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DATE : **AUGUST 25, 2026**



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Table of Contents

1. India-Russia Bilateral Relations: Strategic Partnership & Regional Dynamics...	2
2. NCDC (Amendment) Act, 2026 and Federal Autonomy Concerns.....	5
3. SC Directives on Industrial Pollution in Western Rajasthan River Basin	6
4. Reopening of the 1998 Wandhama Massacre Probe by J&K SIA	7
5. Ninth National Security Strategies Conference-2026: Institutional Framework and Counter-Terrorism Strategies.....	9
6. 1996 India-Bangladesh Ganges Water Sharing Treaty and Bihar's Regional Concerns.....	10
7. The Mecca Joint Defence Agreement and Geopolitical Implications for India... 11	
8. India-Japan Economic Engagement & Trade Agreement Review	13
9. Stone Quarries Threat to Assam's Jagiroad Semiconductor Facility.....	14
10. Supreme Court Directive on Cauvery Water Sharing and CWMA Jurisdiction	15
11. RBI Concessional FX Swap Facilities and Foreign Exchange Buffer Expansion	16
12. Tracing Ashoka in Ujjain: Archaeological Dig at Vaishya Tekri	18



1. India-Russia Bilateral Relations: Strategic Partnership & Regional Dynamics

Key Highlights & Summary

- **High-Level Engagement:** Indian External Affairs Minister S. Jaishankar met Russian President Vladimir Putin in Moscow ahead of two upcoming bilateral meetings between Prime Minister Narendra Modi and President Putin.
- **Priority Pillars of Cooperation:** Key Focus areas of India-Russia strategic engagement include energy security, trade expansion, nuclear energy, high-technology collaboration, and the supply of essential fertilisers.
- **Multilateral Integration:** Both leaders are scheduled to hold discussions on the sidelines of the Shanghai Cooperation Organisation (SCO) summit in Kyrgyzstan and the BRICS summit in New Delhi.

- **Strategic Autonomy:** India continues to maintain a balanced, cautious approach in its foreign policy, balancing ties with Russia alongside complex relations with Western powers like the US.
- **Economic Momentum:** Despite geopolitical shifts and sanctions, bilateral trade between India and Russia continues to demonstrate significant upward growth, driven largely by energy and agricultural inputs.

Essential Definitions

- **Strategic Autonomy:** A nation's foreign policy framework wherein it makes independent decisions without succumbing to external political pressure or foreign alignments.
- **Special and Privileged Strategic Partnership:** The diplomatic formalization governing the unique defense, energy, economic, and geopolitical relations between India and Russia.

Legal and Constitutional Framework

- **Article 51 of the Constitution:** Directive Principles of State Policy (DPSP) mandate the promotion of international peace and security, maintaining just and honorable relations between nations, and fostering respect for international law.
- **Intergovernmental Commissions:** Bilateral economic cooperation is legally regulated via mechanisms like the India-Russia Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation (IRIGC-TEC).
- **International Treaties:** Frameworks such as the Declaration on Strategic Partnership (2000) and bilateral defense agreements provide the legal foundation for long-term technological and security pacts.



Conclusion India's foreign policy towards Russia reflects a realistic pragmatic approach focused on national self-interest, resource security, and regional stability. By maintaining strong ties with Moscow while simultaneously engaging Western nations, India effectively navigates complex global realpolitik while securing its long-term energy and developmental goals.

UPSC Relevance

- **GS Paper II:** Bilateral, regional, and global groupings involving India; Effect of policies and politics of developed and developing countries on India's interests.
- **GS Paper III:** Issues related to direct and indirect farm subsidies and energy security (Fertiliser imports, crude oil, and nuclear technology).

OBC Creamy Layer Criteria & Civil Services Allocation Disparity

Key Highlights & Summary

- **Government Intervention:** The Central Government approached the Supreme Court seeking clarifications on its March 11 judgment concerning nearly 100 Other Backward Classes (OBC) candidates rejected by the Department of Personnel and Training (DoPT) on creamy layer grounds.

- **Timeline of Judgment:** The Supreme Court's verdict ordering consideration of rejected candidates since 2016 was pronounced five days after the final results of the Civil Services Examination (CSE) 2025 were declared.
- **Immediate Focus on CSE-2025:** The Centre's clarification plea focuses specifically on the CSE-2025 batch, as its service allocation process had already reached terminal completion prior to the order.
- **Cascading Operational Impact:** Any retrospective re-evaluation of merit lists would severely disrupt the foundation course schedule at Lal Bahadur Shastri National Academy of Administration (LBSNAA), training calendars, and batch logistics.
- **Administrative and Career Ramifications:** Delays in finalising category-wise allocations threaten to alter cadre allocation, batch strength, inter-se seniority, and pay fixation for incoming officers.
- **Future Applicability Omitted:** The DoPT's clarification application specifically addresses the immediate administrative crisis of CSE-2025 without detailing the judicial applicability to subsequent recruitment cycles.

