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DAILY UPSC COMPANION

Samarthya Current Affairs

Prelims facts · Mains frameworks · Practice MCQs

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Your Complete UPSC Current Affairs Companion

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India's Ramsar Site Tally Reaches 103 with New Additions

WHY IN NEWS

Union Minister for Environment, Forest and Climate Change announced on 15 October 2026 that India's Ramsar site tally reached 103 with the designation of Sukhna Wetland and Sauj Jheel.

STORY 1

PIB

Sukhna Wetland and Sauj Jheel Designated as India's Newest Ramsar Sites

Union Minister for Environment, Forest and Climate Change announced the addition of Sukhna Wetland and Sauj Jheel to the Ramsar list of wetlands of international importance on 15 October 2026.

The announcement was made by Union Minister Bhupender Yadav, extending congratulations to the local administrations of Chandigarh and Uttar Pradesh for achieving this conservation milestone.

The inclusion of these two new locations brought India's total count of designated Ramsar sites to 103, reinforcing national commitment toward wetland biodiversity and ecosystem conservation.

The government highlighted that conserving these rich ecosystems is central to enhancing local water security, sustaining community livelihoods, and mitigating climate risks under national initiatives like Amrit Dharohar.

The Ramsar Convention on Wetlands, adopted in 1971 in Ramsar, Iran, provides the framework for national action and international cooperation for the conservation and wise use of wetlands and their resources.

UPSC RELEVANCE

This topic tests syllabus themes under GS-3 Biodiversity and Environment, focusing on wetland ecosystems, international environmental conventions, and national conservation initiatives.

PRELIMS FACTS

- India's total number of designated Ramsar sites reached 103 with the addition of Sukhna Wetland and Sauj Jheel.

- Sukhna Wetland is located in Chandigarh, while Sauj Jheel is situated in the state of Uttar Pradesh.
- The official announcement regarding the expansion of India's Ramsar sites was made on 15 October 2026.

MAINS FRAMEWORK

Intro: Wetlands cover vital ecosystems that support biodiversity, control floods, and store carbon, making their formal protection critical for ecological stability.

DIMENSIONS

- Ecological significance of wetland conservation and biodiversity preservation
- Socio-economic benefits including flood control, groundwater recharge, and eco-tourism
- Management challenges such as urban encroachment, pollution, and climate change impacts

Way forward: Implement community-led conservation frameworks, strict anti-encroachment regulations, and integrated basin management plans across all designated Ramsar sites.

KEY DEFINITIONS

- **Ramsar Site:** A wetland designated to be of international importance under the Ramsar Convention due to its ecological, botanical, zoological, or hydrological significance.
- **Amrit Dharohar:** A government initiative aimed at conserving wetland ecosystems, preserving aquatic biodiversity, and promoting eco-tourism while enhancing local livelihoods across designated Ramsar sites.

PYQ LINK

UPSC Civil Services Prelims 2022 questioned Ramsar sites and their geographical locations across different states.

MAINS PRACTICE QUESTION

Discuss the significance of expanding Ramsar sites in India for biodiversity and climate resilience. What key challenges affect wetland conservation in the country? (150 words)

ANSWER OUTLINE

INTRODUCTION

With the addition of Sukhna Wetland and Sauj Jheel, India's Ramsar tally reached 103, highlighting the growing focus on wetland ecosystems.

BODY

1. BIODIVERSITY AND CLIMATE RESILIENCE:

Wetlands store carbon, support migratory fauna, and act as natural sponge buffers during extreme rainfall events.

2. LIVELIHOOD AND HYDROLOGICAL SECURITY:

Preserving sites enhances groundwater recharge and supports fisheries, agriculture, and eco-tourism across rural and urban landscapes.

3. **ENCROACHMENT AND URBAN POLLUTION:**

Rapid urban expansion and untreated industrial discharge pose severe threats to delicate wetland ecologies.

4. **INADEQUATE INSTITUTIONAL COORDINATION:**

Fragmented administrative responsibilities between state departments often delay effective conservation and restoration measures.

CONCLUSION

A community-centric approach combined with rigorous monitoring under the Amrit Dharohar framework will ensure sustainable wetland management.

KEY TERMS

Ramsar Convention

Wetland Conservation

Amrit Dharohar

Biodiversity

Sukhna Wetland

ACTS & ARTICLES

Article 48A

Article 51A(g)

Environment (Protection) Act, 1986

Wetlands (Conservation and Management) Rules, 2017

02

GS-3 • SECURITY

Indigenisation of Defence: INS Samarthak Commissioned and Key Defence Contracts Signed

WHY IN NEWS

On 16 October 2026, Vice-President C. P. Radhakrishnan commissioned INS Samarthak, while MoD signed contracts worth Rs 4,106 crore for GSAT-7C and Varunastra torpedoes on 15 October 2026.

