



SAMARTHYA IAS · AHMEDABAD

DAILY UPSC COMPANION

Samarthya Current Affairs

Prelims facts · Mains frameworks · Practice MCQs

10

October 2026

SATURDAY

6

TOPICS

6

STORIES

6

MCQS

Your Complete UPSC Current Affairs Companion

5 Things You Must Know

01**POLITY & GOVERNANCE**

Parliament passes Mines and Minerals Amendment Act 2026 to standardize mineral taxation

Mines and Minerals (Development and Regulation) Amendment Act, 2026

02**POLITY & GOVERNANCE**

Madhya Pradesh High Court strikes down 27 percent OBC reservation law as unconstitutional

Madhya Pradesh High Court Verdict on Reservation Ceiling

03**INTERNATIONAL RELATIONS**

India and 14 economies sign joint statement against excess industrial capacity

Global Joint Accord on Industrial Excess Capacity

04**ECONOMY**

RBI tightens liquidity after rate rise raises daily CRR maintenance to 99 percent

RBI Liquidity Tightening and Daily CRR Maintenance Mandate

05**ENVIRONMENT**

Study highlights regional variations in coral bleaching across India reef regions

Regional Heterogeneity in Coral Bleaching across Indian Reefs

Topic Index

#	CATEGORY	TOPIC	STORIES
01	POLITY & GOVERNANCE	Mines and Minerals (Development and Regulation) Amendment Act, 2026	1
02	POLITY & GOVERNANCE	Madhya Pradesh High Court Verdict on Reservation Ceiling	1
03	INTERNATIONAL RELATIONS	Global Joint Accord on Industrial Excess Capacity	1
04	ECONOMY	RBI Liquidity Tightening and Daily CRR Maintenance Mandate	1
05	ENVIRONMENT	Regional Heterogeneity in Coral Bleaching across Indian Reefs	1
06	INTERNATIONAL RELATIONS	US PERM Program Suspension and Cross-Border Services Trade	1

Mines and Minerals (Development and Regulation) Amendment Act, 2026

WHY IN NEWS

The Parliament enacted the Mines and Minerals (Development and Regulation) Amendment Act, 2026 to bring fiscal predictability to the domestic mining sector.

Story so far:

- **30 September 2026** Federal Governance, Resource Allocation, and Mining Law Protests

STORY 1 **PIB**

Parliament passes Mines and Minerals Amendment Act 2026 to standardize mineral taxation

The Central Government enacted the Mines and Minerals (Development and Regulation) Amendment Act, 2026 to establish a uniform and balanced fiscal framework across the domestic mining sector.

Passed by Parliament, the legislation applies nationwide to regulate fiscal powers over mineral extraction between the Centre and State Governments.

The law amends the parent Mines and Minerals (Development and Regulation) Act, 1957 to prevent States from levying fresh taxes on mineral rights except under Central conditions.

Unregulated and varying State levies were eroding mining viability, inflating industrial production costs across steel and power sectors, and threatening critical mineral supply security.

Entry 54 of the Union List and Entry 23 of the State List in the Seventh Schedule govern legislative competence over mineral rights and regulation.

UPSC RELEVANCE

Tests fiscal federalism, legislative competence under the Seventh Schedule, and state taxation powers over natural resources.

PRELIMS FACTS

- The MMDR Amendment Act, 2026 modifies the parent Mines and Minerals (Development and Regulation) Act, 1957.
- Under the 2026 Amendment Act, State Governments cannot levy fresh taxes on mineral rights and mineral-bearing lands without Central approval.

- The amendment aims to create a uniform fiscal framework to prevent compounding State levies on critical mineral supply chains.

MAINS FRAMEWORK

Intro: The MMDR Amendment Act, 2026 marks a crucial reform in harmonizing mineral taxation and balancing fiscal federalism with national resource security.

DIMENSIONS

- **Fiscal Implications:** Streamlines mining levies to reduce cascading production costs in manufacturing and power sectors.
- **Federal Dynamics:** Restricts unbridled State taxation powers over mineral rights, echoing constitutional boundaries highlighted in recent judicial rulings.
- **Economic Security:** Enhances investment predictability for domestic and foreign entities in critical and strategic mineral extraction.

Way forward: Establish a joint Centre-State consultation mechanism under the GST Council model to equitably balance State revenue needs with national mining viability.

KEY DEFINITIONS

- **Fiscal Federalism:** The allocation of tax powers, revenue expenditure, and financial responsibilities between the central and sub-national levels of government.
- **Critical Minerals:** Mineral resources essential for economic and national security that face higher risks of supply chain disruption.