Essential Definitions

- **Creamy Layer:** An economic and social threshold used to exclude relatively wealthy and better-educated members of the OBC category from affirmative action benefits in public employment and education.
- **Inter-se Seniority:** The relative seniority ranking established among candidates selected within the same examination batch, determining future career promotions and cadre placement.

Legal and Constitutional Framework

- **Article 16(4) of the Constitution:** Empowers the State to make provisions for reservation of appointments or posts in favour of any backward class of citizens not adequately represented in State services.
- **Indra Sawhney Case (1992):** The landmark Supreme Court judgment that upheld 27% OBC reservation subject to the mandatory exclusion of the "creamy layer" to ensure benefits reach the truly underprivileged.
- **Article 142 of the Constitution:** Grants extraordinary powers to the Supreme Court to pass orders necessary for doing "complete justice," often invoked in public employment and administrative disputes.

Conclusion

The conflict highlights the ongoing challenge of implementing affirmative action policies without destabilizing administrative logistics. While judicial intervention aims to protect legitimate candidate claims against rigid bureaucracy, the operational imperative to avoid administrative delays requires a balanced, prospective application of legal norms in competitive examinations.

UPSC Relevance

- **GS Paper II:** Indian Constitution—historical underpinnings, evolution, features, amendments, significant provisions, and basic structure; Mechanisms, laws, institutions, and bodies constituted for the protection and betterment of vulnerable sections.

- **GS Paper II:** Role of civil services in a democracy and governance issues related to administrative service allocation and recruitment policies.

2. NCDC (Amendment) Act, 2026 and Federal Autonomy Concerns

Key Highlights & Summary

- **Parliamentary Passage:** Parliament passed the National Cooperative Development Corporation (Amendment) Bill, 2026, altering the parent NCDC Act of 1962 to broaden the mandate and financing scope of the statutory body.
- **Direct Financing Channel:** The amendment allows the NCDC to extend direct loans, grants, and equity investments to any cooperative society or entity, bypassing traditional state government routing.
- **Expansion Beyond Rural Areas:** The new law removes the requirement for industrial, cottage, and village cooperatives to operate strictly within rural regions, permitting operations in urban and non-agricultural sectors.
- **Broader Definition of Foodstuffs:** Statutory definitions were expanded to include processed foods and items notified by the Central Government, widening the eligibility pool for financial support.
- **Objections by Farmer Groups:** Organisations like Samyukt Kisan Morcha (SKM) labeled the law an "onslaught" on federalism, alleging resource diversion from agriculture toward corporate-style urban projects.
- **Information Sharing Powers:** The NCDC is now authorized to collect and share credit and operational data with the Reserve Bank of India (RBI), banks, and notified institutions.

Essential Definitions

- **National Cooperative Development Corporation (NCDC):** A statutory corporation established in 1963 under the Ministry of Cooperation to plan, promote, and finance cooperative programs for agricultural produce and notified commodities.
- **Federal Principle of Cooperation:** A governance model ensuring that local cooperative societies remain under state legislative oversight to preserve institutional autonomy and democratic decentralized control.

Legal and Constitutional Framework

- **Seventh Schedule (Entry 32, List II):** "Cooperative Societies" (other than multi-state cooperatives) fall strictly under the State List, granting exclusive legislative authority to State Parliaments.
- **97th Constitutional Amendment Judgment (2021):** The Supreme Court upheld in *Union of India v. Rajendra N. Shah* that Central power over cooperative societies is limited, striking down parts of Part IX-B for state-level cooperatives.



- **Article 43B (DPSP):** Directs the State to promote voluntary formation, autonomous functioning, democratic control, and professional management of cooperative societies.

Conclusion

The NCDC (Amendment) Act, 2026 aims to modernize cooperative credit and expand industrial capacity beyond rural boundaries. However, the creation of a direct central financing mechanism raises critical concerns regarding federal friction and state regulatory autonomy. Striking a balance between capital access and constitutional state rights remains essential for a collaborative cooperative ecosystem.

UPSC Relevance

- **GS Paper II:** Federal Structure, Issues and Challenges Pertaining to the Federal Structure, Devolution of Powers, and Constitutional Framework of Cooperative Societies (Part IX-B).
- **GS Paper III:** Economics of Animal-Rearing and Agriculture, Agricultural Infrastructure, Supply Chain Management, and Role of Cooperatives in Rural Credit.

3. SC Directives on Industrial Pollution in Western Rajasthan River Basin

Key Highlights & Summary

- **Prohibition on Construction:** The Supreme Court banned construction and development activities within 100 metres from the edge of Rajasthan's seasonal Jojari river to prevent further riverine degradation.
- **Industrial Buffer Zone:** A 500-metre restriction on either side of the existing flood line or present flow path was mandated for hazardous or polluting industries until scientific demarcation of the high flood line is completed.
- **Impact on Local Population:** Severe industrial contamination in the Jojari-Bandi-Luni river basin directly threatens the health and livelihoods of approximately two million people across water-stressed districts.
- **Regional Hydrological Context:** The Jojari flows through Jodhpur, the Bandi through Pali, and both tributaries merge into the main Luni river near Balotra, a hub for textile dyeing and printing units.
- **Long-Term Action Plan:** The apex court directed the state administration to formulate a 20-point resolution plan and consider relocating entire industrial zones away from riverbanks in the long run.
- **Coordinated Execution:** An Integrated Coordination Group under the Chief Secretary was tasked to work alongside the High-Level Ecosystem Oversight Committee to streamline river restoration efforts.

