



VAJIRAM & RAVI
Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

05th June 2026



CONTEXT: How a country of 1.4 billion people is trying to pay for the most ambitious green transition in history – and why the money problem is harder than the climate problem

Nationally Determined Contributions' Bill

"India needs an additional annual investment of at least 2.5% of GDP for green financing until 2030." – **RBI Report on Currency and Finance**

• Small steps

India's third set of nationally-determined contributions (NDCs) makes small upgrades to the last one

	NDC-1	NDC-2	NDC-3	PROGRESS
Year of announcement	2015	2022	2026	
Target year	2030	2030	2035	
Goal 1: Reducing emissions intensity (emissions per unit GDP)	33-35% from 2005 levels	45% from 2005 levels	47% from 2005 levels	36% reduction achieved by 2020
Goal 2: Share of non-fossil electricity sources	40%	50%	60%	52% in February 2026
Goal 3: Creating additional carbon sinks (forests, trees)	2.5 to 3 bn tonnes over 2005 stock	2.5 to 3 bn tonnes over 2005 stock	3.5 to 4 bn tonnes over 2005 stock	2.3 bn tonnes created by 2021

₹162.5 trillion – roughly \$2.5 trillion – by 2030.

Go further to 2070: \$10.1 trillion – nearly 3x India's current GDP.

Climate change is fundamentally a capital allocation problem.

World's financial system was built for a carbon economy, not wired to fund a green one.

Global climate finance reached \$1.46 trillion in 2022

1. Invest almost \$7.4 tn/year globally through 2030
2. Developing economies: ~ \$2.4 trillion annually
3. Only 13% of these needs are "unconditional"

World's Broken Promise – and What It Means for India

Year	Promise	Reality
2009 (COP15, Copenhagen)	Developed nations: \$100 bn/year by 2020	Missed the target for years
2021 (COP26, Glasgow)	\$100 bn extended to 2025	Still largely unfulfilled
2024 (COP29, Baku)	New NCQG: \$300 bn/year by 2035	India calls it "insufficient"

Analysis by **Independent High Level Expert Group on Climate Finance** suggests about half – roughly **\$650 bn/year** – of the **\$1.3 trillion** annual target will **need to come from private sources.**



World Environment Day & Climate Future



CONTEXT: How a country of 1.4 billion people is trying to pay for the most ambitious green transition in history – and why the money problem is harder than the climate problem

The honest answer?

“International community will not fund India’s green transition”

- **Combined capex needed (2022–2030): \$467 billion**
- **That’s roughly \$54 billion every single year – or 1.3% of GDP.**

“Four Sectors’ Bill.”

Steel 🏭 + **Cement** 🏗️ + **Power** ⚡ + **Road Transport** 🚗 = **more than half of India’s carbon output**

🏭 **Green steel**; 🏗️ **Green cement**; ⚡ **Clean power**; 🚗 **Road transport**

Green premium: Private sector will not lead here alone.

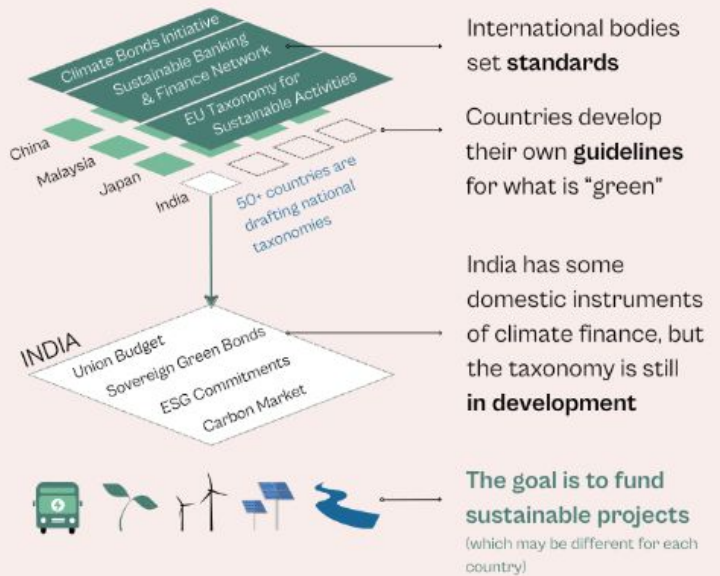
Before we despair, let's be fair.

By end-2024:

- 📊 **\$55.9 billion** in green, social, sustainability and sustainability-linked debt issued
- 📈 **A 186% rise** since 2021
- 🟢 Green debt leads, making up **83% of the total** – mostly clean energy and transport
- 🏠 **₹477 billion** in Sovereign Green Bonds (SGrBs) issued – setting market benchmarks
- **Ministry of Finance:** draft Climate Finance Taxonomy document + **RBI’s 2023 Green Deposits Framework**
- **Priority Sector Lending**

What Guides The Flow Of Climate Finance?

Climate finance taxonomies serve as guides for green investments



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Forgotten Dimension – India's States Are on Their Own

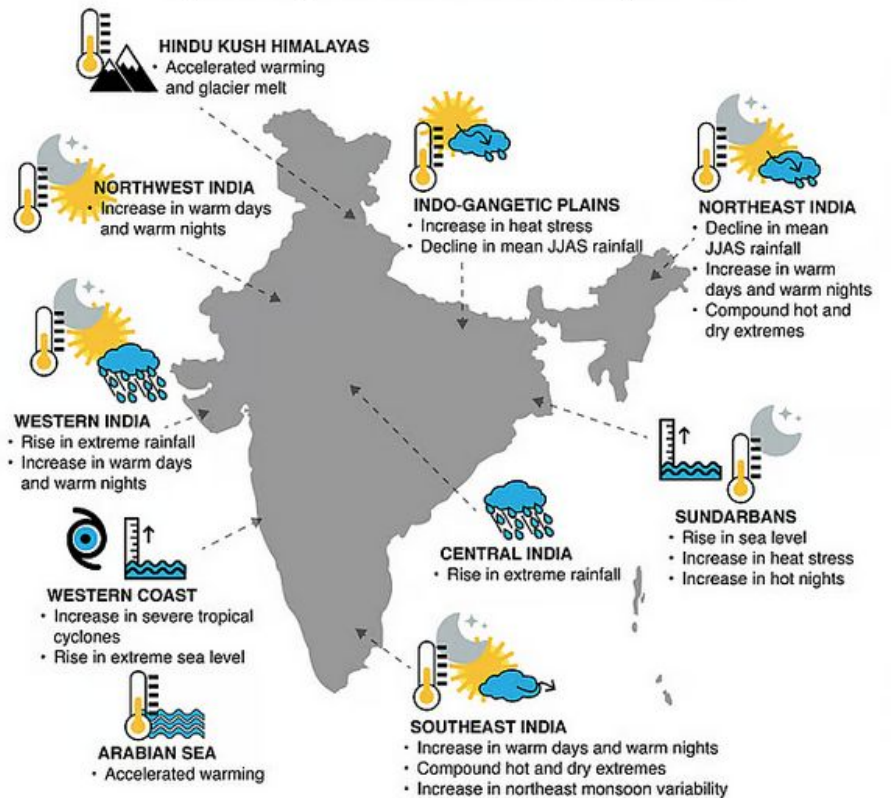
“Climate adaptation happens at the state level. But **states have neither the borrowing capacity nor the institutional infrastructure** to access climate finance.”

The Fix?