MAINS PRACTICE QUESTION

Examine how the Mines and Minerals (Development and Regulation) Amendment Act, 2026 impacts fiscal federalism and the economics of mineral extraction in India. (250 words)

ANSWER OUTLINE

INTRODUCTION

The MMDR Amendment Act, 2026 seeks to establish a uniform fiscal framework by limiting independent State levies on mineral-bearing lands and mineral rights.

BODY

1. ENHANCING MINING VIABILITY:

Restricting arbitrary State taxation prevents cost inflation in core industries like steel, cement, and power generation.

2. MITIGATING SUPPLY CHAIN RISKS:

Uniform taxation protects critical mineral investments from regulatory fragmentation, bolstering national raw material security.

3. FISCAL CHALLENGES FOR STATES:

Restraining State taxation powers on mineral rights narrows local revenue streams for resource-rich backward States.

4. CONSTITUTIONAL BALANCE:

Aligns statutory framework with national economic integration while adhering to Entry 54 of the Union List.

CONCLUSION

A collaborative revenue-sharing model between Centre and States is vital to sustain mineral production without compromising State fiscal autonomy.

KEY TERMS

MMDR Act 1957

Fiscal Federalism

Mineral Rights Taxation

Seventh Schedule

Critical Minerals

ACTS & ARTICLES

Mines and Minerals (Development and Regulation) Act, 1957

Article 246

Seventh Schedule (List I Entry 54 & List II Entry 23)

02

GS-2 · POLITY & GOVERNANCE

Madhya Pradesh High Court Verdict on Reservation Ceiling

WHY IN NEWS

The Madhya Pradesh High Court struck down the 2019 State law increasing Other Backward Classes (OBC) quota from 14% to 27% in public employment.



STORY 1 The Hindu

Madhya Pradesh High Court strikes down 27 percent OBC reservation law as unconstitutional

The High Court of Madhya Pradesh struck down a 2019 State enactment that increased reservation for Other Backward Classes from 14% to 27%.

A Division Bench comprising Justices Anand Pathak and Vinay Saraf at the Jabalpur Bench issued the 159-page judgment.

The order invalidated the statutory hike from 14% to 27% OBC quota and ordered recruitment authorities to fill 13% held-up posts within 3 months.

The 2019 Amendment Act enacted during the 15-month government led by former Chief Minister Kamal Nath was challenged by unreserved category applicants.

The legal cap of 50% on reservations was laid down by the Supreme Court in the landmark Indra Sawhney case of 1992.

UPSC RELEVANCE

Tests constitutional limits on affirmative action, Article 16(4), and judicial enforcement of the 50% reservation ceiling.

PRELIMS FACTS

- The High Court invalidated the Madhya Pradesh Public Service (Reservation for SC, ST and OBC) Amendment Act, 2019.
- The ruling struck down the OBC quota expansion from 14% to 27% for violating the 50% constitutional ceiling.
- The High Court directed state recruitment agencies to process the 13% posts held since September 2022 within three months.

MAINS FRAMEWORK

Intro: The Madhya Pradesh High Court ruling reaffirms the constitutional primacy of the 50% reservation ceiling established in Indra Sawhney (1992).

DIMENSIONS

- **Constitutional Norms:** Holds that breaching 50% quota requires quantifiable empirical data proving extraordinary conditions.
- **Administrative Efficiency:** Resolves years of recruitment stagnation by ordering processing of held-up 13% posts.
- **Socio-Political Pressures:** Highlights the recurring tension between legislative pop-up quotas and judicial review standards.

Way forward: States must rely on rigorous, empirical data collected through statutory Backward Classes Commissions before modifying quota percentages.

KEY DEFINITIONS

- **50 Percent Cap:** The judicial threshold established by the Supreme Court restricting total reserved seats in public employment and education unless exceptional circumstances exist.
- **Article 16(4):** A constitutional provision enabling the State to make reservations in appointments for backward classes not adequately represented in public services.

PYQ LINK

Discuss the constitutional validity of reservation policies in public employment with reference to key judicial precedents.

MAINS PRACTICE QUESTION

Critically analyse the judicial enforcement of the 50% rule on affirmative action in light of recent High Court rulings striking down state-level quota expansion. (250 words)

ANSWER OUTLINE

INTRODUCTION

The enforcement of the 50% quota cap remains a cornerstone of Indian affirmative action jurisprudence, upholding equality of opportunity under Article 16.

BODY

1. RULE OF PROPORTIONATE BALANCE:

Striking down the MP law increasing OBC reservation from 14% to 27% re-anchors reservations as an exception to formal equality.