Essential Definitions

- **Riverine Ecosystem:** A network of living organisms interacting within a river channel and its adjacent riparian buffer zones that control nutrient cycling and water filtration.

**SC takes suo motu cognisance
of discharge of industrial
waste in Rajasthan's
Jojari river**



- **High Flood Line (HFL):** The maximum water level recorded in a river during peak flooding, used as a legal baseline to demarcate protected environmental buffer zones.

Legal and Constitutional Framework

- **Article 21 of the Constitution:** Guarantees the fundamental Right to Life, which the Supreme Court interprets to include the right to a clean, pollution-free environment and safe drinking water.
- **Article 48A (DPSP) & Article 51A(g):** Mandate the State to protect and improve the environment, while imposing a fundamental duty on citizens to safeguard natural water bodies.
- **Water (Prevention and Control of Pollution) Act, 1974:** Provides statutory authority to State Pollution Control Boards to regulate effluent discharge and order closure of non-compliant industrial units.

Conclusion

The Supreme Court's intervention underscores the priority of ecological restoration over unchecked industrial activity in fragile arid zones. Establishing enforceable buffer zones and exploring industrial relocation balancing economic output with environmental safety ensures sustainable water security for Rajasthan's river-dependent communities.

UPSC Relevance

- **GS Paper II:** Judiciary—Structure, functioning, and landmark orders enforcing fundamental rights under Article 21; Statutory bodies (SPCBs) and governance issues in environmental enforcement.
- **GS Paper III:** Conservation, environmental pollution, degradation, and environmental impact assessment; Drainage systems and water scarcity dynamics in arid regions.

4. Reopening of the 1998 Wandhama Massacre Probe by J&K SIA

Key Highlights & Summary

- **Reopening of Cold Case:** The State Investigation Agency (SIA) of Jammu and Kashmir has reopened the investigation into the 1998 Wandhama massacre, where 23 Kashmiri Pandits were killed by militants in Ganderbal district.
- **Focus on Fresh Evidence:** The SIA aims to gather fresh physical evidence, re-examine witness testimonies, and unravel the wider conspiratorial networks involved.

- **Part of Systematic Reinvestigation:** This probe is part of a broader drive by the SIA to revisit unresolved militancy-era cold cases involving targeted killings in the Kashmir Valley.
- **Parallel Cold Case Probes:** The agency is simultaneously pursuing other landmark cases, including the assassinations of Tika Lal Taploo, Justice Neelkanth Ganjoo, and Sarla Bhat.
- **Evidence-Based Prosecution:** Officials emphasized that the reinvestigation intends to bring decade-old cases to a logical conclusion purely on merits and established judicial evidence.
- **Proactive Investigative Steps:** The SIA has conducted multiple searches and raids across the Valley to identify surviving perpetrators and terror associates linked to the crime.



Essential Definitions

- **State Investigation Agency (SIA):** A specialized law enforcement agency constituted by the J&K Government in 2021 as a nodal body to investigate terror-related offences in coordination with the National Investigation Agency (NIA).
- **Cold Case Reinvestigation:** The process of re-opening stagnant criminal investigations using advanced forensic tools, fresh witness accounts, and intelligence frameworks.

Legal and Constitutional Framework

- **Unlawful Activities (Prevention) Act (UAPA), 1967:** Provides the primary statutory framework for investigating, prosecuting, and penalizing acts of terrorism and underground support structures.
- **Code of Criminal Procedure (CrPC) Section 173(8):** Empowers investigating authorities to conduct further investigation and submit supplementary charge sheets even after the initial closure or charge-sheet filing.
- **Article 21 of the Constitution:** Guarantees the Right to Life and Fair Trial, extending the right to justice to victims and their families without temporal limitations for heinous offenses.

Conclusion

The reopening of the Wandhama massacre probe underscores the state's institutional effort to address historical injustices and establish accountability for militancy-era crimes. By leveraging specialized anti-terror agencies like the SIA, the legal system aims to enforce accountability, uphold rule of law, and restore public trust in the institutional justice mechanism.

UPSC Relevance

- **GS Paper II:** Statutory and Non-Statutory Bodies; Governance issues regarding law enforcement, criminal justice reforms, and human rights protections.
- **GS Paper III:** Internal Security—Linkages between development and spread of extremism; Role of external state and non-state actors in insurgency; Counter-terrorism agencies and legal frameworks (UAPA).

