



VAJIRAM & RAVI
Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

22nd August 2026



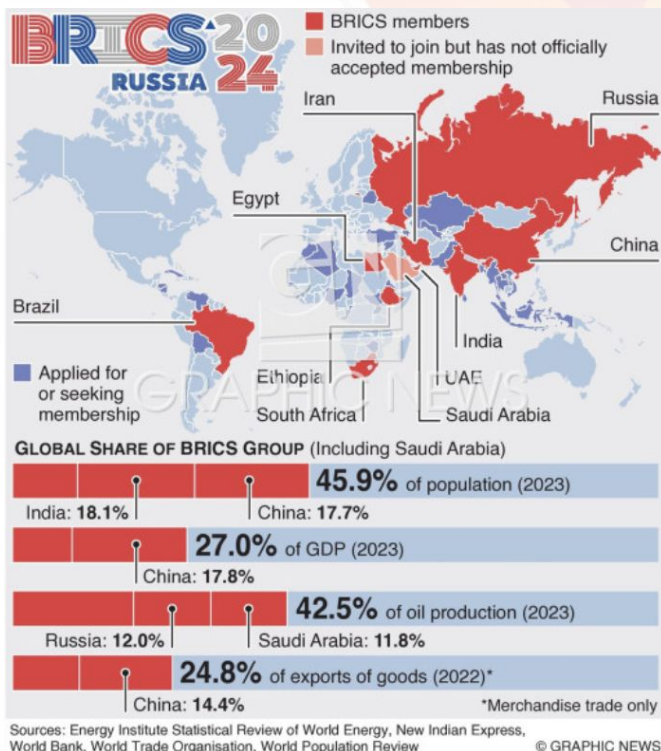
CONTEXT: 14th STI Ministerial Meeting in Chennai

Evolution

- 2006 – Leaders of BRIC in St. Petersburg – G8 Outreach Summit
- 2009 – 1st BRIC summit
- 2011 – BRICS
- Engines of global eco growth
- Growing intra-BRICS trade (from \$494B in 2001 to \$4.65T in 2021)
- BRICS+

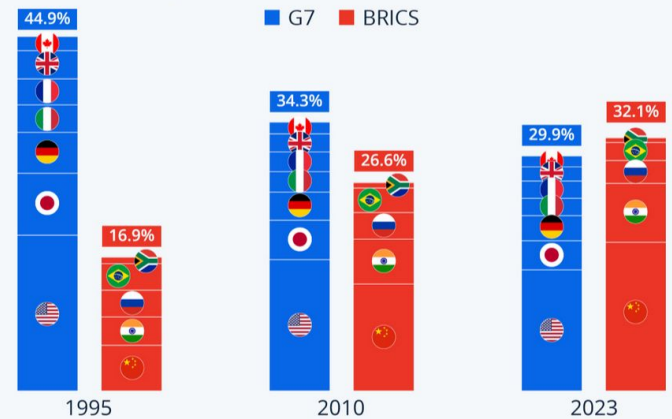
Initiatives of BRICS

- NDB – infra, sustainable dev projects
- CRA – \$100 bn, BoP, financial stability
- BRICS Payment System
- Customs Agreements
- Remote Sensing Satellite Constellation



The Rise of the BRICS

G7 and BRICS countries' share of global GDP at purchasing power parity



2023 data based on IMF estimates as of April 2023
Source: IMF World Economic Outlook

Growing Need for BRICS

- **Declining appeal of G7-led order:** rigid, hierarchical, serving Western interests
- **BRICS as a flexible alternative:** Prioritizes national interests, sovereignty, mutual respect
- **Inclusive decision-making**
- **Non-confrontational agenda:** Focuses on solutions
- **Economic & demographic strength:**
 - BRICS GDP (PPP) at \$65 tn (39% global share) > G7 (\$47 tn, <30%)
 - ~3.9 billion people vs. G7's 780 million
- **Growing global trust:**
 - 10 full members, 9 partners, ~30+ applicants
 - Non-Western platform
- **Future potential:** Only bloc with means and desire to shape a new, multipolar world order