STORY 1

PIB

Indian Navy Commissions First Indigenous Private-Built Multi-Purpose Vessel INS Samarthak

Indian Naval Ship Samarthak, the first indigenous Multi-Purpose Vessel, was commissioned into the Indian Navy at Karwar on 16 October 2026 during a formal ceremony.

The commissioning ceremony in Karwar, Karnataka was presided over by Vice-President C. P. Radhakrishnan alongside Chief of the Naval Staff Admiral Krishna Swaminathan and officials from L&T Shipyard.

Built with over 75% indigenous content, INS Samarthak represents the first major warship constructed for the Indian Navy by an Indian private sector shipyard.

Conceived as a versatile platform, the vessel will serve as a reliable enabler for trials and evaluation of next-generation naval weapons, sensors, and unmanned systems.

Private sector participation in Indian naval shipbuilding reflects the broader policy mandate under the Defence Acquisition Procedure to promote domestic manufacturing and reduce foreign import dependency.

UPSC RELEVANCE

This topic aligns with GS-3 Security and Technology themes, highlighting indigenisation of technology, private sector defense manufacturing, and satellite communication infrastructure.

PRELIMS FACTS

- INS Samarthak is the first major warship built for the Indian Navy by a private Indian shipyard, incorporating over 75% indigenous content.
- The Ministry of Defence signed a Rs 2,563 crore contract with NewSpace India Limited for the GSAT-7C communication satellite for the Indian Air Force.
- The Varunastra Heavy Weight Torpedo was developed indigenously by the Naval Science and Technological Laboratory.

MAINS FRAMEWORK

Intro: Achieving self-reliance in defence manufacturing is vital for strategic autonomy, operational readiness, and reducing foreign technology dependencies.

DIMENSIONS

- Private industry integration in complex naval and aerospace manufacturing
- Enhancements in space-based command and anti-submarine warfare capabilities
- Economic spillover effects through domestic capital expenditure and job creation

Way forward: Streamline defence acquisition processes, expand R&D funding for critical technologies, and foster strong public-private partnerships in defence production.

KEY DEFINITIONS

- **Multi-Purpose Vessel (MPV):** A naval auxiliary vessel designed to execute diverse operational tasks including trial evaluations, towing, sub-surface support, and target shadowing.
- **Heavy Weight Torpedo:** A ship-launched or submarine-launched underwater guided missile designed to detect and destroy deep-submerged enemy submarines and surface vessels at long ranges.

UPSC Civil Services Mains 2023 tested the strategic importance of indigenisation in defence technology under GS-3.

MAINS PRACTICE QUESTION

Critically analyse the significance of involving private shipyards and domestic public sector units in strengthening India's national security and defence indigenisation. (250 words)

ANSWER OUTLINE

INTRODUCTION

The commissioning of INS Samarthak and contract signings for GSAT-7C and Varunastra reflect accelerated efforts toward defence self-reliance.

BODY

1. BOOSTING DOMESTIC SHIPBUILDING:

INS Samarthak demonstrates that private shipyards can deliver major warships with over 75% indigenous content efficiently.

2. ENHANCING OPERATIONAL TECHNOLOGY:

Procuring GSAT-7C for Rs 2,563 crore ensures secure, encrypted satellite communication networks for the Indian Air Force.

3. STRENGTHENING UNDERWATER DETERRENCE:

Deploying Rs 1,543 crore worth Varunastra torpedoes developed by NSTL bolsters anti-submarine capabilities in crucial maritime lanes.

4. CHALLENGES IN TECHNOLOGY TRANSFER:

Critical components and raw materials still depend on global supply chains, requiring deeper fundamental research.

5. BUDGETARY EXECUTION BOTTLENECKS:

Long procurement cycles and capital budget constraints often delay full-scale deployment of indigenous systems.

CONCLUSION

A sustained push for private sector involvement alongside defense R&D reforms will establish India as a major defence manufacturing hub.

KEY TERMS

Aatmanirbhar Bharat

INS Samarthak

GSAT-7C

Varunastra

Defence Manufacturing

ACTS & ARTICLES

Defence Acquisition Procedure 2020

Make in India Initiative

Aatmanirbhar Bharat Mission

WHY IN NEWS

The Madurai Bench of the Madras High Court ruled on 16 October 2026 that organisations engaged in religious conversion shall be denied registration under the Foreign Contribution Regulation Act.

Story so far:

- **21 September 2026** Socio-Cultural Dynamics of Secularism and Post-Conversion Transnational Tourism



STORY 1 **The Hindu**

Madras High Court Rules FCRA Registration Ineligible for Religious Conversion Entities

Madras High Court Bench ruled that organisations involved in religious conversion activities will be denied registration under the Foreign Contribution (Regulation) Act, 2010.

A Division Bench at Madurai delivered the order while dismissing a Civil Miscellaneous Appeal filed by Kanzeon Public Charitable Trust based in Kodaikanal, Dindigul district.