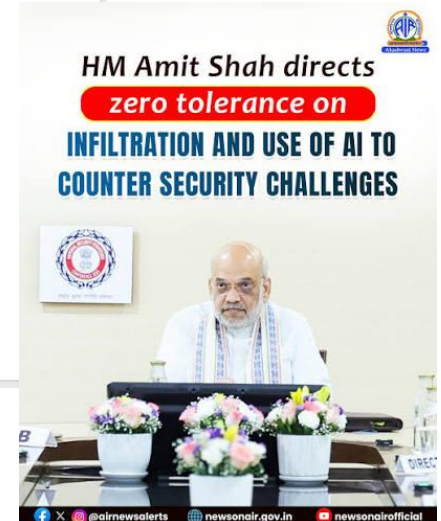
5. Ninth National Security Strategies Conference-2026: Institutional Framework and Counter-Terrorism Strategies

Key Highlights & Summary

- **National Security Deliberations:** The Ministry of Home Affairs (MHA) convened the 9th National Security Strategies Conference-2026 in New Delhi, bringing together senior security leadership, law enforcement officials, and domain experts to address emerging internal and external security challenges.
- **AI-Driven Intelligence Fusion:** Directions were issued to integrate Artificial Intelligence (AI) tools within the Multi-Agency Centre (MAC) platform to perform real-time data analysis and establish Standard Operating Procedures (SOPs) for rapid threat mitigation.
- **Focus on Counter-Terrorism and Deportation:** The conference prioritized strict measures against cross-border infiltration, the identification and deportation of illegal migrants, and countering proxy warfare.
- **Speeding Up Judicial Trials:** Security agencies were instructed to expedite trials against terror accused by extraditing fugitives and leveraging statutory provisions for *trial in absentia* under criminal procedure laws.
- **Operationalizing PRAHAAR & UAPA:** Stress was laid on comprehensive capacity building and specialized training for police forces to implement the MHA's PRAHAAR scheme alongside rigorous, evidence-backed investigation of Unlawful Activities (Prevention) Act (UAPA) cases.
- **Expanding Threat Vectors:** Strategic discussions spanned sub-aerial system threats (drones), maritime security within the blue economy framework, information warfare, cybercrime, and the formulation of a comprehensive bio-security framework.

Essential Definitions

- **Multi-Agency Centre (MAC):** A nodal intelligence-sharing platform operating under the Intelligence Bureau (IB) that collates, analyzes, and disseminates real-time operational intelligence among central and state security agencies.
- **Trial in Absentia:** A legal proceeding conducted in a court of law in the physical absence of the accused person, typically invoked when an offender absconds or evades extradition.



Legal and Constitutional Framework

- **Seventh Schedule (List I, Entries 1 & 2):** Grants the Union Parliament exclusive power to legislate on Defense of India, Central Bureau of Intelligence, and Allied Forces essential for national security.
- **Unlawful Activities (Prevention) Act (UAPA), 1967:** The primary anti-terror statute enabling the designation of individuals and associations as terrorists, providing stringent bail terms and long investigative windows.

- **The Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023:** Contains explicit provisions governing the trial of declared proclaimed offenders *in absentia* when they avoid court appearance or hide abroad.

Conclusion

The 9th National Security Strategies Conference highlights India's evolving national security paradigm, moving from reactive policing to predictive, technology-driven defense models. Synergizing institutional intelligence via AI, enforcing statutory accountability under UAPA and BNSS, and securing domain boundaries against asymmetric threats are crucial for maintaining internal stability and national integrity.

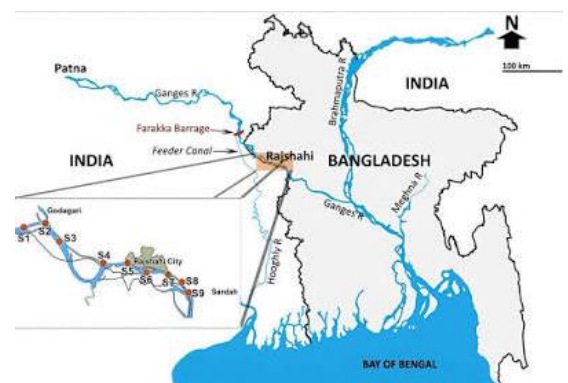
UPSC Relevance

- **GS Paper II:** Structure, organization, and functioning of the Executive; Statutory and non-statutory security bodies; Governance challenges in enforcing immigration laws and cross-border security.
- **GS Paper III:** Security challenges and their management in border areas; Linkages of organized crime with terrorism; Role of external state and non-state actors in creating challenges to internal security; Cyber security, AI integration, and counter-insurgency frameworks.