CONTEXT: 14th STI Ministerial Meeting in Chennai

Why India Needs BRICS

- **Strategic Autonomy & Multipolarity**
- **Economic & Geopolitical Leverage:**
 - Western protectionism, sanctions
- **Voice for the Global South:**
 - Platform for climate, equity, develop
 - governance reforms, multilateralism
- **Like-Minded Partnerships:**
 - Expanded BRICS
 - sanctions, currency
- **Key Initiatives & Leadership:**
 - Vaccine R&D centre, counter-terrorism action plan, digital infra, startup forum
 - Kazan Declaration (2024)
- **Bilateral Diplomacy Hub:**
 - Modi-Putin talks
 - Modi-Xi meeting
 - Iran
- **Countering Western Dominance:**
 - Alternatives in finance, trade, tech
- **Future-Proofing Influence:**
 - India's role in redefining global rules

Challenges Ahead

- **Managing Iran-Saudi tensions** within BRICS
- **Limited NDB impact** (\$33B loans vs. World Bank's yearly \$100B+)
- **Need for INR internationalization** to reduce dollar reliance

Why Expanded BRICS benefits India?

Strategic Partnerships & Geopolitical Influence

- Strengthened ties with Africa
- Multi-alignment in West Asia
- UAE's inclusion

Economic & Trade Advantages

- Egypt, Saudi Arabia, Ethiopia

Multilateral & Institutional Reforms

- Global South representation
- Push for UNSC expansion
- Alternative financial mechanisms

Energy & Resource Security

- Saudi Arabia
- Ethiopia
- Iran's Chabahar

Balancing China's Dominance

- Diversified BRICS membership
- India-led consensus

Need for a BRICS Currency

Reducing Dollar Dependence

- US sanctions
- SWIFT weaponization
- US exports inflation

Strengthening Global South Financial Autonomy

- Alternative to IMF/World Bank
- Transaction costs
- Protection from Fed policy shocks

Economic & Trade Benefits

- Faster intra-BRICS settlements
- Lower forex risks
- Boost for NDB

Strategic Counterbalance to Western Systems

- Diversify global reserve currencies
- Multipolar financial system



CONTEXT: 14th STI Ministerial Meeting in Chennai

Challenges of BRICS Currency

Economic Disparities

- Vastly different economic strengths
- No fiscal union
- Risk of repeat of Eurozone crisis

Geopolitical Rivalries

- China-India tensions
- UAE-Iran rivalry
- Power imbalances

Technical & Structural Issues

- No unified central bank
- Differing inflation & interest rates
- Capital controls

Lack of Trust & Consensus

- Monetary sovereignty
- No precedent without political integration
- Pragmatic Alternative solutions
-

Challenges of BRICS

Institutional Weaknesses

- Lack of strong financial institutions
 - local currency lending
 - "Country system approach"

Geopolitical Tensions

- India-China rivalry
- Russia-West tensions
- Expansion concerns

Structural Issues

- Equal voting shares
- No supranational authority
- Mixed priorities

Perception Problems

- Seen as symbolic
- Slow reform pace
- Vision on dollar alternatives

Contradictions of BRICS

- Economic – GDP, Exporters, protectionism
- Political – India China, NDB & silk road projects, USA
- Geographical distance, limited trade
- Similar forums

Future Opportunities

- **Non-traditional cooperation** (climate, tech, infrastructure)
- **Lobby for UN/WB reforms**
- **Balanced multipolar order** without anti-West agenda

MAINS PRACTISE QUESTION

Examine the need for BRICS in the evolving global order. Analyze the challenges associated with the proposal of a common BRICS currency in the context of global financial stability.



Sugar Crisis in India

CONTEXT: Retail prices surging, concern regarding link to ethanol.

Why price surge?