The trust, founded in 2021 and registered under Sections 12AB and 80G of the Income Tax Act 1961, was denied FCRA registration by central regulatory authorities.

The court emphasised that only entities whose operational activities maintain national secular harmony and social amity are eligible to receive foreign financial contributions.

The Foreign Contribution (Regulation) Act, 2010 regulates the acceptance and utilisation of foreign donations to prevent activities detrimental to national interest and public order.

UPSC RELEVANCE

This topic connects to GS-2 Indian Constitution, Freedom of Religion, Secularism, and the regulation of Non-Governmental Organisations under statutory provisions.

PRELIMS FACTS

- The Madras High Court Madurai Bench ruled that organisations engaged in religious conversion are ineligible for FCRA registration.

- Kanzeon Public Charitable Trust was founded in 2021 in Kodaikanal, Dindigul district of Tamil Nadu.
- FCRA registration mandates that foreign funds must not disrupt national secular fabric or social harmony.

MAINS FRAMEWORK

Intro: Regulating foreign financial inflows to non-governmental organisations balances internal security imperatives with civil society rights.

DIMENSIONS

- Judicial interpretation of secularism and national security under FCRA
- Impact of foreign funding regulations on legitimate socio-economic non-profit activities
- Constitutional boundaries between freedom of religion and prohibited forced conversions

Way forward: Maintain clear, transparent objective criteria for FCRA approvals while protecting genuine developmental NGOs from arbitrary delays.

KEY DEFINITIONS

- **Foreign Contribution Regulation Act (FCRA):** An Act enacted by Parliament to regulate the acceptance and utilization of foreign funds or hospitality by individuals and associations to ensure national security.
- **Secularism in Indian Constitution:** A constitutional principle where the State maintains equal distance from all religions while guaranteeing freedom of conscience and religious practice under Article 25.

PYQ LINK

UPSC Civil Services Mains 2021 asked about the regulatory mechanism of foreign contribution under FCRA and its impact on civil society organisations.

MAINS PRACTICE QUESTION

Examine the constitutional and security imperatives surrounding the regulation of foreign funds under FCRA. How does judicial scrutiny ensure balance between secular fabric and non-profit operations? (250 words)

ANSWER OUTLINE

INTRODUCTION

The Madras High Court ruling reiterates that foreign funding under FCRA cannot be utilized for activities that disturb national social harmony or secular principles.

BODY

1. PRESERVING INTERNAL SECURITY:

Unmonitored foreign funds can be diverted toward coerced conversions, radicalisation, or activities contrary to public order.

2. JUDICIAL EMPHASIS ON SECULAR AMITY:

The court held that entities receiving global donations must align their operations with the nation's secular framework.

3. **STATUTORY COMPLIANCE OBLIGATIONS:**

Organizations registered under tax provisions like Sections 12AB and 80G must independently satisfy strict FCRA safety norms.

4. **CHALLENGES FOR CIVIL SOCIETY:**

Stringent FCRA compliance and sudden rejections can adversely impact legitimate humanitarian and educational operations.

5. **NEED FOR OBJECTIVE STANDARDS:**

Clear regulatory definitions prevent arbitrary denials and ensure transparent processing of NGO funding applications.

CONCLUSION

A balanced framework combining regulatory oversight with objective judicial scrutiny safeguards national security without hindering genuine civil society welfare work.

KEY TERMS

FCRA

Secularism

Religious Freedom

NGO Regulation

Social Amity

ACTS & ARTICLES

Article 25

Article 26

Foreign Contribution (Regulation) Act, 2010

Foreign Contribution (Regulation) Amendment Act, 2020

04

GS-3 · AGRICULTURE

PM Dhan-Dhaanya Krishi Yojana Marks First Anniversary Across 100 Districts

WHY IN NEWS

PM Dhan-Dhaanya Krishi Yojana completed its first anniversary on 11 October 2026, marking one year of targeted agricultural interventions across 100 Aspirational Agricultural Districts.

STORY 1

PIB

PM Dhan-Dhaanya Krishi Yojana Completes One Year of Agricultural Development

Government highlighted the first anniversary of PM Dhan-Dhaanya Krishi Yojana on 11 October 2026, reviewing its progress in targeted agricultural transformation across identified districts.

The scheme was approved by the Union Cabinet on 16 July 2025 and formally launched by Prime Minister Narendra Modi on 11 October 2025.

The initiative targets 100 Aspirational Agricultural Districts across India over a six-year implementation period starting from the 2025-26 financial year.

District selection was conducted using three primary metrics: low crop productivity, low cropping intensity, and lower agricultural credit disbursement relative to national averages.

The scheme complements broader central sector agricultural schemes like PM-KISAN and PM Fasal Bima Yojana by focusing on district-specific infrastructure gaps and productivity bottlenecks.

