackle the bottlenecks at the state borders and allows smooth flow of power from far solar & wind sources to the local distribution grid.
- **System Stability and Storage:** Battery Energy Storage Systems (BESS) of 50 GWh will store excess energy at peak and release during high demand
 - It will help address challenges related to renewable energy intermittency, transmission congestion, and peak-hour curtailment, while supporting electricity demand during non-solar hours.
- **Decrease consumer electricity rates:** It has released Rs. 54,082 crore as Central Financial Assistance (CFA) for reduction of capital cost of State Transmission Utilities, which leads to lower retail power costs for customers.
- **Private sector efficiency:** Build-Own-Operate-Maintain (BOOM) model under Tariff-Based Competitive Bidding (TBCB) for greenfield projects brings transparency, cost optimisation, and innovation from the private sector in energy infrastructure building.

- **Socio-Economic and Environmental Benefits:** Construction of high-voltage transmission lines, substations, and BESS complexes will offer massive direct and indirect employment possibilities and speed up India's march toward net-zero carbon emissions.

Challenges

- **Land acquisition issues :** Substantial risk of cost and time overruns due to delays in administration and local reluctance to build electrical lines on agricultural and forest holdings.
- **Financial vulnerability of DISCOMs:** State Electricity Distribution Companies (DISCOMs) are financially vulnerable and may delay payments to Transmission Service Providers (TSPs) even with Central subsidies.
- **Supply Chain Constraints:** Critical mineral (lithium, cobalt) and specialist power equipment supply chains are highly variable and subject to international supply chain hazards for the deployment of network and battery storage.
- **Technical and Integration Issues:** Large volumes of intermittent renewable energy cannot be integrated with existing infrastructures without smart-grid technologies, advanced forecasting and dispatch technology, and expert workers.

Conclusion

The Green Energy Corridor Phase-III (GEC-III) is a significant move toward India's energy security and shift to renewable energy. It combines 135 GW of renewable-energy evacuation capacity with 50 GWh of battery storage to relieve transmission bottlenecks and renewable intermittency while increasing the grid's flexibility and reliability. Its success depends on timely implementation, good management of land, reform of State utilities, local supply-chain skills, technology readiness and Centre-State coordination. Overcoming these challenges, GEC-III will empower India to realise its objectives of energy independence, sustainable development and long-term decarbonisation.

Source:TH

FIRST-EVER UN DECLARATION ON SEA LEVEL RISE, AND INDIA'S COASTAL VULNERABILITY

Context

- The United Nations General Assembly adopted the first-ever UN Declaration on Sea Level Rise, which recognises rising sea levels as an existential threat.

Status of Global Sea-Level Rise

- **Sea-level rise refers** to an increase in the **average height of the ocean surface** relative to a reference point on land or the Earth's geocentric reference system.
- **Low-lying island nations** are particularly vulnerable because much of their land lies only a few metres above sea level, exposing them to **coastal erosion, flooding, saltwater intrusion and the loss of habitable land.**
 - ♦ In 2015, the low-lying **Republic of Kiribati** said that climate change effects were threatening its existence as a nation.
- **Global mean sea level** is rising at an accelerating rate. The WMO estimates that the rate increased from 2.1 mm per year during 1993–2002 to 4.7 mm per year during 2015–2024.

Global mean sea level

- The global mean sea level is the **average height of the sea surface.**
- It is measured by **satellites using radar altimeters**, which measure the height of the sea surface.
- **Tide gauges** along global coastlines have also been used to measure the global mean sea level since the late 19th century.

Leading causes of sea level rise

- **The global warming**-driven melting of glaciers (accumulation of ice and snow that slowly flows over land) and ice sheets (glaciers which cover more than 50,000 square km of land).
- The **thermal expansion of seawater**, a process by which water expands as it warms up.
 - ♦ With global temperatures rising, oceans are becoming warmer, and as a result, the volume of water is increasing as well.
 - ♦ Thermal expansion of seawater is responsible for one-third to half of global sea level rise, according to the National Aeronautics and Space Administration (NASA).
- **Fluctuations in land water storage:** Global sea level is also affected by reservoir storage and groundwater removal.

Impacts

- **Rising sea levels.** Waves and storm surges can reach further inland, accelerating the erosion of shorelines and damaging residences, roads, ports, and other infrastructure.

- **Saltwater intrusion** : The incursion of seawater into coastal aquifers and farmland, thus decreasing the supply of fresh water and perhaps affecting the agricultural output.
- **Coastal ecosystems** under jeopardy: Rising sea levels, warmer waters, and changing salinity are rapidly threatening reefs of coral, mangrove forests, tidal marshes and estuaries.
- **Displacement and Migration**: Groups may be compelled to migrate due to shortage of useable land creating concerns of livelihoods, land rights, citizenship and human rights.

UN Declaration on Sea-Level Rise

- **The UN Declaration on Sea-Level Rise**, adopted by the UN General Assembly by consensus in 2026, is the **first UN-wide political framework** specifically addressing the legal, humanitarian and developmental consequences of rising sea levels.
- **Background**: The process for the UN Declaration on Sea-Level Rise began with **UN General Assembly Decision 78/558 in 2024**, which called for a high-level meeting on the issue and an action-oriented declaration negotiated by consensus.
 - ♦ **The 2026 high-level meeting** subsequently led to the adoption of the Declaration.
- **Nearly 900 million people** currently live in low-lying coastal zones, while more than one billion people could face **coastal hazards by 2050**, highlighting the scale of the challenge.