A State Climate Finance Facility

Jointly capitalised by the **Union Government + NABARD + International Sources**

Regional hotspots of observed climate change in India



The "Same Investment, Multiple Returns" Insight

Health Return:

- Every year, fossil fuel combustion causes **0.95 million premature deaths** in India
- A clean energy investment that replaces coal delivers a **carbon return + a health return + a productivity return simultaneously**

Productivity Return:

- Extreme heat cost India **247 billion working hours in 2024 alone**

Jobs Return:

- India's renewable sector could generate **3.4 million jobs by 2030**
- Each job = livelihood outcome + health outcome + poverty-reduction outcome



Kolhapur Foundry Case Study

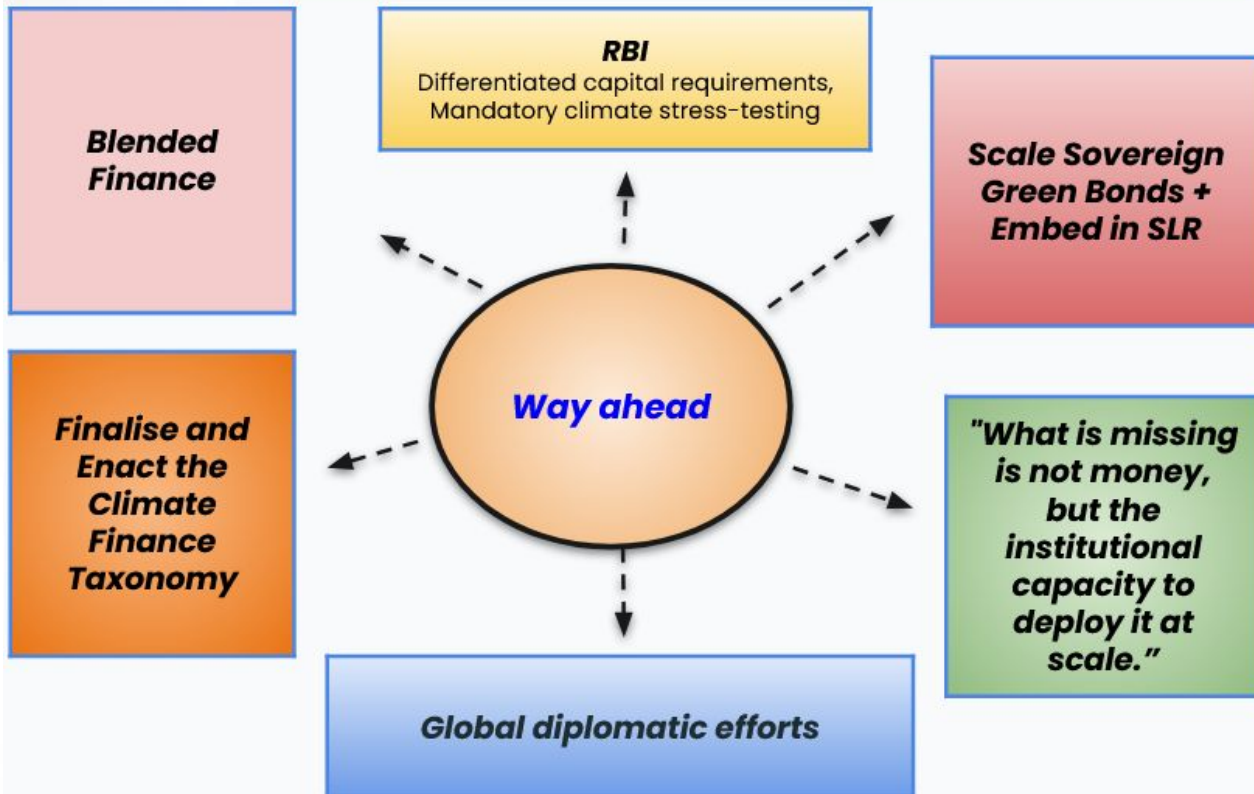
Responsible for **~5% of India's cast-iron exports** and supporting **27,700 jobs** – faces a **triple threat**:

1. **Rising energy costs**
2. **EU's CBAM**
3. **US Tariffs**



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What India Must Do Next



Mains Practise Question

The global climate finance landscape is at an inflection point. While COP29 set a new target of \$300 billion per year by 2035, this remains well below the \$1.3 trillion annually that developing economies estimate is needed. Discuss.
(15 Marks, 250 words)

UPSC PYQ (P) 2016

With reference to the Agreement at the UNFCCC Meeting in Paris in 2015, which of the following statements is/are correct?

1. The Agreement was signed by all the member countries of the UN, and it will go into effect in 2017.
2. The Agreement aims to limit the greenhouse gas emissions so that the rise in average global temperature by the end of this century does not exceed 2°C or even 1.5°C above pre-industrial levels.
3. Developed countries acknowledged their historical responsibility in global warming and committed to donate \$ 1000 billion a year from 2020 to help developing countries to cope with climate change.

Select the correct answer using the code given below:

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



Why URBAN FIRES are on rise?



CONTEXT: 21 people dead. 18 of them foreign nationals. A hotel that was legally permitted to run 6 rooms was running 26. And a city that had seen this exact story before – looked away again.

Part 1: The Scene – Wednesday Morning, South Delhi



WHERE DOES THE BUCK STOP?

TOI

LAPSES & VIOLATIONS

- Initial probe indicates blatant architectural and safety noncompliance
- Building lacked an independent external fire escape
- When the fire broke out in the building, the single, narrow internal staircase blocked the only exit path for guests
- Flourish Stay Bed and Breakfast (B&B) had stored several LPG commercial cylinders without fire isolation barriers in the basement
- No functioning smoke detectors, automated fire alarms, or functional internal sprinkler systems



Malviya Nagar, one of south Delhi's densest, most unplanned neighbourhoods – home to students, migrants, budget travellers, and thousands of informal businesses operating out of converted houses.



Building owners only had legal permission to construct and operate 6 guest rooms. Instead, they had illegally modified the structure to pack in 25 rooms

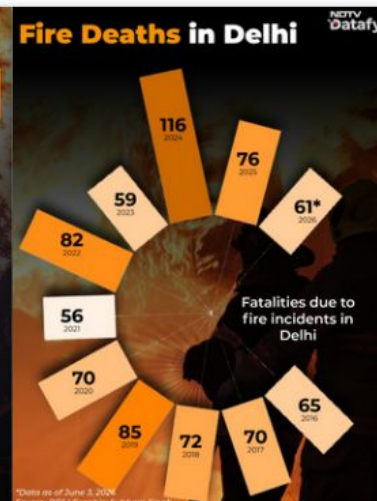
"This is a system failure wearing the mask of an accident"

6 out of every 10 fire deaths in India happen inside homes and residential buildings.

NCRB 2024

- ~3,555/5,888 fire-related deaths
- Delhi alone saw a 37% increase yoy
- Women constitute about 60% of all fire-related fatalities nationwide

India's fire mortality rate ~ 5.4 per 100,000 – Global average of 1.9.



Why URBAN FIRES are on rise?



CONTEXT: 21 people dead. 18 of them foreign nationals. A hotel that was legally permitted to run 6 rooms was running 26. And a city that had seen this exact story before – looked away again.

Part 2: What Actually Starts These Fires?

⚡ Short Circuits

India's urban buildings are electrically overloaded.

- **Residential structures converted into 6-floor hotels** drawing power for dozens of rooms
- **Old wiring** never upgraded; no **load audits**; **switchboards** overloaded
- **Summer** temperatures pushing **ACs**, **refrigerators**, and **water heaters** to run simultaneously
- **Result:** faulty connections, insulation failures, sparks in the middle of the night

🔥 LPG Gas Leaks

The second major cause. Causes include:

- Pilferage and transfer of LPG from domestic to non-domestic cylinders
- **Hosepipes** not replaced periodically → wear and leakage
- **O-ring failures** on stove connections
- **Non-standard equipment**
- Cylinders bursting when exposed to heat from an existing fire – creating **secondary explosions**

What the National Building Code (NBC) 2016 Says

NBC Requirement

Dual staircases

6-metre approach road

Smoke management systems

Periodic safety audits

Fire NOC before operations

Electrical fire prevention systems

Purpose

Ensure escape when one is blocked by fire/smoke

Allow fire engines to reach the building

Prevent asphyxiation – the #1 fire killer

Catch violations before disaster

Certify compliance

Detect overloads, short circuits

The NBC is a "recommendatory document." It is not automatically enforceable by law. States must *adopt* it into their building bylaws for it to have legal teeth.



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Part 2: What Actually Starts These Fires?