UPSC RELEVANCE

This topic covers GS-3 Agriculture and Rural Development, focusing on targeted regional schemes, credit access, cropping intensity, and district-level interventions.

PRELIMS FACTS

- PM Dhan-Dhaanya Krishi Yojana was approved on 16 July 2025 and formally launched on 11 October 2025 for a six-year period.
- The scheme covers 100 Aspirational Agricultural Districts across all States and Union Territories in India.
- Selection criteria for districts include low productivity, low cropping intensity, and less agricultural credit disbursement.

MAINS FRAMEWORK

Intro: Targeted district-level agricultural programs address regional disparities, enhancing farm productivity and rural livelihoods in lagging agricultural pockets.

DIMENSIONS

- Addressing credit bottlenecks and boosting financial inclusion for smallholders
- Enhancing irrigation and post-harvest infrastructure in aspirational districts
- Role of localized micro-planning in elevating cropping intensity and farm yields

Way forward: Promote climate-resilient cropping patterns, expand formal institutional credit, and strengthen local market linkages across aspirational districts.

KEY DEFINITIONS

- **Cropping Intensity:** The ratio of total cropped area to net sown area expressed as a percentage, reflecting how frequently land is cultivated during a single agricultural year.
- **Aspirational Agricultural Districts:** Districts selected for targeted developmental interventions based on lagging agricultural metrics like low crop yields, poor credit access, and inadequate irrigation.

PYQ LINK

UPSC Civil Services Mains 2022 examined agricultural credit flow and regional variations in farm productivity under GS-3.

MAINS PRACTICE QUESTION

Analyse how PM Dhan-Dhaanya Krishi Yojana addresses regional disparities in agricultural productivity and credit flow across aspirational districts. (150 words)

ANSWER OUTLINE

INTRODUCTION

PM Dhan-Dhaanya Krishi Yojana targets 100 Aspirational Agricultural Districts to bridge productivity, credit, and infrastructure gaps.

BODY

1. TARGETING VULNERABLE POCKETS:

Districts are selected based on quantifiable parameters including low cropping intensity, low yield, and reduced credit access.

2. STRENGTHENING POST-HARVEST INFRASTRUCTURE:

The six-year scheme funds localized storage, cold chains, and processing facilities to reduce crop losses.

3. IMPROVING CREDIT PENETRATION:

Specialized interventions enhance institutional financial inclusion, reducing farmer dependency on informal moneylenders.

4. ENHANCING IRRIGATION EFFICIENCY:

Focused investments improve localized micro-irrigation systems, elevating cropping frequency and soil health.

CONCLUSION

Empowerment through localized micro-planning will unlock India's untapped agricultural potential and support rural economic growth.

KEY TERMS

PMDDKY

Aspirational Agricultural Districts

Cropping Intensity

Agricultural Credit

Farm Infrastructure

ACTS & ARTICLES

Article 48

PM Dhan-Dhaanya Krishi Yojana

Rashtriya Krishi Vikas Yojana

05

GS-3 · SCIENCE & TECH

NITI Aayog Releases Data Centre Evaluation Framework for Sustainable Infrastructure

WHY IN NEWS

NITI Aayog's Frontier Tech Hub unveiled the Data Centre Evaluation Framework on 14 October 2026 to help states plan sustainable data centre investments.



STORY 1 **Business Standard**

NITI Aayog Unveils Data Centre Evaluation Framework to Guide State Investments

NITI Aayog released a strategic framework on 14 October 2026 to guide state governments in evaluating and planning sustainable data centre infrastructure investments.

The framework was unveiled by NITI Aayog officials in New Delhi alongside representatives from MeitY, Ministry of Power, DPIIT, and industry stakeholders.

The report establishes five core pillars for evaluation: power and energy, water and cooling, site selection, economic value, and policy implementation strategies.

Data centres require critical infrastructure status under government guidelines due to their essential role in supporting the Digital India ecosystem and data sovereignty.

UPSC RELEVANCE

This topic relates to GS-3 Infrastructure, Science and Technology, and Environmental Sustainability, focusing on data infrastructure, AI economic expansion, and resource management.

PRELIMS FACTS

- NITI Aayog's Data Centre Evaluation Framework rests on five pillars: power, water, site selection, economic value, and policy.
- The framework was prepared by NITI Aayog's Frontier Tech Hub in consultation with MeitY, Ministry of Power, and DPIIT.

MAINS FRAMEWORK

Intro: Rapid growth in artificial intelligence and cloud computing requires balancing digital infrastructure expansion with environmental and resource sustainability.

DIMENSIONS

- Resource demands on power grids and cooling water consumption by hyper-scale facilities
- Ensuring data sovereignty, cyber security, and regional digital infrastructure access
- State-level policy competition versus integrated sustainable spatial planning

Way forward: Incentivise green energy integration, mandate closed-loop liquid cooling technologies, and establish standardized state evaluation criteria.