Can a Country Retain Statehood Despite Losing Its Territory?

- **Under the 1933 Montevideo Convention**, a state is defined using four main criteria: a permanent population, a defined territory, a government, and the capacity to enter into relations with other states.
 - ♦ However, these criteria do not fully address the continuity of an existing state whose territory becomes uninhabitable or submerged due to sea-level rise.
- **The International Law Commission (ILC)**, in its 2025 report, recognised the legal basis for preserving statehood, drawing on territorial integrity, self-determination, sovereign equality and legal stability.
- **The 2026 UN Declaration on Sea Level Rise** affirms a presumption of continued statehood, indicating that the loss of territory due to sea-level

rise does not automatically result in the loss of statehood.

Implications for India

- **India welcomed the UN Declaration on Sea Level** and supported stable marine zones and continuity of statehood, while maintaining the notion of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC).
 - ♦ In the face of rising sea levels, fixing maritime boundaries preserves India's territorial seas and those of fragile island states.
 - ♦ It also strengthens India's historic involvement with the Pacific island countries through the FIPIC (2014) and the Infrastructure for Resilient Island States (IRIS) program (2021).
- **Large and Vulnerable Coastline**: India has a coastline of approximately **11,098 km**, along with numerous offshore islands.
 - ♦ Its coastal geography includes highly populated urban and industrial centres, **deltas, estuaries, mangroves, beaches and low-lying islands**.
- **Importance of Island Territories**: Lakshadweep in the **Arabian Sea** and the **Andaman and Nicobar Islands** in the Bay of Bengal extend India's maritime presence and influence.
 - ♦ Stability of maritime boundaries therefore has implications for **India's EEZ**, marine resources and strategic interests.
- **Human Displacement**: The Sundarbans illustrates the interaction between sea-level rise, coastal erosion, cyclones, salinity and human displacement.
 - ♦ Islands such as Ghoramara have experienced substantial land loss, while the disappearance of Lohachara demonstrates how erosion and inundation can permanently alter inhabited landscapes.

Policy Framework in India

- **Coastal Regulation Zone Notification, 2019**: It regulates development activities along India's coastal stretches.
 - ♦ It seeks to balance coastal conservation, livelihood requirements and regulated development.
- Coastal states and Union Territories prepare **Coastal Zone Management Plans (CZMPs)** to regulate development according to coastal vulnerability and environmental conditions.

- **The Survey of India** has prepared a **coastal hazard line** incorporating factors such as shoreline changes and sea-level rise.
- **International Engagement:** India launched the **Infrastructure for Resilient Island States (IRIS)** initiative at **COP26 in Glasgow in 2021**.
 - ♦ It seeks to support small island developing states in developing climate-resilient infrastructure.

Way Ahead

- Sea-level rise is no longer merely an environmental challenge; it is increasingly a question of human security, territorial integrity, international law and economic resilience.
- For India, the priority should be to translate this international commitment into risk-sensitive coastal planning, resilient infrastructure, ecosystem restoration, protection of vulnerable communities and a credible framework for climate-induced displacement.

Source: IE

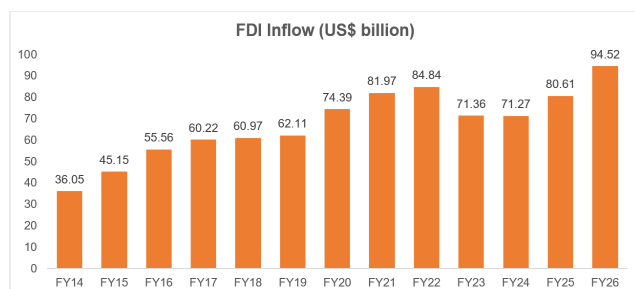
INVESTMENT ECOSYSTEM IN INDIA

Context

- A recent assessment by the US Department of State on the investment climate in India identified a number of issues that impact the country's capacity to attract foreign direct investment (FDI).

Status of Foreign Investment in India

- India's overall FDI inflow hit a new high of **USD 94.53 billion in FY 2025–26**, up 17% from USD 80.62 billion in FY 2024–25. It comprises equity inflows, reinvested earnings, and other capital.
 - ♦ FDI equity inflow was **USD 58.85 billion** in 2025-26.
 - ♦ Reinvested earnings rose to **USD 25.56 billion** in FY 2025-26.
- In all, India attracted total FDI inflows of **USD 1.166 trillion** between April 2000 and March 2026.



Source: Department for Promotion of Industry and Internal Trade (DPIIT)

Strengths of India's Investment Climate

- **Large domestic market:** India's huge population, rising consumption and increasing need for infrastructure give considerable prospects for the market expansion to foreign investors.
- **Macroeconomic fundamentals:** India's relatively strong economic growth, growing domestic demand and ongoing investment in infrastructure underpin its appeal as an investment destination.
- **Demographic dividend:** A big population of working age people, a rising technical workforce and an expanding pool of qualified professionals offer chances for labour-intensive and technology intensive investments.
- **Digital public infrastructure:** Platforms like Aadhaar, UPI and the Account Aggregator framework have facilitated digital payments, financial inclusion and the emergence of new business models.
- **Strategic geographical position:** Being located in the Indo-Pacific region and close to major emerging markets and global supply chains provide opportunities to India for international business.