2. REQUIREMENT OF EMPIRICAL PROOF:

Courts mandate that exceeding 50% demands demonstrable extraordinary circumstances backed by verifiable demographic data.

3. IMPACT ON RECRUITMENT:

Prolonged legal disputes freeze public service appointments, as seen with 13% recruitment posts held since September 2022 in MP.

4. LEGISLATIVE OVERREACH RISKS:

Political attempts to bypass judicial thresholds lead to administrative uncertainty for candidates across categories.

CONCLUSION

To avoid judicial invalidation, reservation policy must strictly balance social justice objectives with empirical evidence and constitutional limits.

KEY TERMS

Article 16(4)

50 Percent Ceiling

Indra Sawhney Case

Extraordinary Circumstances

OBC Reservation

ACTS & ARTICLES

Article 15(4)

Article 16(4)

Indra Sawhney v. Union of India (1992)

03

GS-2 · INTERNATIONAL RELATIONS

Global Joint Accord on Industrial Excess Capacity

WHY IN NEWS

India joined the United States and 13 other economies in issuing a Joint Ministerial Statement on October 8, 2026, to combat global excess industrial capacity.

India and 14 economies sign joint statement against excess industrial capacity

India joined the United States and 13 other partner economies in endorsing a joint ministerial statement to address structural excess manufacturing capacity.

The statement was released by the Office of the US Trade Representative following G20 trade talks in Milwaukee and OECD discussions in Washington.

A total of 15 economies signed the joint declaration, calling for coordinated international measures against non-market trade practices.

The signatories emphasized that government-driven non-market subsidies create severe global supply-demand imbalances and distort industrial trade.

The World Trade Organization Agreement on Subsidies and Countervailing Measures regulates government interventions that injure foreign domestic industries.

UPSC RELEVANCE

Analyzes international trade governance, WTO subsidy rules, non-market economies, and strategic trade coalitions.

PRELIMS FACTS

- A total of 15 economies signed the Joint Ministerial Statement on structural excess industrial capacity in October 2026.
- Non-signatory G20 members included China, Brazil, Indonesia, Russia, Saudi Arabia, and South Africa.
- The joint statement urges creation of dedicated sectoral platforms to monitor and counter non-market industrial distortions.

MAINS FRAMEWORK

Intro: The 15-economy joint statement reflects growing global alignment against state-sponsored overcapacity that threatens domestic manufacturing resilience.

DIMENSIONS

- **Trade Defense:** Protects Indian domestic manufacturers from cheap, subsidized industrial dumping in key sectors like steel and solar.
- **Geopolitical Realignment:** Positions India alongside key Western and Indo-Pacific partners in reshaping global supply chain norms.
- **Multilateral Tension:** Exposes divisions within the G20, as major emerging markets like China and Russia opted out of the pact.

Way forward: Leverage coordinated information sharing to strengthen domestic anti-dumping frameworks while staying committed to rule-based WTO principles.

KEY DEFINITIONS

- **Structural Excess Capacity:** A situation where global production capacity in a sector persistently exceeds total demand, heavily driven by state subsidies.
- **Non-Market Practices:** Government policies including opaque subsidies, state-directed lending, and price controls that artificially distort commercial competition.

PYQ LINK

Examine the rising trend of trade protectionism and non-market distortions on developing economies within the WTO framework.

MAINS PRACTICE QUESTION

Discuss the economic and diplomatic implications of India aligning with global economies to curb non-market industrial excess capacity. (250 words)

ANSWER OUTLINE

INTRODUCTION

India's endorsement of the Joint Ministerial Statement alongside 14 economies signals a proactive stand against market-distorting industrial overcapacity.

BODY

1. PROTECTING DOMESTIC INDUSTRY:

Safeguards India's Make in India and PLI initiatives from aggressive offloading of foreign structural excess production.

2. TARGETING NON-MARKET DISTORTIONS:

Addresses heavily subsidized manufacturing practices that artificially suppress international market prices.

3. DIVERGENCE WITHIN G20:

Highlights geopolitical fault lines, as China, Russia, Brazil, and South Africa abstained from signing.

4. STRENGTHENING SECTORAL COOPERATION:

Enables joint monitoring and coordinated trade responses with major trade partners like the US, EU, and Japan.

CONCLUSION

Participating in overcapacity alliances strengthens domestic industrial security while reinforcing India's stance as a champion of fair trade.