“Urban Morphology Problem”

- Narrow lanes** u/ 1.5 m
- Overhead wires**
- Buildings constructed right up to property lines**
- Mixed-use chaos**
- High-rise equipment gap**
- The HVAC danger**
- Hydrant failure**



The Fire Service

India has a shortage of nearly 98% in required fire stations and over 80% in rescue vehicles.

Operate with only 10% of manpower

Standing Fire Advisory Council norms: 1 fire station for every 10 square km in urban areas
1 for every 50 sqkm in rural areas.



The Governance – Who Is Responsible?

Fire Services = State Subject + Municipal Function

– **Article 243(W)**, 12th Schedule, 74th Constitutional Amendment Act, 1992

What this means:

State Govt	Primary responsibility – set laws, fund departments, equip fire services
ULBs	Day-to-day management – issue NOCs, conduct inspections
Centre	Advisory only – can recommend, fund schemes, set model codes
BIS	Publish NBC – but as a “recommendatory” document

“Every state has different rules. Every city has different enforcement. Every politician has different priorities.”

The NOC Corruption Loop

A Fire Safety NOC (No Objection Certificate) **is legally required** before any commercial building can operate.
In reality:

4 PROBLEMS

1. Inspectors are **few, underpaid, and overworked**
2. NOCs are often **issued on paper** after **unofficial payments** – without site visits
3. Buildings are then **illegally expanded**
4. **No system tracks** whether the building that received the NOC still matches what exists on the ground



Why URBAN FIRES are on rise?



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The Governance – Who Is Responsible?

What Has Been Done – And Why It's Not Enough

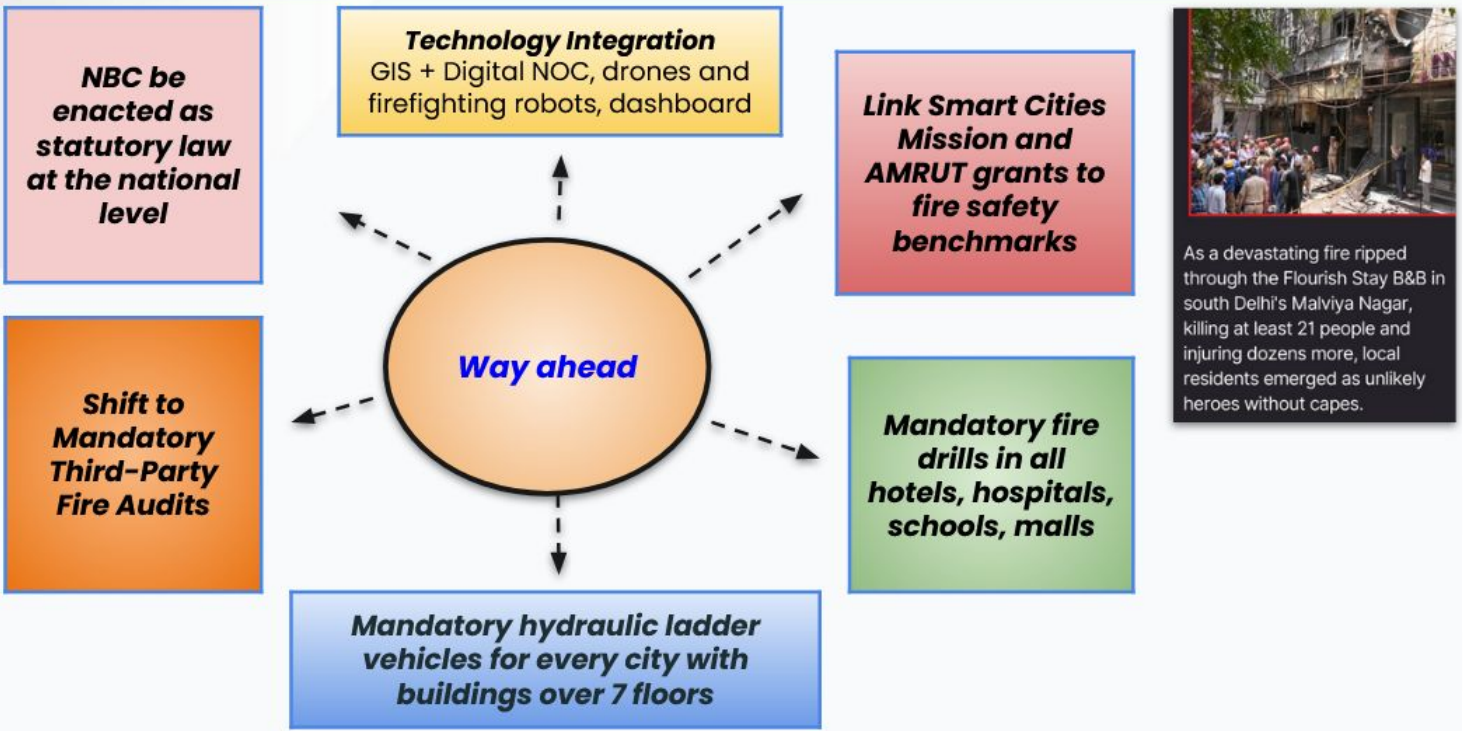
- **15th Finance Commission:** ₹5,000 crore for fire service modernisation under the National Disaster Response Fund
 - **BUT** 98% deficit in fire stations
- **Model Bill for Fire Prevention and Fire Safety Act**

"culture problem"

A 2024 survey by IIT-Kharagpur's Urban Safety Lab: less than 12% of hotel guests locate emergency exits upon check-in.

- **Rules aren't followed.**
- **Guests don't prepare.**
- **Owners cut corners.**
- **Inspectors look away**

Part 3: What Must Change



As a devastating fire ripped through the Flourish Stay B&B in south Delhi's Malviya Nagar, killing at least 21 people and injuring dozens more, local residents emerged as unlikely heroes without capes.



Why URBAN FIRES are on rise?



CONTEXT: 21 people dead. 18 of them foreign nationals. A hotel that was legally permitted to run 6 rooms was running 26. And a city that had seen this exact story before – looked away again.

Mains Practise Question

Urban fires in India are predictable, preventable, and recurring – fuelled not by chance but by regulatory failure, political indifference, and a culture that normalises illegal construction. Comment.

(15 Marks, 250 words)



Data Bank

"Underutilization of funds" or "achievement of targets."

- **Out of a total financial outlay of ~₹14,450 crore, only ₹10,194 crore was released, and ₹9,261 crore was actually utilized.**
- **The Training-Certification Gap: ~22L**
- **Placement Deficit: only 41%**

"Structural Issues in Skilling"

- **40% of all trainees were trained in just three sectors: apparel, electronics, and retail.**
- **Food Processing sector accounted for a mere 0.48% of trainees/ Tourism sector @ only 3.8%**

"Challenges in Scheme Implementation" or "Center-State Coordination."

- **"Neelima Moving Pictures" = non-existent**
- **"blame game"**

House Committee cites CAG report, pulls up govt. over skilling programme

The Hindu Bureau
NEW DELHI

Parliament's Public Accounts Committee (PAC), headed by senior Congress leader K.C. Venugopal, pulled up the government over its flagship skilling programme, the Pradhan Mantri Kaushal Vikas Yojana (PMKVY).

Citing the audit report tabled by the Comptroller and Auditor General (CAG), the panel said the scheme disproportionately focused on skilling for jobs with low demand, such as retail.

The PMKVY is the flagship scheme of the Ministry of Skill Development and Entrepreneurship (MSDE), launched in July 2015 with the objective of enabling a large number of youths to take up industry-relevant skill training.

Citing the findings of the report, panel members noted during the deliberations that there was a mismatch between training and demand. They said the skilling efforts were heavily



K.C. Venugopal

focused on sectors with low demand, such as apparel, electronics, and retail, which together accounted for 40% of trainees. In contrast, sectors such as food processing, which require more trained personnel, accounted for only 0.48% of trainees. Similarly, only 3.8% of trainees were skilled for the tourism sector.