Major Investment Barriers in India

- **Sectoral Restrictions on FDI:** India allows **100% FDI** under the automatic route in most sectors. However, certain sectors remain subject to government approval or sector-specific restrictions.
 - ♦ The report highlighted restrictions affecting sectors such as multi-brand retail, private banking, pharmaceuticals, defence, print and digital media, and satellites.
- **Restrictions on Concurrent FDI and FPI:** The Foreign Exchange Management Act (FEMA) framework restricts certain instances of concurrent **foreign direct investment (FDI)** and **foreign portfolio investment (FPI)** in the same company.
 - ♦ The report argued that these restrictions create additional compliance burdens, particularly for large investment groups managing multiple funds.
- **Import Management Restrictions:** India's **Import Management System (IMS)**, introduced in **2023** and subsequently extended, it regulates imports of certain products through authorisation requirements and import limits.

- **Higher Tax Burden on Foreign Banks:** The report highlighted a difference in the effective tax burden between foreign and domestic banks in India.
 - ♦ It stated that foreign banks face an effective tax rate of **38.22%**, which is **4.63 percentage points** higher than that of domestic banks.
- **Concerns over corruption:** US businesses have identified actual and perceived corruption, particularly in regulatory systems, as a barrier to investment in India.

Initiatives to Promote Foreign Investment

- **Liberalised FDI policy:** India has progressively liberalised its **FDI regime**, allowing up to **100% FDI** under the automatic route in several sectors to facilitate foreign investment.
- **Ease of Doing Business Reforms:**
 - ♦ **Business Reforms Action Plan (BRAP):** It encourages states and Union Territories to implement business regulatory reforms, simplify procedures and improve the delivery of public services.
 - ♦ **National Single Window System (NSWS):** Launched in **2021**, it provides a unified digital platform through which investors can identify, apply for and track various regulatory approvals.
- **Manufacturing and Investment Promotion:**
 - ♦ **Make in India:** The initiative seeks to promote domestic manufacturing, attract foreign investment, enhance technological capabilities and integrate India into global value chains.
 - ♦ **Production Linked Incentive (PLI) Scheme:** The scheme provides incentives to eligible manufacturers across selected sectors to enhance domestic production, attract investment and improve competitiveness.
 - ♦ **PM Gati Shakti National Master Plan:** It promotes integrated infrastructure planning through a geospatial digital platform to improve multimodal connectivity and reduce logistics inefficiencies.
- **Financial and Taxation Reforms:**
 - ♦ **Goods and Services Tax (GST):** GST has replaced several indirect taxes with a unified indirect tax framework.
 - ♦ **Insolvency and Bankruptcy Code (IBC), 2016:** It provides a time-bound insolvency resolution framework intended to improve

credit discipline and facilitate the reallocation of capital.

- **Digital governance and anti-corruption measures:** Initiatives such as the Government e-Marketplace (GeM), e-procurement and digital delivery of public services seek to reduce discretionary decision-making and improve transparency.

Way Ahead

- India needs to come out with **clear guidelines, sufficient transition times and consistent application of legislation** to remove uncertainty for long-term investors.
- **Greater use of digital permissions**, open procurement, objective inspection systems and effective grievance redressal can limit discretion.
- **Investment limitations should be transparent**, appropriate and subject to periodic review to preserve national security without imposing undue hurdles to productive investment.

Source: IE

SOUTHWEST MONSOON ENDS WITH 12% DEFICIT

Context

- As per the India Meteorological Department (IMD) India's 2026 southwest monsoon ended with 759.4 mm of rain, 12.6% below the 868.6 mm normal.

About

- This is the **lowest rainfall recorded during the monsoon season since 2015**.
- The east and northeast region, which recorded 1,017.1 mm of rainfall, had its **driest monsoon since 1901**.

Monsoon

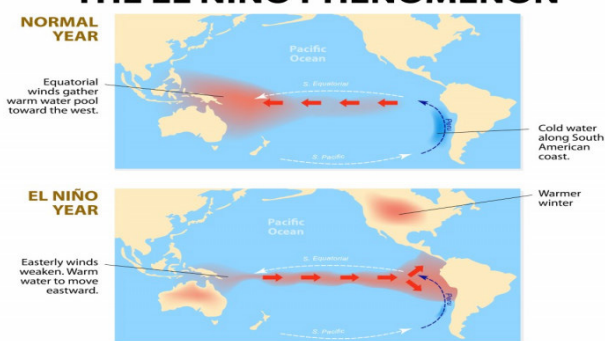
- The monsoon is a **seasonal reversal of winds** because of **differential heating and the resulting pressure differences** between land and sea.
- **Onset and Retreat:** The monsoon season in India generally **starts in early June and lasts until September**.
 - ♦ The onset of the monsoon is marked by the arrival of the **southwest monsoon winds**, which bring moisture-laden air from the Indian Ocean.
 - ♦ The withdrawal or retreat of the monsoon typically **begins in October**.

- ♦ **The northeast monsoon**, occurring from October to December, brings rainfall to parts of southern India.
 - The northeast monsoon is key for **Tamil Nadu, Kerala, Puducherry, Karaikal, coastal Andhra Pradesh, Rayalaseema, and Yanam** in southern India.
 - The Northeast monsoon is also known as the **winter monsoon, retreating monsoon, or reverse monsoon**.