KEY TERMS

Structural Excess Capacity

Non-Market Policies

Market Distortion

USTR

G20 Trade Framework

ACTS & ARTICLES

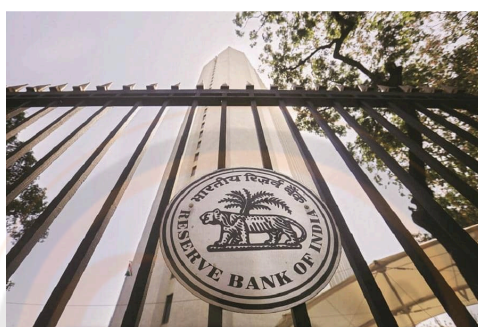
04

GS-3 • ECONOMY

RBI Liquidity Tightening and Daily CRR Maintenance Mandate

WHY IN NEWS

The Reserve Bank of India raised the minimum daily Cash Reserve Ratio (CRR) maintenance requirement from 90% to 99% for commercial banks.



STORY 1 Business Standard

RBI tightens liquidity after rate rise raises daily CRR maintenance to 99 percent

The Reserve Bank of India tightened banking system liquidity by elevating the daily CRR maintenance threshold for commercial banks.

Issued by the RBI, the circular mandates all scheduled commercial banks in India to adhere to the revised reserve ratio operational norms.

The daily minimum CRR maintenance requirement increased from 90% to 99% effective from the reporting fortnight starting October 16, 2026.

The measure accompanied a 25 basis point repo rate hike to 5.50% and a scheduled ₹25,000 crore Open Market Operation bond sale.

Section 42 of the Reserve Bank of India Act, 1934 empowers the central bank to prescribe reserve ratios for scheduled commercial banks.

UPSC RELEVANCE

Tests knowledge of monetary policy tools, liquidity management instruments, monetary transmission, and central bank regulations.

PRELIMS FACTS

- The RBI raised the minimum daily CRR maintenance requirement for banks from 90% to 99% taking effect on October 16, 2026.
- The central bank announced an Open Market Operation (OMO) bond sale of ₹25,000 crore scheduled for October 13 to drain liquidity.
- The previous instance of raising daily CRR maintenance to 99% occurred in July 2013 during the global taper tantrum.

MAINS FRAMEWORK

Intro: The RBI's tightening of daily CRR maintenance constraints overnight liquidity flexibility to reinforce its recent anti-inflationary monetary stance.

DIMENSIONS

- **Monetary Transmission:** Forces banks to align call money rates with the newly raised policy repo rate of 5.50%.
- **Liquidity Absorption:** Combines quantitative OMO sales with operational reserve mandates to curb persistent headline inflation pressures.
- **Treasury Management:** Reduces daily liquidity maneuvering space for bank treasuries, requiring higher baseline reserve holdings.

Way forward: Banks must refine automated treasury cash-flow forecasting to maintain 99% daily CRR compliance without incurring penal interest rates.

KEY DEFINITIONS

- **Cash Reserve Ratio (CRR):** The specified percentage of Net Demand and Time Liabilities that commercial banks must maintain as cash balances with the RBI.
- **Minimum Daily CRR Maintenance:** The statutory floor percentage of the total required CRR that a bank must maintain on each individual day of the reporting fortnight.

MAINS PRACTICE QUESTION

Analyze how operational adjustments in reserve requirements like daily CRR maintenance assist the RBI in managing liquidity and monetary transmission. (150 words)

ANSWER OUTLINE

INTRODUCTION

Raising the minimum daily CRR maintenance to 99% acts as a precise operational tool to absorb systemic liquidity and enforce policy rate discipline.

BODY

1. RESTRICTING DAILY FUND FLEXIBILITY:

Compels banks to keep 99% of required reserves daily, preventing sharp swings in interbank lending rates.

2. STRENGTHENING MONETARY TRANSMISSION:

Complements the 25 bps repo rate hike to 5.50%, ensuring overnight money market rates stay anchored.

3. **COMPLEMENTARY OMO DRAINING:**

Complemented by a ₹25,000 crore government bond sale on October 13 to mop up persistent surplus cash.

4. **HISTORICAL PRECEDENT:**

Mirrors actions taken during the 2013 taper tantrum to stabilize financial market volatility and control domestic inflation.

CONCLUSION

Such operational liquidity curbs ensure that policy interest rate hikes effectively transmit across the broader banking system.

KEY TERMS

Cash Reserve Ratio

Minimum Daily Maintenance

Repo Rate

Open Market Operations

Liquidity Adjustment Facility

ACTS & ARTICLES

Reserve Bank of India Act, 1934 (Section 42)

Banking Regulation Act, 1949

05

GS-3 • ENVIRONMENT

Regional Heterogeneity in Coral Bleaching across Indian Reefs

WHY IN NEWS

A nationwide scientific study released in October 2026 highlighted sharp regional variations in coral bleaching severity across Indian marine ecosystems during 2024.