Lack of planning

Panel members from both the Opposition and the ruling Bharatiya Janata Party questioned the lack of planning, despite the programme being in operation since 2015. According to

sources, many members said the government did not seem to have learnt from the scheme's shortcomings. It was also pointed out that only 41% of trainees were placed. The programme has also been hit by repeated instances of fraudulent appointment letters.

The CAG report cited multiple examples. In one instance, Neelima Moving Pictures was awarded skill certifications to 33,493 participants for 21 job roles across eight States between January and November 2020. However, the company was found to be non-existent. The audit report noted that no responsibility had been fixed for such fraudulent claims.

Defending the scheme and its implementation, the government blamed State governments, which, it said, were the implementing agencies.

In his concluding remarks, Mr. Venugopal said unemployment remained the biggest threat facing the country.



29th National Awards for e-Governance (NAeG) 2026, Ministry of Personnel, Public Grievances and Pensions

Agricultural Transformation: Agri Stack

- **Data/ tech/ credit/ EWS**

Consumer Rights & Grievance Redressal: e-Jagriti

- **Ministry of Consumer Affairs, Food and Public Distribution**
- **SECTORS: insurance, banking, housing, electricity, financial services, medical care, automobiles, and retail**

Crowd Management, Mega-Event Logistics: Mahakumbh 2025

- **Prayagraj Mela Authority**

Next-Gen Healthcare: eSanjeevani AI Integration

- **AI-enabled clinical decision support system/ telemedicine**
- **Blood Bag Traceability Portal by Kerala**

Judicial Efficiency: District Court Case Management System

- **Kerala High Court**

Agri Stack, e-Jagriti, Mahakumbh 2025 among winners of e-governance award

Express News Service
New Delhi, June 4

THE UNION government on Thursday named 16 projects of the Central, state and local governments across the country as the winners of the National Awards for e-Governance. These include the Agriculture Ministry's platform for farmers, known as Agri Stack; the Consumer Affairs Ministry's e-Jagriti platform for filing complaints; and the Prayagraj Mela Authority's conduct of the Mahakumbh 2025.

Ten projects would be given the Gold Award while six would be handed out the Silver Award during a ceremony on July 2.

"National Awards for e-Governance are presented every year to recognise and promote excellence in implementation of e-Governance initiatives. The 29th NAeG 2026 awardees in seven categories include the gram panchayats category, recognising deepening and widening of service delivery at grassroots level through digitisation," the Ministry of Personnel, Public Grievances and Pensions said in a statement.

The Agriculture Ministry's Agri Stack provides data to farmers with regard to finance

Ten projects would be given the Gold Award while six would be handed out the Silver Award during a ceremony on July 2

as well as early warning systems for disasters. The e-Jagriti portal allows consumers to lodge complaints regarding insurance, banking, housing, electricity, finance, medical care, automobiles etc. The 2025 Mahakumbh in Prayagraj had seen deployment of e-governance initiatives, apart from physical infrastructure.

The awardees include the Kerala Development and Innovation Strategic Council's initiative for making blood donation easier through a "blood bag traceability and citizen interaction portal".

The Union Ministry of Health and Family Welfare's AI-enabled clinical decision support system in its eSanjeevani telemedicine service was also among the winners. The Kerala High Court's district court case management system would also be given an award.



Government of India's schemes

Core Infrastructure & Development Schemes

- **PM-DevINE**
- **North East Special Infrastructure Development Scheme** (Roads, Other Than Road Infrastructure)
- **Schemes of the North Eastern Council**

Industrial & Livelihood Expansion Schemes

- **UNNATI-2024**
- **Mission Organic Value Chain Development for North Eastern Region**
- **North-East Industrial Development Scheme**

Connectivity & Strategic Linkages

- **Ude Desh ka Aam Nagrik - NE Lifeline**
- **Comprehensive Telecom Development Plan for NER**

Govt. has turned Northeast from region of conflict to hub of opportunities: Shah

Union Home Minister addresses 73rd plenary session of North Eastern Council in Shillong, urges CMs to shift focus from law and order to shielding citizens' rights as insurgency no longer an issue

Rahul Karmakar
GUWAHATI

Union Home Minister Amit Shah on Thursday said the Narendra Modi-led government at the Centre transformed the Northeast, comprising eight States, from a region of conflicts into a "hotspot" of opportunities.

Addressing the 73rd plenary session of the North Eastern Council (NEC) in Meghalaya's capital, Shillong, he said that opportunities in the region surfaced after the Modi government ended the era of violence associated with secessionist activities.

Mr. Shah said the NEC was fulfilling the people's aspirations and promoting culture while serving as an institution for strategic planning to develop the landlocked region.

He urged the Chief Ministers of the region, scheduled to review India-Bangladesh border security in Tripura on Friday, to shift their focus from law and order to shielding the rights



Home Minister Amit Shah, Union Minister Jyotiraditya Scindia and Meghalaya CM Conrad K. Sangma during the 73rd plenary session of the North Eastern Council in Shillong on Thursday. ANI

of the citizens as insurgency is no longer an issue.

Mr. Shah directed the States to build Artificial Intelligence, machine learning, and blockchain infrastructure for new generations. He also instructed them to market the region's potential in aromatic oil-yielding agarwood, foreign trade, and health tourism.

The Chief Ministers of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, and Tripura attended the ses-

sion along with the Department of North Eastern Region Minister Jyotiraditya Scindia and other senior officials.

Five missions for region
Mr. Scindia outlined five missions for the region - high-resolution village resource mapping; monitoring of wetlands, forests, rivers and landscapes; support for geospatial and space-tech start-ups; NER-Shield for disaster resilience and early warning; and green wealth and natu-

ral capital accounting.

Later, in a memorandum submitted to Mr. Shah, Meghalaya Chief Minister Conrad K. Sangma highlighted key concerns. He urged the Centre to strengthen mechanisms for checking illegal immigration.

"We suggested that measures such as the Meghalaya Residents Safety and Security Act and the Inner Line Permit (a British-era temporary travel document), for which the State Assembly passed resolutions, could serve as viable mechanisms to regulate and check illegal immigration," he said.

Mr. Sangma also sought the inclusion of Khasi and Garo languages in the Eighth Schedule of the Constitution.

Assam Chief Minister Himanta Biswa Sarma said the NEC session reflected the ambitions of a confident region. "...the focus is now on preparing the Northeast for the opportunities of the future," he said.



India-U.K. GSCO Launch

China refines over 60% of the world's lithium and 80% of rare earth elements.

Operating Institution	Country	Core Domain Expertise
TEXMiN (Technology Innovation in Exploration & Mining Foundation)	India	Specialized mining innovation hub backed by the Department of Science and Technology (DST).
IIT (ISM) Dhanbad	India	India's premier institute for mineralogy, earth sciences, and exploration tech.
University of Cambridge	United Kingdom	Global leader in advanced materials research, data analytics, and macroeconomic supply modeling.

India, U.K. launch observatory for critical minerals

The Hindu Bureau
NEW DELHI

Seeking to expand cooperation and technology-sharing in the realm of critical minerals, India and the United Kingdom on Thursday formally launched the Critical Minerals Global Supply Chain Observatory (GSCO).

The platform – to be jointly operated by India's Technology Innovation in Exploration & Mining Foundation (TEXMiN), Indian Institute of Technology (ISM) Dhanbad and U.K.'s University of Cambridge – will institute a data-driven platform to monitor and analyse global critical mineral supply chains.

In a social media post, Union Minister G. Kishan Reddy wrote, "This is a major step towards strengthening critical mineral supply chains, supporting clean energy transitions, and building resilient global supply chains through the India-U.K. partnership."



Union Minister for Coal Kishan Reddy with U.K. Foreign Secretary Yvette Cooper.

India and the U.K. were well-positioned to construct a mutually beneficial partnership on the back of their newly firm-ed-up comprehensive trade deal and the defence industrial road map, External Affairs Minister S. Jaishankar said on Thursday. He made the remarks during a meeting with British Foreign Secretary Yvette Cooper.

Ms. Cooper stated the observatory could also serve "as a foundation for broader cooperation across the critical minerals sector and related strategic industries."