Factors Affecting Indian Monsoon

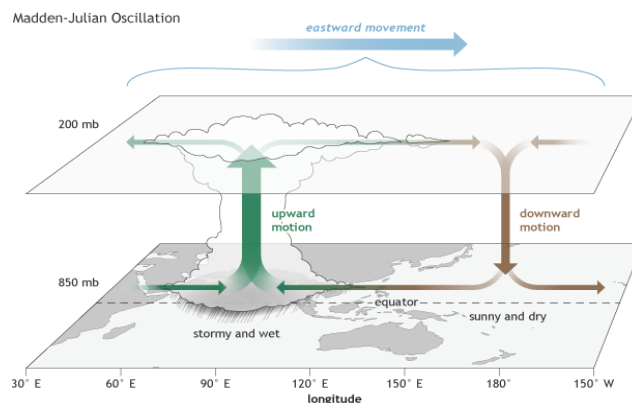
- **El Niño:** El Niño means “**Little Boy**” in Spanish. It is a climate phenomenon characterized by the periodic warming of sea surface temperatures in the central and eastern equatorial Pacific Ocean.
 - ♦ During El Niño, **trade winds weaken**, and warm water is pushed back east, toward the west coast of the Americas, and as a result, **cold water is pushed towards Asia**.

THE EL NIÑO PHENOMENON



- **Impact of El Niño on weather patterns:** It leads to a rise in global temperature, weakens the monsoon, increases the risk of wildfires, and triggers extreme weather events such as hurricanes and cyclones, particularly in the Pacific Ocean and Atlantic.
- **Madden-Julian Oscillation (MJO):** The MJO is a moving system of **winds, clouds, and pressure** that brings rain as it circles around the equator. It was discovered in **1971** by **Roland Madden and Paul Julian**.
 - ♦ The system travels eastward at **4–8 m/s** and circles the globe typically every 30–60 days, though it can take up to **90 days**.
 - ♦ As it moves, strong MJO activity often **splits the planet into two parts** — one in which the MJO is in **active phase** and brings rainfall, and the other in which it suppresses rainfall.
 - ♦ During an active MJO phase, regions within its influence experience above-average rainfall,

often due to increased **cloud formation, convection, and cyclonic activity**.

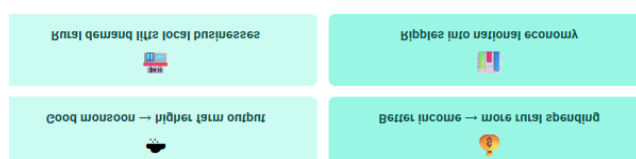


- **Western Disturbance:** A Western Disturbance (WD) is an **extra-tropical weather system** that originates outside India and moves from west to east, bringing rain, snowfall, and storms to northern parts of the Indian subcontinent.
 - ♦ **Origin and Formation:** Western disturbances originate over the **Mediterranean region, Black Sea, or the Caspian Sea**.
 - ♦ They form when **cold polar air interacts with warmer, moist air**, creating **low-pressure systems**.
 - ♦ These systems are carried eastward by westerly winds in the upper atmosphere, particularly the subtropical westerly jet stream.
- **Indian Ocean Dipole:** In 1999, N. H. Saji of Japan discovered an **ENSO-like phenomenon in the Indian Ocean**, which they named the **Indian Ocean Dipole (IOD)**.
 - ♦ Like ENSO, IOD also has **three phases—positive, negative, and neutral**. During the positive phase of IOD, sea surface temperatures are warmer in the western Indian Ocean, which gives a boost to monsoon winds.
 - ♦ The reverse happens during IOD negative, and no gradient is observed during the IOD neutral period.
- **Somali Jet:** It is a fast-moving interhemispheric, cross-equatorial flow of air which originates **near Mauritius and the northern part of Madagascar in the Southern Hemisphere**.
 - ♦ The winds cross the Equator and move along the eastern **coast of Africa through Kenya, Ethiopia, and Somalia**.
 - ♦ During May, the **jet moves into the Arabian Sea**, and by **June it reaches the west coast of India**.

- ♦ As it travels, it **carries a large amount of moisture (water vapour)** from the ocean.
- ♦ **When the Somali Jet becomes stronger**, it brings heavier and **more reliable monsoon rainfall to Peninsular India**.

Monsoons & the Economic Life in India

- **Multiplier effect:** Agricultural prosperity in India depends very much on timely and adequately distributed rainfall.
 - ♦ The success or failure of the monsoon directly shapes **livelihoods at a national scale**.



- **Crop Diversity Advantage:** Different rainfall zones allow India to cultivate a diversity of crops that few countries can match — a direct product of the monsoon's geographic spread.
- **Economic Growth :**



Conclusion

- The Indian monsoon isn't just an **important geographical phenomenon**; it holds **great economic value as well**.
 - ♦ About 64% of people in India depend on agriculture for their livelihoods, and agriculture itself is dependent on the southwest monsoon.
- A good monsoon raises **agricultural production, aids GDP growth, and drives up rural earnings and consumption**. Thus, it has been called the lifeline of the Indian economy.

Source: TH

US-INDIA REVIEW BILATERAL TIES

Context

- Prime Minister Modi and the US President agreed to **maintain close engagement to advance the India-US strategic partnership**.

About

- Both leaders held their first phone conversation **since the US signed the law that has granted powers to impose 100% tariffs** on India, China, and other countries for importing Russian energy.
- The two leaders **reviewed progress in bilateral cooperation** across trade, defence, energy, critical technologies and other areas of mutual interest.