- ISMA Nov '25 Estimate (2025-26)
 - Gross production: 343.5 lakh tonnes
 - Diversion to ethanol: 34 lt
- Latest industry estimates
 - Gross: 309 lt; Diversion to ethanol: 30 lt
 - Net output: 279 lt
 - Opening stocks at season start: 50 lt
 - Domestic consumption: 280 lt
 - Exports: 8 lt
 - Closing stock projection: ~41 lt
- Other triggers
 - Doubts on actual stocks: sold beyond monthly quotas
 - Rainfall deficiency in June (Maha/Ktk)
 - Market behaviour
 - i. Big merchants, stockists, and bulk industrial consumers
 - ii. Mills held back sales

Why projections inaccurate?

- Sugarcane crop in Maha, Kkt, Guj
 - Excess rainfall in Sept-Oct last year
 - Delayed withdrawal of SW monsoon
- Waterlogged fields + lack of sunshine
 - Deprived of aeration & daylight
 - Affected cane growth & sucrose accumulation
 - So lower yields and sugar recovery by mills

- UP-specific
 - Red rot fungal disease
 - Top shoot borer insect pest
 - Dominant Co-0238 variety increasingly susceptible

Sugar diversion for ethanol

- 30 lt diversion
 - But gross production 34.5 lt lower than initial estimates
- Ethanol supplied to OMCs (Nov 2025 – July 2026)
 - Sugarcane-based feedstock (32%)
 - Grain-based feedstock (68%)

Govt steps to check sugar prices

- Banned export of all sugar till Sep 30
- Allowed import of up to 10 lt raw sugar at 0 duty till October 31
 - For refineries
 - Refined sugar supply domestic market till Indian mills start crushing
- Stocking limit of 400 tonnes
- All mills to furnish details of bulk consumers

Suggestions

- No ethanol from direct sugarcane juice and B-molasses in 2026-27
- Supply: imports + forcing mills/traders to sell



Sugar Crisis in India

CONTEXT: Retail prices surging, concern regarding link to ethanol.

Basics

- Tropical and sub-tropical crop
- Germination/Sprouting: ideally 32–38°C
- Hot, humid conditions during growth: 20–30°C
- Cooler, dry during ripening for high sugar accumulation: 12–14°C
- Long frost-free period + sunlight & moisture for healthy cane development
- 75–150 cm annually, mainly during growing phase
 - low rainfall during maturity
- Top Producers (Eco Survey 2025–26)
 - UP, Maha, Ktk
- Globally
 - Largest area
 - Largest consumer
 - 2nd producer

Challenges

- **Gestation Period**
 - 10–12 months
 - locks land for ~2–3 years – limits diversification
- **Capital Intensive**
 - Land preparation (deep tilling, leveling)
 - Fertilizers, manure
- **Labour & Transport Costs**
 - Labour-intensive harvesting
- **Unviable Exports**
 - Production cost > global prices
 - Dependence on subsidies

Ethanol Concerns

- Costlier than petrol
- Engine damage + protests

Steps Taken

- **Sugar Development Fund**
 - Loans for mills: Ethanol projects, modernization
- **Ethanol Blended Petrol Programme**
- **Buffer Stock Scheme**
 - Subsidy to mills for carrying cost
- **Minimum Selling Price of Sugar**
 - Floor price for sugar sales by mills
- **Sustainable Sugarcane Initiative (SSI)**
 - Low water use, Wider spacing, better yield

Suggestions

- **Revenue Streams**
 - Sugar-centric to ethanol production and cogeneration using by-products
- **Value Chain**
 - Use by-products – bagasse & molasses
- **Farmer Remuneration**
 - Profitable mills → pay fair cane prices
- **Rangarajan Committee**
 - Revenue Sharing Formula
 - Cane price linked to sugar + by-products value
- **Price Stabilisation Mechanism**
 - If formula-based price < reasonable
 - i. Gap fill via dedicated fund
 - ii. Fund built via cess on sugar



Sugar Crisis in India



CONTEXT: Retail prices surging, concern regarding link to ethanol.

MAINS PRACTISE QUESTION

Analyse the major challenges confronting the sugarcane industry. Discuss the government measures to address these challenges and suggest a way forward for making the sugarcane sector more competitive and sustainable.