(With PTI inputs)



Will India drop capital gains tax?



SYLLABUS: Prelims: Basics of CGT
Newspaper : The Hindu, **Page No : 15**

WHAT JUST HAPPENED?

Reuters

India to drop capital gains tax for foreign investors in government bonds, source says

India plans to scrap capital gains tax on foreign portfolio investments in government securities, which could help boost such inflows,....

1 day ago

Drawing in \$

Cabinet approves ordinance amending Income Tax Act

FPIs currently face **12.5% LTCG tax**

Foreign investors also pay interest withholding tax

Market participants have been seeking tax cuts urgently

Foreign portfolio flows have turned sharply negative

This year, FPIs are net sellers worth **₹2.5Lcr**

ALL LISTED ASSETS

	Earlier STCG	Now STCG	Holding Period	Holding Changed?	Earlier LTCG	Now LTCG
Stocks	15%	20%	12 months	No	10%	12.50%
Equity Mutual Funds	15%	20%	12 months	No	10%	12.50%
Debt and non-Equity MFs	Slab rate	Slab rate	N/A	Yes, earlier same for STCG & LTCG	Slab rate	Slab rate
Bonds (Listed)	Slab rate	20%	12 months	No	10%	12.50%
REITs/InvITs	15%	20%	12 months*	Yes, earlier 36	10%	12.50%
Equity FoFs*	Slab rate	20%	N/A	Yes, earlier same for STCG & LTCG	Slab rate	12.50%
Gold/Silver ETF	Slab rate	20%	12 months	Yes, earlier same for STCG & LTCG	Slab rate*	12.50%
Overseas FoFs	Slab rate	Slab rate	24 months	Yes, earlier same for STCG & LTCG	Slab rate	12.50%
Gold Funds	Slab rate	Slab rate	12 months	Yes, earlier same for STCG & LTCG	Slab rate	12.50%

Note: Annual LTCG exempt amount hiked from ₹1 lakh to ₹1.25 lakh for stocks and equity MFs

ALL UNLISTED ASSETS

	Earlier STCG	Now STCG	Holding Period	Holding Changed?	Earlier LTCG	Now LTCG
Real Estate (Physical)	Slab rate	Slab rate	24 months	No	20%**	12.50%
Bonds (Unlisted)	Slab rate	Slab rate	24 months	Yes, earlier same for STCG & LTCG	Slab rate	Slab rate
Physical Gold	Slab rate	Slab rate	24 months	Yes, earlier 36	20%**	12.50%
Stocks (Unlisted)	Slab rate	Slab rate	24 months	No	20%**	12.50%
Foreign equities/debt	Slab rate	Slab rate	24 months	No	20%**	12.50%

*Other than those investing 90% in equity ETFs

** With indexation

Those investing in funds with at least 65% equity

All changes effective for assets sold after 23rd July 2024



Will India drop capital gains tax?



SYLLABUS: Prelims: Basics of CGT
Newspaper : The Hindu, **Page No : 15**

THE WORLD CONTEXT



THE SCALE OF THE EXODUS

FPIs net outflows: ₹2.47 lakh crore so far in 2026. **March 2026:** \$12 bn

2025: ₹1.04 lakh crore

What is risk-off sentiment? \$\$ INDIA: "risk-on" bets

The Domino Effect:
 Outflows → Rupee → Imports
 → Inflation + Fiscal Deficit → GDP → Outflows

Every \$10 rise in crude oil = ~\$15 billion extra import bill annually

Every ₹1 fall in rupee vs dollar = ~₹8,000-9,000 cr increase in India's oil import cost

What Exactly Did Cabinet Approved Yesterday?

Tax Type	Earlier Rate	New Rate
LTCG on G-Secs	12.5%	0% (abolished)
Withholding Tax	20% (was 5% until 2023)	Under consideration
LTCG on listed shares	12.5%	Unchanged

Using the **ordinance route** to bypass waiting for Parliament.

2019: Corporate tax rates

Why Will This Help the Rupee?

- Step 1: Capital Gains Tax abolished
- ↓
- Step 2: G-Secs become more attractive
- ↓
- Step 3: Foreign investors buy more G-Secs → bring in USD to buy ₹ → dollar supply rises
- ↓
- Step 4: Rupee stabilizes or appreciates
- ↓
- Step 5: Higher FPI participation in debt market → more liquidity → lower government borrowing costs
- ↓
- Step 6: Lower bond yields → lower interest rates → cheaper credit for industry → growth



How powerful is Eco-based Adaptation?



SYLLABUS: Prelims: Eco-based Adaptation
Newspaper : The Hindu, **Page No : 9**

When Cyclone Dana approached Odisha's in October 2024



MY Bhubaneswar

24 October 2024

With a severe cyclonic storm set to cross Odisha near Bhitarkanika National Park, villagers are hoping that the mangrove cover will save them once again. Having protected them during past cyclones, including the 1999 Super Cyclone, locals believe the thick mangrove forests will shield them from winds expected to reach 120 kmph.

Divisional Forest Officer Sudarshan Gopinath Yadav reassured that the mangroves can withstand winds up to 200 kmph, providing much-needed protection for humans, flora, and fauna. Villagers like Pradip Das from Dangamal and Kamalakanta Nayak from Talchua are cautiously optimistic, praying that the coastal woodland will act as a barrier as it has in the past.

Bhitarkanika's mangroves, second only to the Sundarbans, play a crucial role in stabilizing the coastline and protecting against erosion from storms and tidal surges.

India's coastline is now officially reassessed at 11,098.81 km

Larger exposure to "cluster of linked hazards"

UNDP note on India's coastal resilience

~250 mn people live within 50 km of the coast

What is actually threatening the coast?

- Sea-level rise
- Cyclones
- Storm surges
- Coastal erosion
- Saline intrusion
- Flooding and waterlogging
- Damage to homes, crops, fisheries, and infrastructure

Cyclone DANA Makes Landfall at Havelikhati Ecotour Camps inside Bhitarkanika NP

News From Odisha India



Surrounded by dense mangrove forests, the camps remained safe, as the natural barrier significantly reduced the cyclone's wind speed



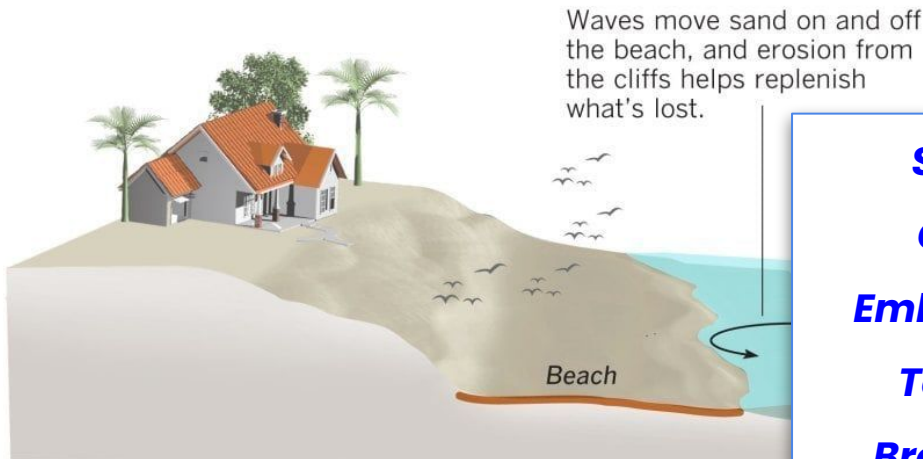
How powerful is Eco-based Adaptation?