STORY 1 **The Hindu**

Study highlights regional variations in coral bleaching across India reef regions

A comprehensive marine survey revealed stark regional differences in how Indian coral reefs responded to thermal heat stress during 2024.

Conducted across five key regions: Lakshadweep archipelago, Goa, Palk Bay, Ritchie's Archipelago, and Mahatma Gandhi Marine National Park.

Surveys conducted between April 20 and June 7, 2024 found Lakshadweep faced 37% coral mortality, while MGMNP recorded only 11.5%.

The study underscores how localized hydrodynamic factors and thermal refuges alter the impact of global warming on marine biodiversity.

Coral reef ecosystems receive strict legal protection under Schedule I of the Wild Life (Protection) Act, 1972.

UPSC RELEVANCE

Evaluates marine ecology, climate change impacts on biodiversity, local microclimate refuges, and coastal ecosystem management.

PRELIMS FACTS

- Rapid coral bleaching assessments were conducted across five Indian reef regions between April 20 and June 7, 2024.
- Lakshadweep was the most impacted reef region with up to 37% coral bleaching or mortality during intermediate heat stress.
- Mahatma Gandhi Marine National Park (MGMNP) in the Andaman Islands recorded low bleaching of 11.5% due to local marine factors.

MAINS FRAMEWORK

Intro: The regional divergence in coral bleaching across Indian waters demonstrates the imperative of localized, micro-climate conservation strategies.

DIMENSIONS

- **Ecological Impact:** Expulsion of zooxanthellae severely impairs marine food webs and coastal protection barriers.
- **Micro-Climate Resilience:** Highlights how deep-water flushing and ocean currents create thermal refuges in the Andaman archipelago.
- **Data Gaps:** Emphasizes the severe deficit of long-term ecological monitoring data across South Asian marine ecosystems.

Way forward: Establish site-specific Marine Protected Area (MPA) management frameworks tailored to local oceanographic dynamics rather than broad national policies.

KEY DEFINITIONS

- **Coral Bleaching:** The process wherein stressed corals expel the photosynthetic algae (zooxanthellae) living in their tissues, turning completely white.

- **Thermal Refuge:** A localized marine area where unique oceanographic conditions buffer coral ecosystems from extreme sea surface temperature spikes.

PYQ LINK

Assess the impact of global warming on coral reef ecosystems and discuss measures for their protection.

MAINS PRACTICE QUESTION

Examine the ecological causes of regional variations in coral bleaching in India and suggest localized management measures to protect marine ecosystems. (250 words)

ANSWER OUTLINE

INTRODUCTION

The 2024 bleaching study reveals that Indian coral reefs exhibit distinct vulnerabilities based on local oceanographic micro-climates and thermal exposure.

BODY

1. DIFFERENTIAL THERMAL STRESS:

Lakshadweep suffered 37% bleaching due to sustained sea surface temperature spikes in shallow, sheltered lagoons.

2. ROLE OF MARINE HYDRODYNAMICS:

Mahatma Gandhi Marine National Park faced only 11.5% bleaching, benefiting from tidal currents and deeper water mixing.

3. THREATS TO MARINE BIODIVERSITY:

Mass bleaching disrupts reef-building corals, jeopardizing artisanal coastal fisheries and shoreline defense.

4. ADDRESSING DATA DEFICITS:

South Asia lacks continuous, high-resolution reef monitoring networks compared to global systems like the Great Barrier Reef.

CONCLUSION

Identifying and protecting natural thermal refuges must form the core of India's coastal zone management and climate adaptation strategies.

KEY TERMS

Coral Bleaching

Thermal Refuges

Lakshadweep Reefs

MGMNP Andaman

Symbiotic Zooxanthellae

ACTS & ARTICLES

Wild Life (Protection) Act, 1972 (Schedule I)

Coastal Regulation Zone (CRZ) Notification 2019

US PERM Program Suspension and Cross-Border Services Trade

WHY IN NEWS

The United States Department of Labor suspended eight major technology firms, including five Indian IT multinationals, from the PERM green card program on October 8, 2026.

Story so far:

- **9 October 2026** US Immigration Policy Reforms and the Indian Diaspora
- **26 September 2026** Proposed Reform of US Employment-Based Green Card and Immigration Framework
- **18 September 2026** Global Migration Dynamics and Student Visa Policies: Immigration Overhauls in Developed Nations



STORY 1 The Hindu

United States suspends major IT outsourcing firms from permanent labour certification programme

The United States Department of Labor suspended eight major technology corporations from participating in the Permanent Labour Certification (PERM) program.