Newspaper: The Hindu; Page Number: 8

Noise Pollution Case Laws

- In Re: Noise Pollution (2005)
 - Noise pollution as a violation of A- 21
 - directed enforcement of noise regulations
- Forum for Prevention of Environment and Sound Pollution v. UoI (2005)
 - directions for controlling
 - restrictions on use of loudspeakers & firecrackers
- Balwant Singh v. Commissioner of Police (2015)
 - strict enforcement of norms
 - Right to peaceful enjoyment of life u/A21
- Surendra Prasad v. State of Bihar
 - DJ trolleys & loudspeakers major source of noise in Patna

Noise Pollution Steps

- Noise Pollution (Regulation and Control) Rules, 2000 under EPA, 1986
- Motor Vehicles Act, 1988
 - use of horns and silencers
- Factories Act, 1948
 - worker safety: occupational noise
- NGT imposing penalties
- CPCB National Ambient Noise Monitoring Network
 - 35 cities
- Silence Zone Enforcement
 - Around hospitals, schools, courts
- Public Awareness Campaigns
 - "No Horn" campaigns in metro cities

VAJIRAM & RAVI



Piracy in Gulf of Aden



SYLLABUS: Prelims: Current Events of National and International Importance
Newspaper : The Indian Express; **Page No :** 1

Gulf of Aden

- Boundaries
 - Yemen, Somalia, Socotra Islands, Djibouti
- Connects to
 - Somali Sea via Guardafui Channel
 - Red Sea via Strait of Bab el-Mandeb
- Major Ports
 - Aden in Yemen
 - Djibouti City
 - Berbera & Zeila in Somaliland
 - Bosaso in Somalia
- ~10% of global seaborne petroleum
- >USD 110 bn India's trade pass through

Yemen

- SW corner of Arabian Peninsula
- Borders: Saudi Arabia, Oman
- Coastline & Strategic Importance
 - Red Sea (West), Gulf of Aden, Arabian Sea, Guardafui Channel (South)
 - at the entrance of Bab-el-Mandeb
- Capital City: Sanaa
- Geographical Features
 - Highest Point: Jabal an Nabi Shu'ayb at 3,760 m
 - Desert: Rub' Al Khali Desert
 - No perennial lakes and rivers



Piracy in Gulf of Aden



SYLLABUS: Prelims: Current Events of National and International Importance
Newspaper : The Indian Express; **Page No :** 1

Somalia

- In the Horn of Africa
- Equator through southern Somalia
- Borders: Djibouti, Ethiopia, Kenya
- Capital city: Mogadishu
- Geographical Features
 - Climate: arid or semiarid, little seasonal change in temp
 - Mainly a tableland of young limestone and sandstone formations
 - Along Gulf of Aden: a narrow coastal plain called Guban
 - Rivers: Jubba & Shabeelle
 - Highest Peak: Mount Shimbiris, 2,460 m tall
 - Natural Resources: iron ore, uranium, copper, tin, bauxite, gypsum, salt

Steps to Counter Maritime Piracy

- Indian Navy
 - Information Management & Analysis Centre (IMAC)
 - IFC-IOR
- Maritime Anti-Piracy Act of 2022
 - arrest & prosecute pirates
- SAGAR initiative for maritime cooperation



- Indian Ocean Naval Symposium
 - maritime cooperation among littoral states of IOR
- IORA, an intergovernmental organisation
- IMO
 - specialised agency of UN developing & adopting international regulations & standards for maritime safety



Mobile Phone Manufacturing Scheme



SYLLABUS: Prelims: Economic and Social Development

Newspaper : The Hindu; **Page No : 13**

Mobile Phone Manufacturing Scheme

Salient Features

- scale up production, deepen domestic value addition, strengthen supply chain resilience, enhance global competitiveness
- building Indian brands for tech sovereignty
- Create Indian patents in design and R&D
- Tenure of 5 Years from FY 26-27 to FY 30-31
- Incentive support on eligible sales for manufacturing of mobile phones in India
 - At differentiated rates from 2.25% to 5%
 - Additional incentive of up to 1.5% linked to domestic sourcing of key components/sub-assemblies
 - For building Indian brands, an additional incentive @3% on Eligible Sales for design and R&D
- **Indian brands** - Definition
 - Majority-owned by Indian citizens
 - Incorporated in India
 - IP and trademark held locally
- Indian brands - Incentives
 - Flat 5% incentive throughout the scheme's tenure
 - Not subject to a minimum sales threshold