Overview of India and US Bilateral Relations

- Since India's independence, ties with the United States have weathered the **Cold War era** distrust and **estrangement over India's nuclear program**.
 - ♦ Relations have **warmed in recent years**, and cooperation has strengthened across a range of economic and political areas.
- **Bilateral Trade:** The new goal for bilateral trade, "Mission 500" is aiming to more than **double total bilateral trade to \$500 billion by 2030**.
 - ♦ The US was India's largest trading partner in **2025-26**, with bilateral merchandise trade worth **\$132.2 billion**, comprising **exports of \$86.51 billion and imports of \$45.62 billion**.
 - ♦ **Currently, China is the largest trading partner, followed by the USA.**
- **Defense and Security:** At the apex of dialogue mechanisms is the **2+2 Ministerial Dialogue** co-chaired by the Minister of External Affairs and Minister of Defence and their US counterparts.
 - ♦ India and the US have signed a troika of "foundational pacts" for deep military cooperation, beginning with the **Logistics Exchange Memorandum of Agreement (LEMOA) in 2016**, followed by the Communications Compatibility and Security Agreement (**COMCASA**) after the first 2+2 dialogue in 2018, and then the **Basic Exchange and Cooperation Agreement (BECA)** in 2020.
 - ♦ In **2016**, the United States elevated India to a **major defense partner**.
- **Military Exercises:** Yudh Abhyas (Army), Vajra Prahar (Special Forces), Malabar (Navy), Cope India (Air Force), and Tiger Triumph (tri-services).
 - ♦ Red Flag, RIMPAC, CUTLASS Express, Sea Dragon, Milan are some of the Multilateral Exercises in which the two countries participate.

- **Space: The Artemis Accords** signed by India established a common vision for the future of space exploration for the benefit of all humankind.
 - ♦ **NISAR (NASA ISRO Synthetic Aperture Radar)** – the joint microwave imaging satellite by ISRO & NASA was launched in 2025 from Satish Dhawan Space Centre.
 - ♦ ISRO and NASA collaborated for a Strategic framework for cooperation in human spaceflight in 2024.
 - ♦ After the training, ISRO nominated Gaganyaatri Shubhanshu Shukla to take part as a Pilot in the joint **ISRO-NASA mission (Axiom-4) to ISS**.
 - **Multilateral Cooperation:** India and the United States cooperate closely in multilateral organizations and forums, including the **United Nations, G20,, International Monetary Fund, World Bank, and World Trade Organization**.
 - ♦ Together with Australia and Japan, the United States and India convene as the **Quad**, a diplomatic network, to promote a **free and open Indo-Pacific**.
 - **Nuclear Cooperation: Civil Nuclear Deal** was signed in **2005**, under the agreement, India agreed to separate its civil and military nuclear facilities and place all its civil resources under International Atomic Energy Agency (IAEA) safeguards.
 - ♦ In exchange, the United States agrees to work toward full civil nuclear cooperation with India.
 - **New initiatives:** Several new initiatives have been announced like **GE-HAL deal** to manufacture jet engines in India and the **initiative on Critical and Emerging Technology (iCET)**.
 - **Diaspora:** About 5.4 million Indian Americans/ Indian origin people reside in the US. Persons of Indian origin constitute the third largest Asian ethnic group in the US.
- partnership with Russia remains a major concern for the United States.
- ♦ India's purchase of the S-400 air defence system from Russia created concerns under the US CAATSA (Countering America's Adversaries Through Sanctions Act).
 - ♦ The US expects stronger alignment against Russia, whereas India maintains a policy of strategic autonomy and multi-alignment.
- **Divergence on Global Geopolitical Issues:** India has often adopted a neutral or balanced position on conflicts such as the Russia–Ukraine war.
 - ♦ Differences occasionally arise regarding West Asia policies, Iran sanctions, and energy security.
 - ♦ India prioritises strategic autonomy, whereas the US often expects coalition-based alignment.
 - **Immigration and Visa Restrictions:** Tightening of H-1B visa norms affects Indian IT professionals.
 - ♦ Delays in visa processing impact students, workers, and businesses.
 - ♦ Uncertainty in US immigration policies creates concerns for the Indian diaspora and technology sector.
 - **Defence Technology Transfer Limitations:** Restrictions on transfer of advanced military technologies. Concerns in India regarding reliability of long-term defence supplies during geopolitical crises.
 - **Concerns Regarding Pakistan and Regional Security:** Although US–Pakistan ties have weakened compared to the Cold War period, India still remains cautious about US military assistance to Pakistan.
 - **Unpredictability in US Foreign Policy:** Frequent shifts in US foreign policy such as changes in trade policies, withdrawal from international agreements and sanctions-related pressures create uncertainty for India.

Areas of Concern

- **Trade and Economic Disputes:** Differences over tariffs and market access, particularly in agriculture, dairy products, medical devices, and digital services.
 - ♦ The United States has criticised India's protectionist policies and high import duties on certain products.
- **India's Strategic Autonomy and Russia Relations:** India's long-standing strategic

Conclusion

- India–US relations are marked by **both strong convergence and persistent differences**.
- While the partnership has deepened significantly in **defence, technology, trade, and Indo-Pacific cooperation**, challenges remain rooted in differing strategic priorities, economic interests, and geopolitical approaches.