SYLLABUS: Prelims: Eco-based Adaptation
Newspaper : The Hindu, **Page No :** 9

2 competing ideas: GREY infra vs LIVING infra

Shoreline without seawall



- Seawalls**
- Groynes**
- Embankments**
- Tetrapods**
- Breakwaters**

Shoreline with seawall



Gradual loss of beach



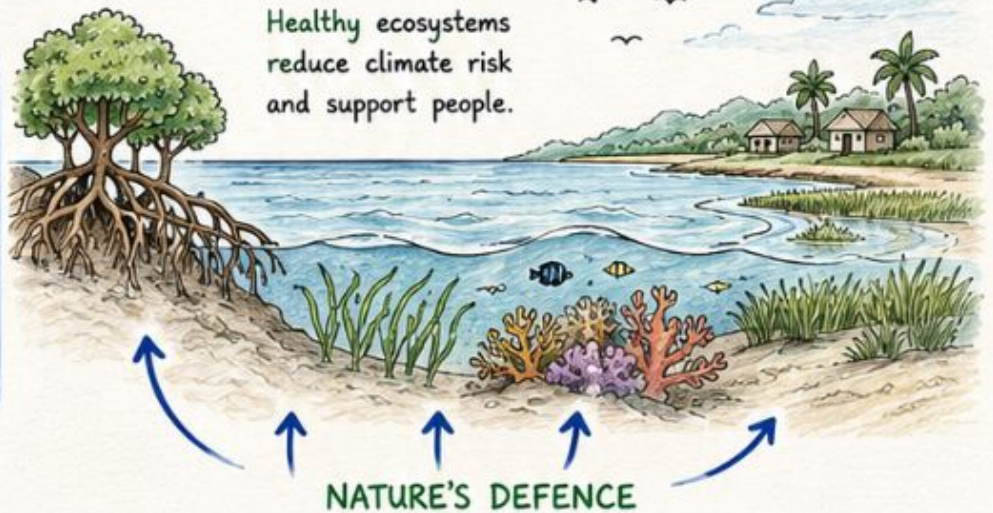
SYLLABUS: Prelims: Eco-based Adaptation
Newspaper : The Hindu, **Page No :** 9

2 competing ideas: GREY infra vs LIVING infra

Nature as Protection

1) WHAT IS EBA?

- Using biodiversity and ecosystem services to help people adapt to climate change.
- Nature itself becomes part of the solution.



2) COASTAL ECOSYSTEMS THAT HELP

MANGROVES



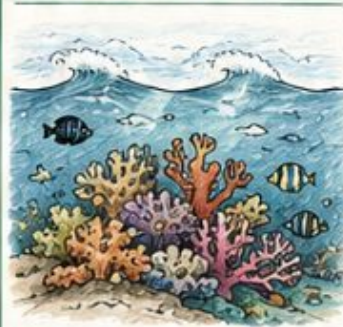
Act as a natural barrier.
Reduce storm waves, erosion and flooding.

SEAGRASS MEADOWS



Slow down currents and trap sediments.
Protect coastlines and improve water quality.

CORAL REEFS



Break wave energy.
Reduce coastal damage and support marine biodiversity.

WETLANDS



Store water, reduce floods and droughts.
Improve water quality and recharge groundwater.



How powerful is Eco-based Adaptation?



SYLLABUS: Prelims: Eco-based Adaptation
Newspaper : The Hindu, **Page No : 9**

2 competing ideas: GREY infra vs LIVING infra

Grey infrastructure

EbA / green infrastructure

Main tool

Seawalls, embankments, groynes, tetrapods

Mangroves, seagrass, coral reefs, wetlands

Strength

Immediate, visible protection in high-density zones

Natural buffering, resilience, livelihood support

Weakness

Expensive maintenance; can shift erosion elsewhere

Slower to mature; needs protection and space

Extra benefits

Mostly single-purpose

Biodiversity, fisheries, carbon storage, livelihoods

Policy challenge

Easy to budget and showcase

Harder to classify and measure

Best use

Urbanized, high-value stretches

Ecologically suitable coastal stretches and buffers

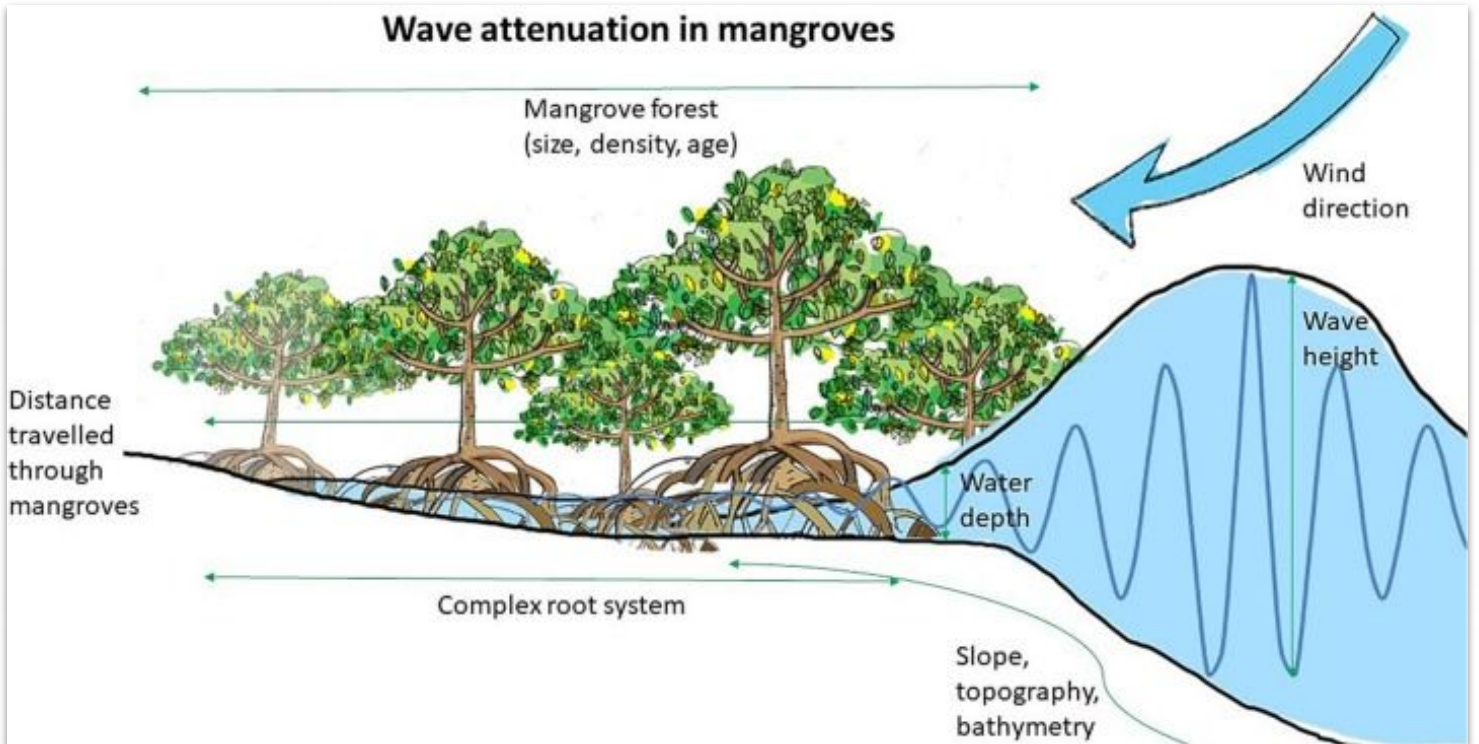


How powerful is Eco-based Adaptation?

SYLLABUS: Prelims: Eco-based Adaptation
Newspaper : The Hindu, **Page No : 9**

Ecosystem-based Adaptation

CBD and UNEP: a nature-based approach that helps reduce vulnerability and strengthen resilience.



“Mangroves are not just trees on mud. They are natural coastal defence systems.”

- Absorbing **wave energy**
- Reducing **storm surge** speed
- Trapping **sediment**
- Stabilising **shorelines**
- Reducing **erosion**
- Supporting **fish nurseries**
- Storing **carbon**
- Supporting **local livelihoods**

India Water Portal

Why Goa's mangroves are turning into plastic traps and becoming dumping grounds

A new study reveals Goa's vital mangrove forests are choked by plastic, acting as dumping grounds. Discover the alarming density and...

6 Dec 2025

THEN Why seawalls still dominate spending?