6. 1996 India-Bangladesh Ganges Water Sharing Treaty and Bihar's Regional Concerns

Key Highlights & Summary

- **Opposition to Treaty Renewal:** Bihar's ruling coalition, led by JD(U), requested the Union Government not to renew the 30-year India-Bangladesh Ganges Water Sharing Treaty, which approaches its expiry on December 31, 2026.
- **Severe Siltation and Flooding:** State leaders assert that the Farakka Barrage in West Bengal slows the flow of the Ganga upstream, creating massive silt accumulation that elevates the riverbed and causes recurrent, severe flooding in districts like Bhagalpur and Munger.
- **Dry Season Water Deficits:** The state administration highlights that while Bihar surrenders substantial water to meet downstream commitments for Bangladesh and Kolkata Port during dry months (January to May), it faces severe water scarcity for domestic agriculture and expanding industrial needs.
- **Demand for Policy Intervention:** Bihar has consistently advocated for a comprehensive National Silt Management Policy, direct representation in international water negotiations, and a review of water usage by upper riparian states.
- **Diplomatic Balancing Act:** External Affairs Minister S. Jaishankar acknowledged the state's concerns, emphasizing that foreign policy must



navigate regional flood management at home while preserving neighborly diplomacy through mutual interest.

Essential Definitions

- **Farakka Barrage:** A dam structure constructed across the Ganges River in West Bengal, commissioned in 1975 to divert water into the Hooghly River to flush out silt and maintain the navigability of the Kolkata Port.
- **Upstream Riparian Siltation:** The accumulation of river sediment upstream of a dam or barrage caused by reduced flow velocity, which reduces channel capacity and heightens flood vulnerability.

Legal and Constitutional Framework

- **Article 253 of the Constitution:** Grants exclusive power to Union Parliament to enact laws for the entire country to implement any international treaty, agreement, or convention with foreign nations.
- **Article 262 and Entry 56 (List I):** Provide constitutional mechanisms for the adjudication of disputes relating to waters of inter-state rivers and enable Union regulation of inter-state rivers in the public interest.
- **Doctrine of Harmonious Federalism:** A governance framework requiring the Union Government to consult and balance internal state interests (such as upstream flood impacts) when executing external transboundary treaties.

Conclusion

The demand to revisit or scrap the 1996 Farakka Treaty underscores the complex interplay between internal hydro-politics and foreign relations. While international obligations necessitate stable water-sharing agreements with Bangladesh, resolving upstream siltation and ecological stress across Indian states remains critical for sustainable river basin management.

UPSC Relevance

- **GS Paper II:** Bilateral, regional, and global groupings and agreements involving India; Effect of policies of developed and developing countries on India's interests; India and its neighborhood relations.
- **GS Paper II:** Constitutional provisions regarding treaty-making powers (Article 253), federalism, and center-state relations in transboundary water management.
- **GS Paper III:** Disaster Management (floods and riverbed siltation), Water Resources Management, and Environmental Impact Assessment of large hydro-structures.

7. The Mecca Joint Defence Agreement and Geopolitical Implications for India

Key Highlights & Summary

- **Trilateral Security Alliance:** Saudi Arabia, Turkey, and Pakistan signed the Mecca Joint Defence Agreement on August 7, 2026, establishing a collective security arrangement modeled on NATO's Article 5 principle.

- **Collective Deterrence Clause:** The pact stipulates that "any armed attack against any one of the three states shall be regarded as an attack against them all," aiming to enhance regional defense cooperation and intelligence sharing.
- **Divergent Threat Perceptions:** While the signatories committed to collective defense, their core strategic threats differ substantially: Saudi Arabia faces Houthi and regional proxy challenges, Turkey is focused on Syria and Mediterranean affairs, and Pakistan prioritizes its stance toward India and Afghanistan.
- **Strategic Triad Dynamics:** The alliance leverages Saudi capital, Turkish advanced defense technology (including drone platforms), and Pakistani military manpower to create a multi-dimensional security grouping.
- **Impact on Energy Corridors:** Ongoing maritime instability near critical choke points like the Bab el-Mandeb and the Strait of Hormuz directly threatens energy transportation routes for Asian markets, including Indian crude imports.
- **Diplomatic Balancing for India:** India maintains strong bilateral ties with Saudi Arabia but must carefully navigate concerns over Pakistan leveraging the alliance to alter regional security dynamics.



Essential Definitions

- **Collective Defence Clause:** A treaty provision where signatory nations treat a military attack against any single member state as an act of aggression against the entire alliance, obligating mutual assistance.
- **Strategic Autonomy:** A core foreign policy principle enabling a nation to execute independent strategic decisions aligned with national interest without joining formal military alliances.

Legal and Constitutional Framework

- **Article 51 of the Constitution:** Directive Principles of State Policy (DPSP) mandate the promotion of international peace and security, maintaining just and honorable relations between nations, and fostering respect for international law.
- **Customary International Law & Right of Self-Defence:** Recognized under Article 51 of the UN Charter, preserving India's inherent right to individual or collective self-defense against transborder aggression or cross-border terrorism.
- **Bilateral Defense Frameworks:** Legal mechanisms such as Defense Cooperation Agreements and Joint Committee meetings governing India's strategic defense partnerships in West Asia.

Conclusion

The signing of the Mecca Joint Defence Agreement marks a notable shift in West Asian geopolitics, blending West Asian capital, Turkish industrial expertise, and South Asian military capacity. For India, sustaining strong strategic and energy partnerships with Gulf nations while maintaining flexible diplomatic channels remains essential to protecting maritime trade routes and national security interests without compromising its strategic autonomy.