KEY DEFINITIONS

- **Data Centre Capacity:** The total electrical power capacity, measured in Megawatts (MW) or Gigawatts (GW), required to run and cool IT hardware infrastructure within data facilities.
- **Power Usage Effectiveness (PUE):** A metric used to determine the energy efficiency of a data centre, calculated by dividing the total facility energy by IT equipment energy.

PYQ LINK

UPSC Civil Services Mains 2022 questioned critical information infrastructure protection and digital economy requirements.

MAINS PRACTICE QUESTION

Discuss the key challenges and policy requirements associated with the rapid expansion of data centre infrastructure in India. How does NITI Aayog's evaluation framework address these? (250 words)

ANSWER OUTLINE

INTRODUCTION

With India's data centre capacity surging from 375 MW in 2020 to 1.5 GW, NITI Aayog's new framework provides standard evaluation metrics for states.

BODY

1. RESOURCE DEMAND BOTTLENECKS:

Hyper-scale facilities consume massive quantities of electricity and water, stressing municipal utilities and local power grids.

2. FIVE-PILLAR PLANNING APPROACH:

The framework helps states assess power availability, water efficiency, environmental footprint, economic value, and governance policies.

3. PROMOTING GREEN DIGITAL TRANSITION:

Encouraging renewable power purchase agreements reduces carbon emissions associated with continuous server operation.

4. MITIGATING INTER-STATE COMPETITION:

Common baseline parameters prevent competitive deregulation and ensure investment decisions prioritize site suitability.

5. STRENGTHENING DIGITAL SOVEREIGNTY:

Localised data hosting enhances data protection under the Digital Personal Data Protection Act, 2023.

CONCLUSION

Adopting sustainable planning standards will allow India to build robust AI-ready infrastructure while achieving its clean energy targets.

KEY TERMS

Data Centre Framework

NITI Aayog

Digital Infrastructure

AI Infrastructure

Power Usage Effectiveness

ACTS & ARTICLES

Digital Personal Data Protection Act, 2023

National Cyber Security Policy

Energy Conservation Act, 2001

06

GS-2 · INTERNATIONAL RELATIONS

India Flags Non-Tariff Barriers and Trade Deficit Concerns with China

Story so far:

- **11 October 2026** India-US Trade Negotiations and PERM Programme Suspension



STORY 1 Business Standard

Chinese Non-Tariff Barriers Major Obstacle to Indian Exports, Says Finance Minister

Union Finance Minister Nirmala Sitharaman stated on 16 October 2026 that Chinese non-tariff barriers remain the single biggest obstacle for Indian exporters seeking market access.

The remarks were made during an Atlantic Council interaction held on the sidelines of the IMF-World Bank annual meetings in Bangkok, Thailand.

India's trade deficit with China expanded significantly, more than doubling to \$112 billion in FY26 compared to \$52.7 billion in FY16.

Key Indian competitive export sectors like generic pharmaceuticals, bovine meat, and agricultural produce continue to face stringent phytosanitary and regulatory entry restrictions in mainland China.

Non-tariff barriers violate the spirit of free trade under World Trade Organisation principles when used disproportionately to protect domestic industries from foreign market competition.

UPSC RELEVANCE

This topic falls under GS-2 International Relations and India's Foreign Trade Policy, dealing with bilateral trade disputes, non-tariff barriers, and economic diplomacy.

PRELIMS FACTS

- India's trade deficit with China increased from \$52.7 billion in FY16 to \$112 billion in FY26.
- Indian sectors facing Chinese non-tariff barriers include generic drugs, bovine meat, and agricultural produce.
- The comments were delivered at an Atlantic Council event during the IMF-World Bank annual meetings in Bangkok.

MAINS FRAMEWORK

Intro: A widening bilateral trade imbalance fueled by asymmetric non-tariff barriers underscores the need for trade diversification and regulatory negotiations.

DIMENSIONS

- Impact of non-tariff barriers on Indian export competitiveness in pharma and agriculture
- Economic vulnerabilities stemming from heavy reliance on Chinese industrial inputs
- Strategic diplomatic instruments and trade agreement re-evaluations to ensure level playing fields

Way forward: Strengthen domestic manufacturing through Production Linked Incentives while aggressively negotiating reciprocal market access in bilateral forums.

KEY DEFINITIONS

- **Non-Tariff Barriers (NTBs):** Trade restrictions other than traditional tariffs, including quotas, stringent phytosanitary standards, complex licensing rules, and administrative delays that restrict imports.
- **Phytosanitary Measures:** Technical regulations and sanitary standards imposed by governments to protect human, animal, or plant life and health from risks arising from pests or contaminants.

PYQ LINK

UPSC Civil Services Mains 2021 asked about India's trade balance with China and strategies for export promotion under GS-2.