How powerful is Eco-based Adaptation?



SYLLABUS: Prelims: Eco-based Adaptation
Newspaper : The Hindu, **Page No : 9**

What are the hindrances?

“National Coastal Mission’s support has fluctuated sharply”

BUDGET: ₹195 cr in 2022-23 & ₹12.50 cr in 2023-24.

- **Later budget analysis = ₹50 cr in 2024-25**
- **Govt’s year-end review:** NCM extended for 2025-31 @ ₹767 cr.

Why the article says the real barrier is terminology?

Overlapping terms: **EbA** – Ecosystem-based Adaptation; **NbS** – Nature-based Solutions; **Eco-DRR** – Ecosystem-based Disaster Risk Reduction; **EbCA** – Ecosystem-based Coastal Adaptation

Mangrove Initiative for Shoreline Habitats & Tangible Incomes

540 sq km, 9 states + 4 UTs, 2023-28
 “mainly as a restoration or forestry programme”

“Many coastal projects are already doing EbA-type work, but they are not always labeled as EbA.”

Forestry
 Biodiversity
 Restoration
 Coastal development
 Disaster-risk reduction
 Livelihood programmes

3 PROBLEMS

1. Under-counting
2. Under-funding
3. Weak evaluation

What India should do next

Local “Green Brigade” Restores Mangroves, Protects Lives, and Inspires Statewide Policy

Sundarbans, India – In the world’s largest mangrove forest, where rising seas and super cyclones increasingly threaten lives and livelihoods, women in green sarees are leading a quiet revolution.

More than 18,000 women across over 50 villages, organized into Badabon Farmer Interest Groups (BFIGs), have restored over 4,600 hectares of degraded coastline and riverbanks, harnessing the natural power of mangroves to stabilize embankments, absorb tidal energy, and protect farms from saltwater intrusion. They are supported by the Nature Environment and Wildlife Society (NEWS).



Paris Agreement created the **Global Goal on Adaptation**

1. **what adaptation action** was taken?
2. **where** it was taken?
3. **who benefited?**
4. what **outcome** it produced?
5. how it was **financed?**

Yet the system still often prefers the thing that can be built fastest and counted easiest.

- **Map EbA** already happening
- **Classify it clearly** in budgets and reports
- **Expand MISHTI**-like restoration
- Use **hard structures only where necessary**
- **Integrate adaptation** with livelihoods, disaster risk reduction and coastal planning



What did India-Venezuela discuss?



SYLLABUS: Prelims: Mapping aspects
Newspaper: The Indian Express, Page No : 1

Not just a bilateral visit, but a hedge

Where Does India Import Its Oil From?

Snapshot

Import dependence 86%	Global rank (Imports) 2nd	Import volume (Barrels Per Day) 5 million	Import value (Annual) ₹12 L Cr	Via Strait of Hormuz 52%
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Top Crude Suppliers to India

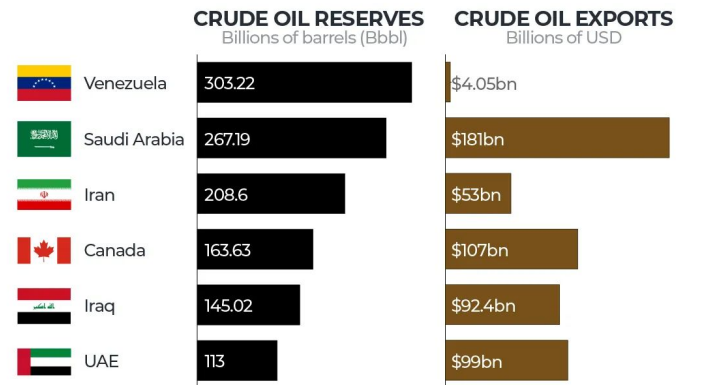


That is why Delcy Rodríguez's **visit** to New Delhi **matters so much right now.**

ENERGY

Crude oil reserves vs exports

Venezuela holds the world's largest proven oil reserves, more than five times the United States. But in 2023, the US exported about \$125bn of crude, far more than sanction-hit Venezuela.



Major refiners
(75% of imports)



What did India-Venezuela discuss?



SYLLABUS: Prelims: Mapping aspects
Newspaper : The Indian Express, Page No : 1

India-Venezuela: Why This Visit Matters



On **3 June 2026**, the MEA said Venezuela's Acting President **Delcy Rodríguez** arrived in New Delhi for a visit running from **3-7 June**. She met Prime Minister Narendra Modi, and the two sides discussed deeper cooperation.

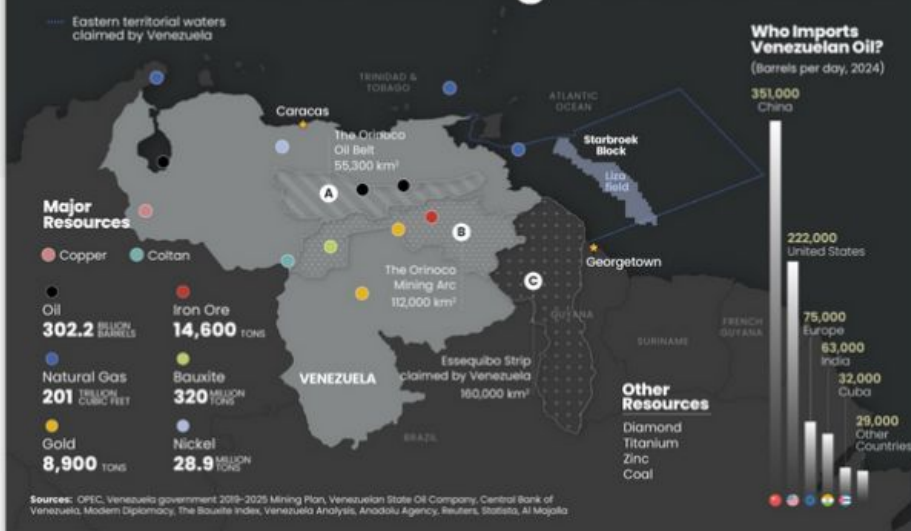
"not just an oil meeting"

- Energy
- Agriculture
- Healthcare
- Critical minerals
- Technology

Delcy Rodríguez's rise to power culminated in January 2026 when she was sworn in as Venezuela's acting president following the U.S. military strikes and capture of former President Nicolás Maduro. A longtime "Chavista" and former Executive Vice President, she solidified her control by strategically securing U.S. backing and courting the Trump administration, prioritizing oil-industry stability. — BBC +4

The timing is the real story.

Venezuela's underground wealth



May 2026: 427,000 barrels/day

INDIA: Venezuela's second-largest importer

"Diversifying purchases"

"multiple supply options open"

- Brazil, Angola, and Nigeria
- Russian oil
- LPG, LNG, ATF prices

Reuters
 India eyes alternative energy supplies amid Strait of ...
 3 March 2026 — 3 Mar 2026 — India is scouting for alternative sources for importing crude oil, liquefied ...



What did India-Venezuela discuss?



SYLLABUS: Prelims: Mapping aspects
Newspaper : The Indian Express, **Page No : 1**

What each side wants

India's side

- **India wants energy security first.**

India is also looking at **pharma, healthcare, technology, and critical minerals** as part of a **wider economic relationship**.

India exports : pharmaceutical products, machinery, and electrical equipment

Venezuela's side

Venezuela wants a stable long-term buyer.

India imports: mineral fuels and oils

ET The Economic Times
<https://m.economictimes.com> Markets Stocks News
ONGC may receive \$500 million of unpaid dividends if US ...
5 Jan 2026 — ONGC could unlock about US\$500 million in unpaid dividends from its Venezuelan assets if US-led restructuring eases sanctions, ...

TI Telegraph India
PM Modi, President Delcy Rodriguez explore India-Venezuela energy ties at Delhi meet
Rodriguez would visit Jamnagar, where Reliance runs the world's largest single-site integrated oil refining hub.
9 minutes ago

"It signals 4 bigger shifts"

"India is **widening its oil basket**."