Announced in Washington by US Labour Secretary Keith Sonderling alongside Vice President J.D. Vance, head of the Anti-Fraud Task Force.

The action taken on October 8, 2026 freezes all new and pending green card labor certifications for foreign tech workers.

The decision targets Indian IT giants Infosys, TCS, Wipro, HCL, and Cognizant alongside US multinationals Microsoft and Adobe.

GATS Mode 4 governs the temporary cross-border movement of natural persons providing professional services in foreign territories.

UPSC RELEVANCE

Focuses on Indian diaspora issues, bilateral India-US economic relations, cross-border services exports, and mobility of skilled professionals.

PRELIMS FACTS

- The US Department of Labor suspended 8 IT giants from the Permanent Labour Certification (PERM) program on October 8, 2026.
- Suspended companies include Indian IT firms Infosys, Tata Consultancy Services, Wipro, HCL, and Cognizant.
- The Ministry of External Affairs termed characterizations of Indian technology professionals as deeply offensive and unwarranted.

MAINS FRAMEWORK

Intro: The US suspension of PERM certifications introduces severe friction into the high-skilled services trade that anchors India-US commercial ties.

DIMENSIONS

- **Impact on Professionals:** Blocks clear career pathways and permanent residency options for thousands of Indian tech workers on H-1B visas.
- **Bilateral Friction:** Drawbacks in trade diplomacy, with India rejecting characterizations of its IT talent while highlighting their US tax contributions.
- **Corporate Restructuring:** Forces Indian technology firms to shift reliance toward nearshoring, GCCs, and domestic talent pools within India.

Way forward: Engage in bilateral trade dialogs to establish a structured, transparent legal framework for professional mobility under GATS commitments.

KEY DEFINITIONS

- **PERM Programme:** An employment-based green card process managed by the US Department of Labor to certify that foreign workers do not displace domestic labor.
- **GATS Mode 4:** A General Agreement on Trade in Services category covering the temporary entry and stay of individuals to supply services abroad.

PYQ LINK

Discuss the impact of changing immigration policies in developed nations on the Indian diaspora and IT services sector.

MAINS PRACTICE QUESTION

Critically analyze the impact of tightening US immigration and labor certification policies on India's technology export sector and bilateral relations. (250 words)

ANSWER OUTLINE

INTRODUCTION

The suspension of PERM labor certifications on October 8, 2026 marks a structural challenge to the mobility of Indian tech professionals in the United States.

BODY

1. **DISRUPTION TO SKILLED LABOR PIPELINE:**

Freezing PERM certifications for major firms like TCS, Infosys, and Wipro creates uncertainty for H-1B visa holders.

2. **DIPLOMATIC COUNTER-RESPONSE:**

India's External Affairs Ministry rejected derogatory claims, emphasizing that skilled workers add value to the US economy.

3. **PRESSURE ON IT BUSINESS MODELS:**

IT services firms face increased operational costs, potential visa audits, and reduced flexibility in client deployments.

4. **SHIFT TOWARD DOMESTIC CAPABILITIES:**

Accelerates the expansion of Global Capability Centres (GCCs) in India as an alternative to onsite placements.

CONCLUSION

Constructive economic diplomacy is required to decouple high-skilled professional mobility from domestic political rhetoric in partner countries.

KEY TERMS

PERM Programme

H-1B Visa

Mode 4 GATS

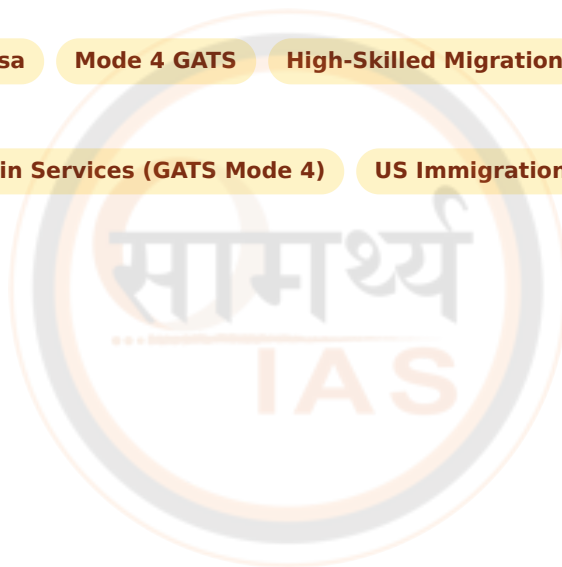
High-Skilled Migration

India-US Trade

ACTS & ARTICLES

General Agreement on Trade in Services (GATS Mode 4)

US Immigration and Nationality Act



EDITORIAL OF THE DAY

Vocational Skilling as a Pathway to Economic Recognition — The Hindu: India's 'WorldSkills' medals reflect patient investment

The author highlights India's historic entry into the top 10 at the 48th WorldSkills Competition in Shanghai as proof of structural skilling investments paying off. The piece argues for granting vocational craftsmanship equal social honour and institutional backing as traditional academic degrees.