- Effective management of these differences through sustained dialogue, institutional cooperation, and mutual respect for strategic concerns will be essential for ensuring long-term stability and growth in bilateral ties.

Source: TH

NEWS IN SHORT

SENGOL

In News

The newly released NCERT Class 9 Social Science textbook, *Understanding Society and Beyond – Part 2*, shows the Sengol as a symbol of righteous governance.

Sengol (or Chenkol)

- It is a traditional Tamil royal sceptre symbolising monarchy, righteousness, justice, and rightful authority.
- It historically signified dharmic kingship, the validity of royal authority, and the ruler's accountability to divine and ethical ideals.
- It was considered a symbol of the path of duty, service, and nationhood in the Great Chola Empire
- It originated in Tamil Nadu and was a ceremonial emblem of rulers
 - ♦ For example, it was associated with the goddess Meenakshi among the Madurai Nayakas and later placed in the throne room to signify the function and obligations of the monarch.



- ♦ The Sethupatis of Ramnad also acquired a ritually sanctified Sengol from the priests of the Rameswaram temple upon becoming kings.

- ♦ Under the guidance of Rajaji and the sages of Adheenams, this Sengol became the symbol of the transfer of power.

Description by NCERT

- NCERT describes the Sengol as a cultural symbol of righteous governance and mentions that Shaivite Adheenam saints had presented it to Jawaharlal Nehru at India's Independence in 1947 as a mark of the transfer of authority from British rule to an independent Indian state.
- This account is consistent with the description of the Sengol by the Union Ministry of Culture as a symbol of ethically exercised kingship.
- Historians, including Rajmohan Gandhi, have said that there is no record in Nehru's or C. Rajagopalachari's papers and writings that it was a formal symbol of the transfer of power.

Source: TH

ANNUAL SURVEY OF INDUSTRIES

In News

Ministry of Statistics and Programme Implementation (MoSPI) has released the results of the Annual Survey of Industries (ASI) for the reference period April 2024 to March 2025 (i.e. financial year 2024-25)

Annual Survey of Industries

- It is conducted by the Ministry of Statistics and Programme Implementation (MoSPI).
- It is one of the most important surveys in the country and covers the formal manufacturing sector.
- It is conducted with the primary objective of providing meaningful insight into the dynamics of change in the composition, growth, and structure of various manufacturing industries in terms of output, value added, employment, capital formation, and a host of other parameters.
- Its data serves as an important input for policymaking, supports the compilation of National Accounts Statistics, and meets the information needs of various Ministries while enabling stakeholders to make informed decisions.

Key Findings

- **Growth of industrial sector:** India's industrial sector grew broadly. The number of factories

increased by 2.6% to 2.7 lakh, and factory employment rose by 7.3% to 1.67 crore

- ♦ **Average factory earnings** rose 5.3% to Rs 2.28 lakh, but Jharkhand was the only state to register a loss, with average pay falling 5.2% to Rs 3.04 lakh.
- ♦ Uttar Pradesh emerged as a main engine of industrial growth, with the number of factories going up 12.8% to 24,964 and workers increasing 14%, while wages rose 6.7%.
 - Tamil Nadu continued to have the biggest number of factories (41,221) and workers (26.1 lakh).
 - Gujarat suffered a marginal decline of 1% in factories, bringing its share of the national pie down to 12.4% and registered a paltry 2% wage growth.
 - Bihar saw the biggest wage gain of 16.7% across big states, yet its factory workforce fell 2%.
- **Gross Value Added and Employment Metrics:** GVA increased from 2458.3 thousand crore to 2694.2 thousand crore, indicating sustained growth (9.59%) in industrial value addition.
 - ♦ Maharashtra recorded the highest GVA in 2024-25, followed by Gujarat, Tamil Nadu, Karnataka, and Uttar Pradesh
- **Employment** in the registered manufacturing sector continued to expand. The estimated number of persons engaged in the registered manufacturing sector increased significantly from 1.96 crore in ASI 2023-24 to 2.10 crore in 2024-25, with a growth of 7.19%.
 - ♦ Tamil Nadu, Maharashtra, Gujarat, Uttar Pradesh and Haryana were the five leading States in terms of the number of persons engaged in the manufacturing sector in 2024-25.

Source: IE

REBATE OF STATE AND CENTRAL TAXES AND LEVIES (ROSCTL) SCHEME

In News

The Ministry of Textiles has extended the RoSCTL Scheme for exports of apparel/garments and made-ups for a further term of three months, from 1st October to 31st December 2026, at the existing prices and under the prevailing norms.

Rebate of State and Central Taxes and Levies (RoSCTL) Scheme

- It was launched in 2019 by the Ministry of Textiles, and it aims to rebate all embedded State and Central taxes and levies not covered under any other scheme.
- It is based on the principle of zero-rating of exports, ensuring remission of unrefunded taxes embedded in exported products.
- It continues to serve as a key support mechanism for the textile export sector, particularly benefiting MSME exporters, who constitute a major share of its beneficiaries.
- It enhances the global competitiveness of India's apparel and made-up exports.

Progress and Importance

- The Scheme helped around 15,400 exporters in 444+ districts during 2025-26, with the beneficiary base being predominantly MSMEs.
- The Scheme's broad geographical coverage emphasises its importance in bolstering a dispersed manufacturing ecosystem and boosting the involvement of small and medium exporters in global markets.
- The extension would promote continuity and predictability of policy for exporters and help maintain the competitiveness of India's labour-intensive and value-added clothing and made-ups sector in an increasingly competitive global trading environment.