"**Latin America is becoming more relevant**."

"**Venezuela** is trying to **re-enter global energy** markets more **forcefully**."



Why Pak still wants Indus Water Treaty?



SYLLABUS: Prelims: Indian & World Geography
Newspaper : The Hindu, **Page No : 16**

The Bedrock: Understanding Indus Waters Treaty, 1960



River System	Rivers	Allocation	Primary Use
Eastern Rivers	Sutlej, Beas, Ravi	India (Unrestricted Use)	Irrigation in Punjab, Haryana, Rajasthan
Western Rivers	Indus, Jhelum, Chenab	Pakistan (Unrestricted Use)	~80% of total water flow. Pakistan's lifeline.

Key Institutions under IWT

Permanent Indus Commission

Dispute Resolution Mechanism



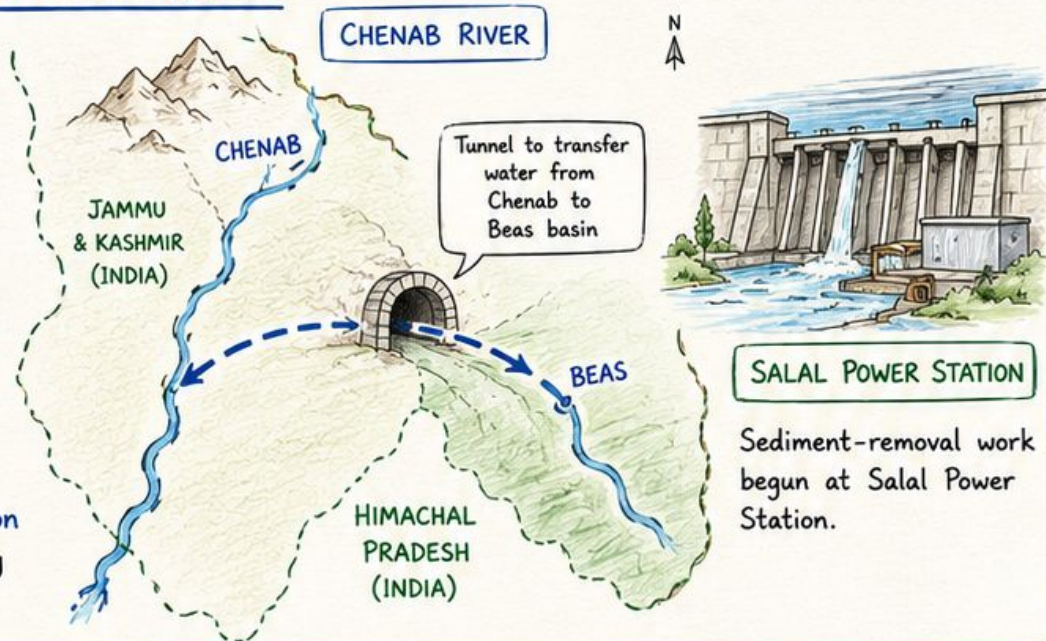
Why Pak still wants Indus Water Treaty?

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Newspaper : The Hindu, **Page No : 16**

Flashpoint: The Two Chenab River Projects

1 WHAT TRIGGERED THE DISPUTE

- India announced two Chenab-linked initiatives this year.
- One project involves a tunnel to transfer water from the Chenab to the Beas basin.
- India also began sediment-removal work at Salal Power Station after suspending treaty participation.



Dimension	India's Strategic Position 	Pakistan's Legal Stance 
<u>Treaty Status</u>	The IWT is held in abeyance/suspended . This was triggered after an April 2025 terrorist attack on tourists in Kashmir led to intense missile, drone, and artillery exchanges in May 2025 that killed nearly 70 people.	The treaty remains fully binding on both nations. Pakistan argues that the 1960 text contains absolutely no mechanism for either country to unilaterally withdraw or suspend its provisions.
<u>Arbitration Legitimacy</u>	Rejects the authority of the Hague-based Court of Arbitration . New Delhi labeled its May 15, 2026 ruling as an "illegally constituted so-called Court" and declared its decisions null and void.	Welcomes the Court of Arbitration's May 15, 2026 decision, using it to validate its stance that the treaty is active and international law protects its downstream rights.
<u>Consultation Protocol</u>	Asserts its sovereign right to press ahead with infrastructure and water management projects within the territories it controls.	Demands strict adherence to prior consultation. It warns that any unilateral modification of cross-border waterways will be treated as an "act of war" .



Why Pak still wants Indus Water Treaty?



SYLLABUS: Prelims: Indian & World Geography
Newspaper : The Hindu, **Page No : 16**

The Road Ahead

Renegotiation?

India wants **bilateral renegotiation**
Terrorism-linked clause

Strategic Advantage for India

Hydroelectric projects

Long-Term Stalemate

"Cold" water war

Though the flow from natural channels will continue...

...but India's move may impact irrigation and drinking water supply to some extent in two of the four provinces of Pakistan



India will have to increase its water storage capacity and work on

Kishanganga hydro-electric project ||

Ratle hydro-electric project ||

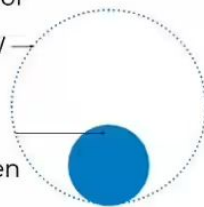
Only then will India have more control over water in the long run

India has right to create water storage capacity up to **3.6 million acre-feet** on western rivers as per IWT

Out of estimated power potential of

20,000 MW

Only **3,482 MW** capacity has been constructed



Why Pak still wants Indus Water Treaty?



SYLLABUS: Prelims: Indian & World Geography
Newspaper : The Hindu, **Page No : 16**

UPSC PYQ (P) 2019

Consider the following pairs:

Glacier	River
1. Bandarpunch	Yamuna
2. Bara Shigri	Chenab
3. Milam	Mandakini
4. Siachen	Nubra
5. Zemu	Manas

Which of the pairs given above are correctly matched?

- (a) 1, 2 and 4
- (b) 1, 3 and 4
- (c) 2 and 5
- (d) 3 and 5

UPSC PYQ (P) 2021

With reference to the Indus river system, of the following four rivers, three of them pour into one of them which joins the Indus directly. Among the following, which one is such a river that joins the Indus direct?

- (a) Chenab
- (b) Jhelum
- (c) Ravi
- (d) Sutlej



Q1. With reference to global climate finance commitments, consider the following statements:

1. At Copenhagen (COP15), developed countries pledged to mobilise \$100 billion per year by 2020.
2. At Glasgow (COP26), the \$100 billion target was extended up to 2025.
3. At Baku (COP29), a new climate finance goal of \$500 billion per year by 2032 was adopted.

How many of the statements given above is/are correct?

- a) Only One
- b) Only Two
- c) All Three
- d) None

Answer: b

Q2. Consider the following statements:

1. FPI outflows can put pressure on the rupee, leading to depreciation.
2. Depreciation of the rupee can decrease import costs and reduce inflation.
3. Higher inflation and fiscal deficit can negatively impact GDP growth.

Which of the statements given above are correct?

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

Answer: c

Q3. With reference to grey infrastructure and ecosystem-based adaptation (EbA), consider the following statements:

1. Grey infrastructure includes seawalls, embankments, groynes, and tetrapods.
2. EbA includes mangroves, coral reefs, wetlands, and seagrass.
3. EbA approaches are slower to mature and require protection and space.

Which of the statements given above are correct?

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

Answer: d

Q4. With reference to the Indus River system, consider the following statements:

1. Under the Indus Water Treaty, eastern rivers (Sutlej, Beas, Ravi) are allocated to Pakistan.
2. Western rivers (Indus, Jhelum, Chenab) are allocated to India for unrestricted use.

Which of the statements given above is/are not correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: c

Q5. Arrange the following countries in descending order of crude oil reserves:

1. Venezuela
2. Saudi Arabia
3. Iran
4. Canada

Select the correct answer using the codes given below.

- a) 1 > 2 > 3 > 4
- b) 1 > 2 > 4 > 3
- c) 2 > 1 > 3 > 4
- d) 2 > 3 > 1 > 4

Answer: a





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