MAINS PRACTICE QUESTION

Examine the impact of non-tariff barriers on India's widening trade deficit with China. What strategic measures should India take to protect its trade balance? (250 words)

ANSWER OUTLINE

INTRODUCTION

With India's trade deficit with China reaching \$112 billion in FY26, non-tariff barriers have emerged as a critical impediment to balanced trade.

BODY

1. ASYMMETRIC MARKET ACCESS:

China actively restricts Indian generic drugs, bovine meat, and agricultural items using complex phytosanitary rules.

2. EXPONENTIAL TRADE DEFICIT GROWTH:

Bilateral deficit rose sharply from \$52.7 billion in FY16, reflecting high Indian reliance on imports of active pharmaceutical ingredients and electronics.

3. MISUSE OF REGULATORY MEASURES:

Arbitrary administrative delays and technical standards function as disguised protectionist barriers against competitive Indian goods.

4. PROMOTING DOMESTIC IMPORT SUBSTITUTION:

Schemes like Production Linked Incentive (PLI) aim to build domestic supply chain resilience in critical sectors.

5. DIVERSIFYING EXPORT DESTINATIONS:

Expanding trade ties with Latin America, Africa, and ASEAN reduces single-country export reliance.

CONCLUSION

A combination of robust domestic manufacturing, active WTO dispute mechanisms, and strategic trade partnerships will safeguard India's trade balance.

KEY TERMS

Non-Tariff Barriers

Trade Deficit

Phytosanitary Standards

Market Access

Bilateral Trade

ACTS & ARTICLES

WTO Sanitary and Phytosanitary (SPS) Agreement

Foreign Trade Policy 2023

Foreign Trade (Development and Regulation) Act, 1992

07

GS-3 • ECONOMY

Direct Tax Mop-up Rises 13.2 Percent and World Bank Upgrades Growth Forecast

WHY IN NEWS

Direct tax collections grew 13.2% year-on-year to Rs 13.38 trillion as of 14 October 2026, while World Bank upgraded India's FY27 GDP growth forecast to 7.1%.

Story so far:

- **15 October 2026** IMF Upgrades India's FY27 Growth Forecast to 7%
- **14 October 2026** IMF Upgrades India's FY27 GDP Growth Forecast to 7%

STORY 1 **Mint**

India's Net Direct Tax Mop-Up Reaches Rs 13.38 Trillion as Corporate Tax Surges

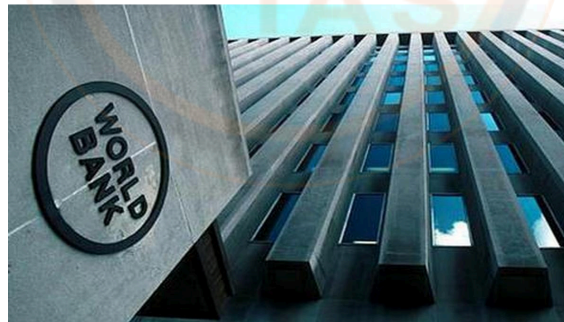
Income Tax Department announced on 15 October 2026 that India's net direct tax collections rose 13.2% year-on-year to reach Rs 13.38 trillion.

The provisional tax data was released by the Income Tax Department under the Ministry of Finance, tracking mop-up figures as of 14 October 2026.

Gross direct tax collections grew 14.9% to Rs 16.03 trillion, while tax refunds jumped 24.2% to Rs 2.65 trillion during the period.

Corporate tax collection drove the growth, with net corporate tax mop-up expanding 20.7% to Rs 5.99 trillion compared to Rs 4.97 trillion last year.

Direct tax collections, comprising corporate tax and personal income tax, form the principal source of non-borrowed revenue for financing central developmental expenditure.



STORY 2 **The Hindu**

World Bank Upgrades India's GDP Growth Projection to 7.1 Percent for FY27

World Bank raised India's Gross Domestic Product growth forecast for the current fiscal year FY27 to 7.1%, up from 6.6% projected in April.

The revised growth projections were published in the World Bank's latest report titled 'India Development Update' released in New Delhi.

The report noted that India's GDP growth accelerated to 7.8% in FY26 from 7.2% in FY25, supported by robust investment and private consumption.

Better-than-expected merchandise export performance and strong domestic credit demand were cited as primary factors driving the upward revision in growth estimates.

GDP growth reflects overall economic expansion, with the World Bank tracking macroeconomic indicators to evaluate fiscal health and structural reform progress across emerging economies.

UPSC RELEVANCE

This topic aligns with GS-3 Indian Economy, focusing on fiscal policy, direct tax collections, corporate tax buoyancy, and international GDP forecasts.

PRELIMS FACTS

- Net direct tax collections reached Rs 13.38 trillion as of 14 October 2026, recording a growth rate of 13.2% year-on-year.
- Net corporate tax collections grew by 20.7% to Rs 5.99 trillion, up from Rs 4.97 trillion in the previous year.
- World Bank upgraded India's FY27 GDP growth forecast to 7.1% from its earlier projection of 6.6%.