KEY ARGUMENTS

- Practical vocational skills form the backbone of national industrial development and deserve societal esteem.
- Dedicated state initiatives like Skill-Ex have successfully elevated Indian youth to international standards in diverse technical trades.
- A skilled workforce is indispensable for transforming India into a resilient global manufacturing and service hub.

THE OTHER SIDE

- Deep cultural preferences in Indian society continue to prioritize formal university degrees over technical trade certificates.
- Rapid technological evolution risks rendering static vocational curricula obsolete unless continually updated with industry participation.

Way forward: Integrate vocational training seamlessly into school education under NEP 2020 while building public-private partnerships to align skills with global market demand.

Use it in: GS-2: Social Sector Reforms (Education and Skilling); GS-3: Indian Economy and Employment Generation; Essay: Dignity of Labour.

Mains practice question: Vocational education in India has long suffered from social parity deficit compared to formal academic degrees. Discuss how institutional skilling reforms can transform India into a global hub for skilled human resources. (250 words)

PRELIMS IN FOCUS

SCHEME Udyam Platform

- It is a digital registration portal operated by the Ministry of Micro, Small and Medium Enterprises.

ORGANISATION WorldSkills International

- It hosts biennial international skill competitions to promote technical and vocational excellence.
- The 48th WorldSkills Competition took place in Shanghai, China in September 2026.

TECHNOLOGY Maareech Advanced Torpedo Decoy System

- It is an indigenous anti-submarine defense system deployed on Indian Navy warships.
- It detects, classifies, and distracts incoming enemy torpedoes in shallow and deep marine operations.

REPORT UNCTAD Trade and Development Report 2026

- Published by the United Nations Conference on Trade and Development.
- Noted India accounted for 5.7% of global greenfield foreign investments during 2020-2025.

**TERM Permanent Labour Certification
(PERM)**

- A foreign worker certification process managed by the United States Department of Labor.
- Serves as a mandatory prerequisite for foreign professionals seeking employment-based permanent residency (green cards).



Practice MCQs (UPSC Prelims)

Attempt these questions on your own first. The answer key is on the next page.

POLITY & GOVERNANCE

Mines and Minerals (Development and Regulation) Amendment Act, 2026

Parliament passes Mines and Minerals Amendment Act 2026 to standardize mineral taxation

Q1. With reference to the Mines and Minerals (Development and Regulation) Amendment Act, 2026, consider the following statements: 1. It prohibits State Governments from levying fresh taxes on mineral rights and mineral-bearing lands outside Central prescribed rules. 2. Legislative competence over the regulation of mines and mineral development is governed solely under the State List of the Seventh Schedule. Which of the statements given above is/are correct?

- A. 1 only
- B. 2 only
- C. Both 1 and 2
- D. Neither 1 nor 2

POLITY & GOVERNANCE

Madhya Pradesh High Court Verdict on Reservation Ceiling

Madhya Pradesh High Court strikes down 27 percent OBC reservation law as unconstitutional

Q2. In which landmark judgment did the Supreme Court of India establish the general ceiling of 50 percent for reservations in public employment?

- A. Kesavananda Bharati v. State of Kerala (1973)
- B. Indra Sawhney v. Union of India (1992)
- C. M. Nagaraj v. Union of India (2006)
- D. SR Bommai v. Union of India (1994)

INTERNATIONAL RELATIONS

Global Joint Accord on Industrial Excess Capacity

India and 14 economies sign joint statement against excess industrial capacity

Q3. Which of the following international trade agreements directly governs actionable government subsidies that distort market competition and cause excess industrial capacity?

- A. TRIPS Agreement
- B. WTO Agreement on Subsidies and Countervailing Measures (SCM)
- C. General Agreement on Trade in Services (GATS)
- D. Trade Facilitation Agreement (TFA)

ECONOMY

RBI Liquidity Tightening and Daily CRR Maintenance Mandate

RBI tightens liquidity after rate rise raises daily CRR maintenance to 99 percent

Q4. With reference to the Cash Reserve Ratio (CRR) in India, consider the following statements: 1. Scheduled commercial banks earn interest from the RBI on the CRR cash balances maintained with it. 2. The minimum daily CRR maintenance requirement sets the minimum reserve balance a bank must keep on each individual day of a reporting fortnight. Which of the statements given above is/are correct?