UPSC Relevance

- **GS Paper II:** Bilateral, regional, and global groupings involving India; Effect of policies and politics of developed and developing countries on India's interests; India's relations with West Asian nations.
- **GS Paper III:** Internal and external security challenges; Security of maritime energy supply chains, strategic trade choke points, and regional counter-terrorism dynamics.

8. India-Japan Economic Engagement & Trade Agreement Review

Key Highlights & Summary

- **Trade Pact Review:** India and Japan agreed to review their 2011 Comprehensive Economic Partnership Agreement (CEPA) to address the widening bilateral trade deficit and streamline targeted investment.
- **High-Level Delegation:** Union Commerce Minister Piyush Goyal led a 220-member Indian delegation to Tokyo, engaging key Japanese business platforms like Keidanren and the Japan Chamber of Commerce & Industry.
- **Investment Target:** The bilateral framework aims to channel 10 trillion yen (over \$62 billion) in Japanese investments into India over the next decade across high-tech manufacturing, capital goods, and green energy.
- **Push for Localisation:** India urged Japanese firms to expand local manufacturing and integration within domestic supply chains, citing Maruti Suzuki as a benchmark model for market capitalisation and export competitiveness.
- **Pharma & Healthcare Ties:** Japanese firm Meiji Seika Pharma announced a strategic partnership with the Serum Institute of India (SII) to manufacture and market a Japanese Encephalitis vaccine at an affordable cost.
- **Trade Safeguards Discussion:** India addressed Japanese concerns regarding trade safeguards, encouraging companies to source inputs like domestic steel directly rather than relying on imports.



Essential Definitions

- **Comprehensive Economic Partnership Agreement (CEPA):** A free trade agreement that covers trade in goods, services, investment, intellectual property rights, and economic cooperation between partner nations.
- **Localisation Rate:** The proportion of components and raw materials sourced within a host country compared to imported inputs in manufacturing operations.

Legal and Constitutional Framework

- **Article 253 of the Constitution:** Grants Parliament exclusive authority to enact legislation implementing international treaties and trade agreements executed with foreign powers.

- **Customs Tariff Act, 1975:** Governs trade defense measures, enabling the government to impose safeguard duties and anti-dumping actions to protect domestic industries from import surges.
- **Foreign Exchange Management Act (FEMA), 1999:** Regulates foreign direct investment flows, external commercial borrowings, and cross-border financial transactions between Indian and Japanese corporate entities.

Conclusion

Reviewing the 2011 CEPA reflects a strategic shift from simple tariff reductions toward value-chain integration and balanced commercial growth. Combining Japan's advanced technology and capital with India's cost-effective manufacturing capabilities strengthens supply chain resilience across the Indo-Pacific region.

UPSC Relevance

- **GS Paper II:** Bilateral, regional, and global groupings involving India; Effect of policies and politics of developed countries on India's strategic interests; India-Japan Special Strategic and Global Partnership.
- **GS Paper III:** Indian Economy—issues relating to planning, mobilization of resources, growth, and development; Foreign Direct Investment (FDI), Free Trade Agreements (FTAs), and domestic manufacturing ecosystems (PLI schemes).

9. Stone Quarries Threat to Assam's Jagiroad Semiconductor Facility

Key Highlights & Summary

- **Industrial Threat to Chip Unit:** Environmental activists warned that air pollution and ground vibrations from nearby stone quarries and crushers could jeopardize the operations of Assam's flagship semiconductor assembly facility.
- **Project Scale and Location:** The ₹27,000-crore Tata Semiconductor Assembly and Test (TSAT) facility is under construction at Jagiroad in Morigaon district, located at the site of the former Hindustan Paper Corporation unit.
- **Stringent Manufacturing Standards:** Semiconductor fabrication requires ISO Class 1 to Class 5 vibration-damped cleanrooms to block microscopic dust contamination, along with millions of gallons of ultra-pure water daily.
- **Ecological and Environmental Damage:** Uncontrolled blasting and excavation in the nearby Sonaikuchi Reserve Forest cause persistent dust blankets, flash flood risks, and public health threats.
- **Demand for Buffer Restrictions:** Activists urged the Assam government to enforce a strict 15-km prohibition zone for polluting units around the TSAT facility, citing concerns revealed via Right to Information (RTI) responses.
- **India Semiconductor Mission Alignment:** As part of the India Semiconductor Mission (ISM), safeguarding this signature plant is critical to achieving national strategic self-reliance in high-tech manufacturing.



Essential Definitions

- **Cleanroom:** A controlled environment with specified limits on airborne particulates, temperature, and humidity, necessary for delicate microchip fabrication and assembly processes.
- **Assembly, Testing, Marking, and Packaging (ATMP):** The post-fabrication stage of semiconductor manufacturing where silicon wafers are processed into individual chips, wire-bonded, tested, and packaged for final commercial applications.