MAINS FRAMEWORK

Intro: Strong direct tax buoyancy combined with upgraded international GDP forecasts underlines the resilience of India's macroeconomic fundamentals.

DIMENSIONS

- Corporate earnings growth as a driver of fiscal tax collections
- Role of resilient domestic consumption and credit demand in sustaining GDP momentum
- Impact of tax refund acceleration on business liquidity and economic velocity

Way forward: Broaden tax bases through digital compliance tracking while maintaining fiscal consolidation to keep public debt on a sustainable trajectory.

KEY DEFINITIONS

- **Direct Tax:** A tax levied directly on an individual's or entity's income, profit, or wealth, where the tax burden cannot be shifted to another entity.
- **Gross Domestic Product (GDP):** The total monetary value of all finished goods and services produced within a country's geographic borders during a specific period.

PYQ LINK

UPSC Civil Services Mains 2020 analyzed tax buoyancy, direct tax reforms, and fiscal consolidation under GS-3.

MAINS PRACTICE QUESTION

Discuss the factors contributing to high direct tax buoyancy in India. How do strong corporate tax receipts reflect underlying macroeconomic health? (150 words)

ANSWER OUTLINE

INTRODUCTION

Net direct tax collection reaching Rs 13.38 trillion with 13.2% growth demonstrates robust fiscal performance and corporate profitability.

BODY

1. STRONG CORPORATE REVENUE GROWTH:

Net corporate tax grew 20.7% to Rs 5.99 trillion, reflecting corporate sector resilience amidst global headwinds.

2. FORMALISATION AND DIGITAL COMPLIANCE:

Enhanced data integration between income tax and GST systems has curbed evasion and boosted direct tax filings.

3. SURGE IN TAX REFUNDS:

Refunds rose 24.2% to Rs 2.65 trillion, injecting liquidity into businesses and boosting economic activity.

4. WORLD BANK GROWTH ENDORSEMENT:

Upgraded FY27 GDP forecast of 7.1% reinforces investor confidence in India's structural growth drivers.

CONCLUSION

Sustained revenue buoyancy will provide necessary fiscal room for public capital expenditure and welfare infrastructure.

KEY TERMS

Direct Taxes

Corporate Tax

GDP Growth

World Bank

Tax Buoyancy

ACTS & ARTICLES

Income Tax Act, 1961

Fiscal Responsibility and Budget Management (FRBM) Act, 2003

Article 265

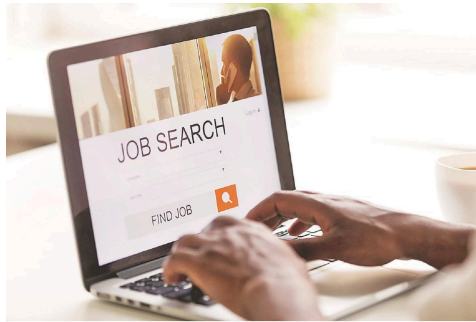
08

GS-3 • SOCIAL ISSUES

Periodic Labour Force Survey Highlights Urban Employment and Female LFPR

WHY IN NEWS

National Statistics Office released the PLFS Monthly Bulletin for September 2026 on 15 October 2026, reporting a stable unemployment rate of 5.0%.



STORY 1 **Business Standard**

India's Unemployment Rate Holds Steady at 5 Percent in September 2026, Shows NSO Data

National Statistics Office released the Periodic Labour Force Survey Monthly Bulletin on 15 October 2026 showing the overall unemployment rate held steady at 5 per cent.

The survey was conducted and published by the National Statistics Office under the Ministry of Statistics and Programme Implementation covering all-India employment data.

Overall Labour Force Participation Rate reached 55.5% in September 2026, while rural female unemployment rate fell to 3.9%, its lowest level during 2026.

Urban unemployment rate edged up slightly to 6.9% in September 2026 from 6.8% in August, while urban female unemployment rose to 9.2%.

The Periodic Labour Force Survey was launched by MoSPI in 2017 to measure key employment parameters using the Current Weekly Status and Usual Status approaches.

UPSC RELEVANCE

This topic tests GS-3 Employment, Economic Growth, and Inclusive Growth themes, evaluating workforce indicators, female labor force participation, and urban-rural employment disparities.

PRELIMS FACTS

- Overall unemployment rate in India remained stable at 5.0% in September 2026 according to NSO data.
- Rural female unemployment rate declined to 3.9% in September 2026, marking its lowest reading in 2026.
- Urban unemployment rate rose marginally to 6.9% in September 2026 compared to 6.8% in August.

MAINS FRAMEWORK

Intro: Tracking labour force indicators provides critical insights into economic recovery, structural employment trends, and gender parity in the job market.