- A. 1 only
- B. 2 only
- C. Both 1 and 2
- D. Neither 1 nor 2

ENVIRONMENT

Regional Heterogeneity in Coral Bleaching across Indian Reefs

Study highlights regional variations in coral bleaching across India reef regions

Q5. According to the 2024 coral study, which Indian reef region experienced the highest bleaching severity (up to 37% mortality) during intermediate heat stress?

- A. Ritchie's Archipelago
- B. Palk Bay
- C. Lakshadweep Archipelago
- D. Mahatma Gandhi Marine National Park

INTERNATIONAL RELATIONS

US PERM Program Suspension and Cross-Border Services Trade

United States suspends major IT outsourcing firms from permanent labour certification programme

Q6. In international trade law under GATS, the cross-border movement of IT professionals to provide technical services in another country falls under which mode of supply?

- A. Mode 1: Cross-Border Supply
- B. Mode 2: Consumption Abroad
- C. Mode 3: Commercial Presence
- D. Mode 4: Presence of Natural Persons

Answer Key — Practice MCQs

Quick reference and explanations for the practice questions on the previous page.

Q1: A**Q2: B****Q3: B****Q4: B****Q5: C****Q6: D**

Q1 Option A · 1 only

Statement 1 is correct: The MMDR Amendment Act, 2026 mandates that State Governments cannot levy fresh taxes on mineral rights except within conditions prescribed by the Central Government. Statement 2 is incorrect: Mineral regulation is governed by Entry 54 of the Union List and Entry 23 of the State List, making it a shared subject under Central overarching legislation.

Q2 Option B · Indra Sawhney v. Union of India (1992)

In *Indra Sawhney v. Union of India* (1992), a nine-judge Constitution Bench held that total reservations under Article 16(4) should not exceed 50%, except in extraordinary circumstances.

Q3 Option B · WTO Agreement on Subsidies and Countervailing Measures (SCM)

The WTO Agreement on Subsidies and Countervailing Measures (SCM) addresses non-market government subsidies and provides remedies for trade distortion caused by structural excess production.

Q4 Option B · 2 only

Statement 1 is incorrect: Banks do not earn any interest income on the cash balances maintained as CRR with the RBI. Statement 2 is correct: The daily maintenance rule requires banks to hold a minimum fixed percentage (raised from 90% to 99%) of their required CRR every single day of the fortnight.

Q5 Option C · Lakshadweep Archipelago

The study revealed that the Lakshadweep archipelago was the most severely affected region, exhibiting up to 37% coral bleaching or mortality, compared to 11.5% in Mahatma Gandhi Marine National Park.

Q6 Option D · Mode 4: Presence of Natural Persons

GATS Mode 4 covers the temporary entry and stay of foreign individuals (natural persons) to provide services in another member country.

TOPIC 01 · MINES AND MINERALS (DEVELOPMENT AND REGULATION) AMENDMENT ACT, 2026

UPSC Prelims 2025

6. Consider the following statements :

- I. India has joined the Minerals Security Partnership as a member.
- II. India is a resource-rich country in all the 30 critical minerals that it has identified.
- III. The Parliament, in 2023, has amended the Mines and Minerals (Development and Regulation) Act, 1957 empowering the Central Government to exclusively auction mining lease and composite license for certain critical minerals.

Which of the statements given above are correct?

- A)** I and II only
- B)** II and III only
- C)** I and III only
- D)** I, II and III

UPSC Prelims 2019

With reference to the management of minor minerals in India, consider the following statements :

- 1. Sand is a 'minor mineral' according to the prevailing law in the country.
- 2. State Governments have the power to grant mining leases of minor minerals, but the powers regarding the formation of rules related to the grant of minor minerals lie with the Central Government.
- 3. State Governments have the power to frame rules to prevent illegal mining of minor minerals.

Which of the statements given above is/are correct?

- A)** 1 and 3 only
- B)** 2 and 3 only
- C)** 3 only
- D)** 1, 2 and 3

TOPIC 04 · RBI LIQUIDITY TIGHTENING AND DAILY CRR MAINTENANCE MANDATE

UPSC Prelims 2020

If the RBI decides to adopt an expansionist monetary policy, which of the following would it not do ?

- 1. Cut and optimize the Statutory Liquidity Ratio
- 2. Increase the Marginal Standing Facility Rate
- 3. Cut the Bank Rate and Repo Rate

Select the correct answer using the code given below :

- A)** 1 and 2 only
- B)** 2 only
- C)** 1 and 3 only
- D)** 1, 2 and 3