- Turnover requirement:
 - Indian brands: demonstrate ₹1,000 cr
 - Foreign brands : Minimum ₹10,000 cr

Expected Outcome

- Cumulative mobile phone production expected to reach Rs 39 lac cr
- Significant increase in exports
- 60,000 direct jobs

Domestic Value Addition (DVA)

- Current DVA: 23%
- Goal: Double overall DVA to 35-40%
- Ceiling reason: Global nature of electronics value chains

Global electronics manufacturing hub

- Electronics manufacturing grew 7 times & exports 11 times since FY 2014-15
- India now world's 2nd mobile phone manufacturer by volume
 - 99.2% of mobile phones used in India manufactured domestically



SYLLABUS: Prelims: Economic and Social Development

Newspaper : The Indian Express; **Page No : 11**

Types of Nuclear Reactors

Thermal Reactors (Slow Neutrons)

1. PWR

- light water as coolant & moderator
- Requires enriched uranium (5% U-235)

2. BWR

- Single coolant loop
- Lower capital cost than PWR
- Radioactivity in turbine

3. PHWR

- Uses natural uranium (0.7% U-235)
- Heavy water (D₂O)

Fast Reactors (High-Energy Neutrons)

4. SFR

- No moderator, uses liquid Na coolant
- High fuel efficiency (breeds Pu-239 from U-238)
- Higher thermal efficiency (~38%)
- For countries with limited Ur

INDIGENOUS PRESSURISED heavy water reactors (PHWRs) are emerging as the preferred pick for new entrants into India's civil nuclear power sector due to the established supply chain and good eco-system, as the country opens the tightly regulated strategic sector to private players.

The country has an ambitious **target of scaling up the domestic civil nuclear capacity to 100 gigawatt-electric (GWe) by 2047.**

INDIA HAS an ambitious target of scaling up the domestic civil nuclear capacity to 100 gigawatt-electric by 2047

THE COUNTRY has just released draft rules of SHANTI Act, laying out the regulatory framework for a broader nuclear power ecosystem, including private participation, captive generation, licensing, safety oversight and nuclear liability

framework for a broader nuclear

#ViksitBharatBudget2025

NUCLEAR ENERGY MISSION FOR VIKSIT BHARAT

■ A **Nuclear Energy Mission** for research & development of Small Modular Reactors (SMR) to be set up

■ At least **5 indigenously developed SMRs** will be operationalised by 2033

■ Outlay of **Rs. 20,000 crore** is proposed for the Mission



SYLLABUS: Prelims: Indian Polity and Governance

Newspaper: The Hindu; Page No : 12

- NGT Act, 2010
- effective and expeditious disposal - environmental protection, conservation
- expertise - disputes involving multi-disciplinary issues
- not bound by CPC - guided by principles of natural justice
- disposal of applications or appeals finally within 6 months of filing
- Principal Place of Sitting: New Delhi
- Benches: Bhopal, Pune, Kolkata, Chennai
- Composition of NGT:
 - Chairperson: retired SC judge
 - Judicial members: Retired HC/ADJ/Advocate
 - Expert members: Professionals - 15 years experience - environment, forest conservation

the Centre on a petition challenging a Jal Shakti Ministry amendment issued earlier this month that removed the "construction-free zone" tag on the Ganga's floodplains and redefined what counts as a floodplain.