Source: PIB

ASEAN-INDIA MARITIME EXERCISE (AIME-2026)

In News

The Second Edition of the ASEAN-India Maritime Exercise (AIME-2026) commenced at Subic Bay, Philippines.

ASEAN-India Maritime Exercise

- It brings together maritime forces from India and ASEAN countries for professional, operational, and social engagements aimed at enhancing mutual understanding, cooperation, and interoperability.
- It is conducted under the theme "Anchored in Trust, United at Sea"

Features

- The Harbour Phase will comprise a series of professional, operational, and social engagements, including Subject Matter Expert Exchanges, sporting and cultural activities, community engagement, and Operational Synchronisation, followed by a Pre-Sail Brief before commencement of the Sea Phase.
- The exercise will transition to the Sea Phase, wherein the participating maritime forces will undertake coordinated maritime exercises and operational serials.
 - The sea phase is aimed at enhancing professional understanding, operational coordination, and interoperability through practical training and coordinated activities at sea.

Importance

- The participation of INS Sahyadri and INS Kulish in AIME-2026 underscores the Indian Navy's continued commitment to strengthening maritime partnerships and promoting practical cooperation with ASEAN maritime forces.
- The exercise is being conducted in furtherance of India's Act East Policy and the vision of MAHASAGAR (Mutual and Holistic Advancement for Security and Growth Across Regions).

Source :PIB

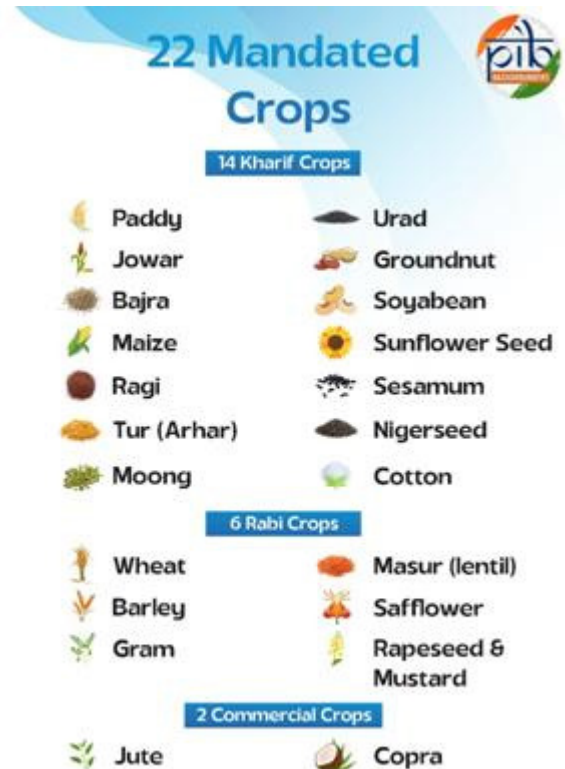
INCREASE IN THE MINIMUM SUPPORT PRICES (MSP) FOR ALL MANDATED RABI CROPS

In News

The Cabinet Committee on Economic Affairs (CCEA) has approved the increase in the Minimum Support Prices (MSP) for all mandated Rabi Crops for Marketing Season 2027-28.

Minimum Support Prices (MSPs)

- Government announces Minimum Support Prices (MSPs) for 22 mandated crops based on the recommendations of the Commission for Agricultural Costs & Prices (CACP), after considering the views of the concerned State Governments and Central Ministries/Departments.
- In addition, MSP for **Toria and de-husked coconut** is also fixed on the basis of MSPs of rapeseed & mustard, and copra, respectively.



Source: Ministry of Agriculture and Farmers Welfare

Factors for MSP

- CACP considers important factors, i.e., cost of production, overall demand-supply situations of various crops in domestic and world markets, domestic and international prices, inter-crop price parity, terms of trade between agriculture and non-agriculture sector, likely effect of price policy on rest of economy and a minimum of 50 per cent as the margin over the cost of production.



Source : TH

SC/ST (PREVENTION OF ATROCITIES) ACT, 1989

Context

- The Calcutta High Court has observed that casteist abuses on social media can attract the provisions of the SC/ST (Prevention of Atrocities)

Act, 1989, saying the “public view” under the Act cannot be confined to physical venues only.

About the SC/ST (PoA) Act, 1989

- The Act intends to **prohibit atrocities against members of Scheduled Castes (SCs) and Scheduled Tribes (STs)**.
 - ♦ It also provides for special courts and measures to protect victims.
- The Act covers offences ranging from caste-based abuse to social and economic boycotts and violence.
- **Legal Clause: Sections 3(1)(r) and 3(1)(s)** of the SC/ST Act criminalise intentionally insulting, intimidating or abusing a member of a Scheduled Caste or Scheduled Tribe by caste name “in any place within public view.”

Judicial Interpretation of ‘Public View’

- The Supreme Court in **Hitesh Verma v. State of Uttarakhand (2020)** held that “public view” means a place where members of the public can witness or hear the alleged utterance.
- **Sooraj V. Sukumar v. State of Kerala (2022):** Kerala High Court said SC/ST Act needs to be construed in light of technological innovation.
 - ♦ It said the notion of public view may be applied to the digital domain because of the availability and distribution of internet content.
- **Ramkrishna Chauhan v. State of Uttar Pradesh (2026):** The Supreme Court reiterated that the mere occurrence of an alleged caste-related incident on school premises does not establish the requirement of public view.
 - ♦ The circumstances under which the supposed remarks were made and whether they were observed or heard by members of the public need to be looked into.