Legal and Constitutional Framework

- **Article 48A of the Constitution:** Directs the State to endeavor to protect and improve the environment and safeguard forests and wildlife across the nation.
- **Environment (Protection) Act, 1986:** Empowers the Central and State Governments to declare Eco-Sensitive Zones (ESZ) and restrict industrial operations around ecologically fragile or industrial heritage areas.
- **Air (Prevention and Control of Pollution) Act, 1981:** Authorizes State Pollution Control Boards to regulate air pollution control areas and ban industrial processes emitting harmful particulate matter.

Conclusion

The environmental challenges facing the Jagiroad semiconductor facility highlight the need to balance traditional resource extraction with advanced high-tech industrial requirements. Enforcing strict buffer zones, mitigating quarrying vibrations, and preserving surrounding reserve forests are vital to protecting India's semiconductor investments and maintaining ecological balance.

UPSC Relevance

- **GS Paper II:** Statutory, regulatory, and quasi-judicial bodies (State Pollution Control Boards); Government policies and interventions for development in crucial technology sectors.
- **GS Paper III:** Conservation, environmental pollution, and degradation; Industrial policies under the India Semiconductor Mission (ISM); Science and Technology developments and their application in everyday life.

10. Supreme Court Directive on Cauvery Water Sharing and CWMA Jurisdiction

Key Highlights & Summary

- **Direction to CWMA:** The Supreme Court advised Tamil Nadu to approach the Cauvery Water Management Authority (CWMA) to resolve its grievances regarding the shortfall in its "proportionate" share of Cauvery water from Karnataka.
- **Pro Rata Shortfall Claims:** Tamil Nadu submitted that it faced a deficit of 17.414 thousand million cubic feet (tmc ft) as per the *pro rata* distress-sharing formula.
- **Karnataka's Defense:** Karnataka filed an affidavit maintaining that water releases from the Krishna Raja Sagara (KRS) and Kabini reservoirs were being maintained at the inter-state measuring point at Billigundlu despite El Niño conditions.

- **Contested Compliance:** Tamil Nadu argued that releases by Karnataka were driven by monsoon overflow rather than voluntary compliance with statutory water-sharing allocations.
- **Judicial Bench:** A Supreme Court Bench headed by Justice Vikram Nath reiterated that institutional mechanisms like the CWMA are empowered to compute and enforce distress-sharing formulas.
- **Status Update Mandate:** The apex court scheduled a follow-up hearing, directing the CWMA and Karnataka to submit updated status reports regarding reservoir levels and recorded flows at Billigundlu.



Essential Definitions

- **Cauvery Water Management Authority (CWMA):** A statutory body constituted by the Central Government under Section 6A of the Inter-State River Water Disputes Act, 1956, to enforce the final award of the Cauvery Water Disputes Tribunal (CWDT) as modified by the Supreme Court.
- **Pro Rata Distress Sharing:** A formula that scales down water releases proportionally among riparian states during deficit rainfall or drought years based on overall basin storage capacity.

Legal and Constitutional Framework

- **Article 262 of the Constitution:** Empowers Parliament to enact laws for the adjudication of disputes relating to the use, distribution, or control of waters of inter-state rivers and river valleys.
- **Inter-State River Water Disputes (ISRWD) Act, 1956:** Provides the legal framework for establishing water disputes tribunals and statutory authorities like the CWMA to implement final awards.
- **Entry 56 (Union List) & Entry 17 (State List):** Establishes central jurisdiction over inter-state rivers and river valleys, balancing state rights over local water supplies and irrigation.

Conclusion

The Supreme Court's direction reinforces the role of statutory institutions like the CWMA in managing complex inter-state water conflicts. Adhering to established *pro rata* allocation frameworks and institutional mechanisms ensures equitable resource distribution between upper and lower riparian states while minimizing legal friction during distress years.

UPSC Relevance

- **GS Paper II:** Indian Constitution—Federalism, Inter-State Relations, Dispute Redressal Mechanisms, and the role of Statutory Institutions in cooperative federalism.
- **GS Paper III:** Water Resources Management, Disaster Management (droughts and El Niño impacts), and agricultural irrigation challenges in riparian states.

11. RBI Concessional FX Swap Facilities and Foreign Exchange Buffer Expansion

Key Highlights & Summary

- **Government Endorsement:** The Finance Ministry described the market response to the Reserve Bank of India's (RBI) concessional Forex (FX) swap facilities as "spectacular," confirming that external buffers were built with maximum cost-efficiency.
- **Significant Inflows Mobilized:** Operationalized on June 8, the concessional swap facility successfully raised \$72.85 billion by August 21 across FCNR(B) deposits, Overseas Foreign Currency Borrowings, and External Commercial Borrowings (ECBs).
- **Early Closure of FCNR(B) Window:** Due to substantial inflows, the RBI decided to close the FCNR(B) swap window early on August 31, ahead of the originally scheduled September 30 deadline.
- **Extended Duration for Other Avenues:** The swap facilities dedicated to Overseas Foreign Currency Borrowings and External Commercial Borrowings remain operational till December 31 as originally planned.
- **Clarification on Hedging Costs:** Dismissing speculation that early closure was triggered by high costs, economists noted that the estimated \$10 billion hedging expense over five years was a calculated trade-off to bolster external resilience.
- **Strengthening Macroeconomic Stability:** The rapid accumulation of foreign exchange reserves through these swap windows significantly cushioned the domestic currency against global macroeconomic volatility and balance of payment pressures.