Landmark Judgments

- **Almitra H. Patel vs. Uoi, 2012**
 - total ban on the open burning of waste on any land, even landfills
- **Srinagar Bandh Aapda Sangharsh Samiti v. Alaknanda Hydro Power Co. Ltd. 2014**
 - Alaknanda Hydro Power Co. Ltd. to pay compensation in the Uttarakhand floods case
 - based on the principle of "polluter pays".
- **The Art Of Living (Yamuna River) Foundation Case, 2016**
 - fine of 5 crores on the foundation for environmental damage caused by the event
- **Ganga Pollution Case, 2017**
 - directed state govts to set up sewage treatment plants, regulate industrial discharges

mar, says that the change alters the no-construction zone set out in the 2016 order and wrongly pegs the "active floodplain" to a one-in-five-year flood. The order had defined the floodplain largely by a once-in-100-year flood line.

2017 judgment that treated 100 metres from the river's edge as a no-development zone on the Haridwar-to-Kanpur stretch. The amendment in question is to the River Ganga (Rejuvenation, Protection and Management) Authorities Order, 2016.



Q1. Consider the following assertion:

BRICS is increasingly viewed as a counterweight to Western-dominated financial institutions.

Which of the following is/are the basis of the above assertion?

1. The establishment of the New Development Bank as an alternative to the World Bank/IMF.
2. The creation of the Contingent Reserve Arrangement to provide liquidity without IMF-style conditionality.
3. The exclusion of all Western nations from the BRICS Remote Sensing Satellite Constellation.

Select the answer using the code given below:

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

Answer: b

Q2. Consider the following data points regarding the sugar sector:

- I. Net output: 279 lakh tonnes.
- II. Domestic consumption: 280 lakh tonnes.
- III. Opening stocks: 50 lakh tonnes.
- IV. Exports: 8 lakh tonnes.

Which of the following inferences can be logically drawn from the above statements?

1. The domestic market is in a deficit position regarding current production versus consumption.
2. The closing stock will be drawn down from the opening stock to meet the excess demand and export obligations.
3. The country is self-sufficient in sugar production for the current season without utilising any buffer stocks.

Select the answer using the code given below:

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

Answer: a

Q3. Identify the strategic water body based on the following information:

1. It is bounded by Yemen, Somalia, Djibouti, and the Socotra Islands.
2. It facilitates the passage of ~10% of global seaborne petroleum.
3. It connects the Red Sea to the Somali Sea.
4. Berbera and Zeila are major ports located on its southern coast.

Select the answer using the code given below:

- a) Strait of Hormuz
- b) Gulf of Aden
- c) Red Sea
- d) Arabian Sea

Answer: b

Q4. 'X', an industry analyst, argued that the new Mobile Phone Manufacturing Scheme treats all manufacturers equally by offering a standard 5% incentive on sales, thereby ensuring a level playing field. 'Y' countered that the scheme is structurally biased towards "Indian Brands" by offering them a flat 5% rate without sales thresholds, plus extra incentives for R&D, whereas foreign brands face a ₹10,000 crore turnover barrier and differentiated rates. Based on the above information, select the correct conclusion:

- a) 'X' is correct because the base incentive rate is uniform for the sector.
- b) The view of 'Y' that the scheme differentiates based on ownership and turnover is not correct.
- c) The view of only 'Y' is correct.
- d) Both 'X' and 'Y' are correct.

Answer: c

Q5. With reference to thermal nuclear reactors, consider the following details:

Sl. No.	Reactor Type	Moderator/Coolant	Fuel Requirement
1	PWR	Light Water / Light Water	Enriched Uranium (~5%)
2	BWR	Light Water / Light Water	Natural Uranium
3	PHWR	Heavy Water / Heavy Water	Natural Uranium (0.7%)

In how many of the above rows are ALL the details correctly matched?

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

Answer: b





VAJIRAM & RAVI

Institute for IAS Examination

A unit of Vajiram & Ravi IAS Study Centre LLP

9-B, Bada Bazar Marg, Old Rajinder Nagar,
New Delhi - 110060 • Ph.: 41007400, 41007500

New No. 62, P Block, 6th Avenue, Anna Nagar,
Chennai - 600040 • Ph.: 044-4330-2121

Visit us at : www.vajiramandravi.com