Source: IE

THIRD PHASE OF CORPORATE AVERAGE FUEL ECONOMY (CAFE-3) NORMS

Context

- The Union Government has notified the third phase of Corporate Average Fuel Economy (CAFE-3) norms for passenger vehicles, effective from April 1, 2027, to March 31, 2032.

What are CAFE norms?

- Corporate Average Fuel Economy (CAFE) norms **regulate the average fuel consumption and CO₂ emissions of a carmaker’s passenger-vehicle fleet** rather than imposing the same efficiency requirement on every individual vehicle.

- The objective is to **encourage manufacturers to produce more fuel-efficient** and low-emission vehicles, thereby reducing petroleum consumption and transport-sector emissions.

What are the new norms?

- Under the new norms, the fuel-consumption benchmark will be tightened from **3.996 litres per 100 km in 2027–28** to **3.3273 litres per 100 km in 2031–32**, amounting to an improvement of about **16.7%** over the five-year period.
 - ♦ The new norms will apply to new passenger vehicles manufactured or imported for sale in India.
 - ♦ The Corporate Average Fuel Efficiency norms use **1,229 kg** as the reference vehicle weight.
- The fleet’s average fuel consumption will be calculated using the **Modified Indian Driving Cycle (MIDC)** and expressed in **petrol-equivalent litres per 100 km**.
 - ♦ For individual models, fuel consumption will be calculated using their notified tailpipe CO emissions.
- Under the CAFE-3 norms, carmakers can count;
 - ♦ Each battery electric vehicle or range-extended EV as **three vehicles**,
 - ♦ Each plug-in hybrid or flex-fuel strong hybrid as **2.5 vehicles**,
 - ♦ Each strong hybrid as **1.6 vehicles** and
 - ♦ Each flex-fuel ethanol vehicle as **1.1 vehicles** when calculating fleet fuel efficiency.
- **Carbon Neutrality Factors:** CAFE-3 also introduces Carbon Neutrality Factors (CNFs) that reduce the declared CO emissions of eligible vehicles based on the use of biofuels and ethanol blends.
 - ♦ **For E20 or higher ethanol-blended petrol vehicles**, including strong and plug-in hybrids, declared emissions can be reduced by **8%**.
 - ♦ **Flex-fuel ethanol vehicles** receive a **22.3%** reduction.
 - ♦ **For CNG vehicles**, the reduction is **5%** or the notified compressed-biogas blending percentage, whichever is higher.
 - ♦ **For diesel vehicles**, the reduction corresponds to the actual biofuel-blending percentage notified by the Ministry of Petroleum and Natural Gas.

Source: TH

'BEAMLINE FOR SCHOOLS' COMPETITION

Context

- A group of Indian school students is among the five winning teams of the 13th edition of the 'Beamline for Schools' competition.

'Beamline for Schools' Competition

- It is a **physics competition for high school students** from all around the world organised by the **European Organization for Nuclear Research (CERN)**.
- A **beamline** is a facility that **provides high-energy fluxes of subatomic particles** that can be used to conduct experiments in different fields.
- The team proposed an experiment to study **pion charge exchange**, i.e., how frequently a **charged pion changes into a neutral pion** when interacting with light atoms such as lithium and beryllium.
 - ♦ **Pions** are subatomic particles that can possess positive, negative or zero electric charge.

CERN

- CERN is one of the world's leading centres for **particle physics research**.
- **Location:** Near Geneva, Switzerland, on the Franco-Swiss border.
- **Established:** 1954, with the aim of promoting peaceful cooperation in fundamental scientific research in Europe.
- CERN is run by **Member States**, each of which has two official delegates to the CERN Council.
 - ♦ **The CERN Council** is the highest authority of the Organization and has responsibility for all-important decisions.
- Its most famous facility is the **Large Hadron Collider (LHC)**, the world's largest and most powerful particle accelerator.

- CERN played a major role in the **discovery of the Higgs boson in 2012**, which provided evidence for the Higgs field associated with the mechanism through which fundamental particles acquire mass.

Source: TH

BOND YIELD

Context

- The yield on the **30-year US Treasury** bond hit the **highest level in around 25 years**.

About

- A bond is a **loan given by an investor to a government or company**, in return, the **investor receives interest**.
- **The yield** denotes the **return on investment** that a lender can expect when loaning the money to the government for a particular length of time.
 - ♦ Price and yield of a bond have an **inverse relationship**; as bond prices increase, yields typically decrease.
- **Reasons for Rise in Bond Yield:** The **US government is borrowing a large amount of money** and investors are also concerned about inflation and future interest rates.
 - ♦ Therefore, **they demand higher returns** for lending their money to the US government for a long period.
- **Implications of Rise in Yield:**
 - ♦ It signals **higher borrowing costs for the US government**, if yields on existing bonds are rising, the US government has to **pay more interest on its debt**.
 - ♦ **Rising US bond yields can also affect other countries:** Since US government bonds are an important benchmark for global financial markets, higher US yields can influence global investment flows, currencies, interest rates and stock markets.

Source: IE