Essential Definitions

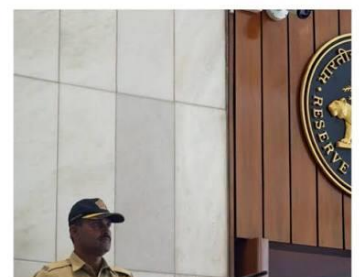
- **FX Swap Facility:** A financial transaction in which the central bank exchanges local currency for foreign currency with commercial banks at an agreed rate, committing to reverse the transaction at a predetermined future date.
- **FCNR(B) Deposit:** Foreign Currency Non-Resident (Bank) deposits allowing Non-Resident Indians (NRIs) to maintain term deposits in Indian banks in freely convertible foreign currencies without facing exchange rate risk.

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RBI exempts FCNR (B) deposits, ECB swaps from forex position limit

Legal and Constitutional Framework

- **Reserve Bank of India Act, 1934:** Grants statutory authority to the RBI under Section 17 to execute foreign exchange operations, manage international reserves, and operate currency swap mechanisms.
- **Foreign Exchange Management Act (FEMA), 1999:** Provides the regulatory framework for facilitating external trade, managing capital account transactions, and regulating foreign currency inflows and borrowings.
- **Article 292 of the Constitution:** Relates to executive borrowing powers, providing the background for managing sovereign and macro-financial stability through central banking operations.



Conclusion

The strategic execution of RBI's concessional FX swap facilities successfully fortified India's foreign exchange reserves during a period of global economic uncertainty. By balancing short-term

hedging expenditures against long-term macroeconomic stability, the initiative ensured robust external sector resilience and sustained exchange rate stability.

UPSC Relevance

- **GS Paper III:** Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment; External sector management, Foreign Exchange Reserves, and Rupee volatility.
- **GS Paper III:** Monetary Policy mechanisms, RBI's statutory instruments for liquidity control, and Capital Account Management under FEMA framework.

12. Tracing Ashoka in Ujjain: Archaeological Dig at Vaishya Tekri

Key Highlights & Summary

- **Fresh Excavation Initiated:** The Madhya Pradesh government has launched a renewed archaeological push to excavate and restore Mauryan-era Buddhist monuments in Ujjain, beginning with Vaishya Tekri.
- **Massive Monumental Scale:** Initial 1938–39 excavations by Gwalior State revealed a mound approximately 350 feet at its base and 100 feet high, significantly larger than the 54-foot Great Stupa at Sanchi.
- **Ashoka's Avanti Viceroyalty:** Mauryan records and Sri Lankan chronicles indicate Ashoka served as viceroy (*kumara*) of Avanti at Ujjayini for nearly a decade under Emperor Bindusara.
- **Connection with Vedisadevi:** Local tradition links Vaishya Tekri with Devi, a merchant's daughter from Vidisha whom Ashoka married en route from Pataliputra to Ujjain.
- **Trade Route Junction:** Ujjain served as a major commercial crossroads linking Pataliputra with western maritime ports such as Bharuch (Broach) and Sopara.
- **Holistic Archaeological Focus:** Historians like Himanshu Prabha Ray emphasize exploring surrounding monastic complexes and auxiliary structures rather than viewing the central stupa in isolation.

Essential Definitions

- **Vaishya Tekri:** A massive ancient mound near Ujjain containing the remains of a Mauryan-period Buddhist stupa, named after the merchant (*vaishya*) community linked with Ashoka's queen, Devi.
- **Kumara (Viceroy):** A Mauryan administrative title designating a royal prince appointed to govern major provincial capitals like Ujjain, Taxila, and Tosali.

Legal and Constitutional Framework

- **Ancient Monuments and Archaeological Sites and Remains (AMASR) Act, 1958:** Governs the protection, excavation, and conservation of national archaeological sites and historical monuments across India.
- **Article 49 of the Constitution:** Directs the State to protect monuments, places, and objects of artistic or historic interest declared to be of national importance.

- **Article 51A(f) of the Constitution:** Imposes a Fundamental Duty on every citizen to value and preserve the rich heritage of India's composite culture.

Conclusion

The fresh excavation at Vaishya Tekri offers a crucial opportunity to re-evaluate early Buddhist monastic landscapes and urban development along ancient trade corridors. Investigating Ujjain's Mauryan legacy deepens understanding of Ashoka's pre-imperial administration and the regional expansion of Buddhist architecture across Central India.

UPSC Relevance

- **GS Paper I:** Indian Culture—salient aspects of Art Forms, Literature, and Architecture from ancient to modern times; Mauryan rock edicts, stupa architecture, and trade routes.
- **GS Paper I:** Ancient History—Mauryan administration, expansion of Buddhism, and urban centres of ancient India.