DIMENSIONS

- Trends in female labour force participation and rural self-employment opportunities
- Persisting gap between urban and rural unemployment rates
- Quality of formal employment generation versus informal service sector growth

Way forward: Expand targeted urban employment guarantee schemes, promote female skill acquisition, and incentivize labor-intensive manufacturing sectors.

KEY DEFINITIONS

- **Labour Force Participation Rate (LFPR):** The percentage of persons in the population who are either working or seeking/available for work within a specified reference period.
- **Unemployment Rate (UR):** The percentage of persons unemployed among the total number of persons in the labour force.

PYQ LINK

UPSC Civil Services Mains 2023 examined female labour force participation rates and employment informalisation in India.

MAINS PRACTICE QUESTION

Examine the trends in female labour force participation and urban employment based on recent labour survey data. What structural interventions are required to boost formal jobs? (150 words)

ANSWER OUTLINE

INTRODUCTION

The September 2026 PLFS bulletin highlights a stable overall unemployment rate of 5.0% alongside positive trends in female workforce participation.

BODY

1. LOWEST RURAL FEMALE UNEMPLOYMENT:

Rural female unemployment dropped to 3.9%, signaling improved absorption in agriculture and rural enterprise.

2. URBAN EMPLOYMENT STRESS:

Urban unemployment edged up to 6.9%, with urban female unemployment standing at 9.2%, highlighting job creation deficits in urban formal sectors.

3. RISING OVERALL LFPR:

Overall Labour Force Participation Rate increased to 55.5%, demonstrating higher willingness of individuals to enter the job market.

4. NEED FOR URBAN EMPLOYMENT SECURITY:

Unlike rural areas backed by MGNREGA, urban informal workers lack institutional wage protection during slowdowns.

CONCLUSION

Targeted urban skilling programs and support for labor-intensive manufacturing will help absorb urban job seekers into formal employment.

KEY TERMS

PLFS

Labour Force Participation Rate

Unemployment Rate

Female LFPR

MoSPI

ACTS & ARTICLES

Article 39(a)

Article 41

Periodic Labour Force Survey Framework

Code on Wages, 2019

EDITORIAL OF THE DAY

Special Summary Revision of Electoral Rolls and ECI Process Correctives — The Hindu:
A necessary corrective: On the SSR, the special summary revision of electoral rolls

The Election Commission of India has announced a Special Summary Revision of electoral rolls across 14 States and three Union Territories as a corrective measure to address flaws in the previous Special Intensive Revision. The drive dispenses with complex mapping requirements and caps bulk objections to streamline elector registration.

KEY ARGUMENTS

- Resuming summary revision restores normal annual elector enrollment stalled during the previous intensive revision.
- Dispensing with older roll mapping and logical-discrepancy checks simplifies re-enrolment for excluded citizens.
- Capping Form 7 objections curbs malicious bulk filings aimed at selectively deleting legitimate voters from rolls.
- Releasing searchable text PDF electoral rolls enhances transparency and auditability for political parties and candidates.

THE OTHER SIDE

- Frequent shifts between intensive and summary revision methodologies create procedural confusion for booth-level officers.
- Simplifying forms without rigorous verification could potentially risk the inclusion of ineligible voters.

Way forward: The Election Commission must adopt a stable, technology-driven roll maintenance process that balances ease of enrolment with strict verification to safeguard electoral integrity.

Use it in: GS-2: Electoral reforms and functions of Election Commission of India; Essay: Democratic governance and voting rights

Mains practice question: Critically examine the measures taken by the Election Commission of India to clean up electoral rolls. How do Special Summary Revisions ensure voter inclusion while preventing electoral malpractices? (250 words)

PRELIMS IN FOCUS

SCHEME Pradhan Mantri Awas Yojana - Urban 2.0 (PMAY-U 2.0)

- Approved over 1.93 lakh additional houses in its 10th CSMC meeting, reaching 20.80 lakh total sanctioned houses.
- 97% of houses under the mission are allotted in women's names or joint ownership.
- Implemented by the Ministry of Housing and Urban Affairs across BLC and AHP verticals.

ORGANISATION International Whaling Commission (IWC)

- Global body established under the 1946 International Convention for the Regulation of Whaling with 89 member countries.
- Held its 70th meeting (IWC-70) in Hobart, Australia, marking the 80th anniversary of its founding treaty.
- India has been an active member of the International Whaling Commission since 1981.

TECHNOLOGY Quantum Secure and Sensing Networks (IQSN)

- Indigenous technology stack supported by ₹150 crore DST-TDB funding to QNu Labs.
- Aims to advance quantum technology readiness levels from TRL 4-5 to TRL-9.
- Focuses on identity security, location integrity, network security, and time integrity.

TERM Foreign Exchange Risk Reserve (FERR)

- Mandated by RBI requiring a 20% reserve on specified rupee-linked currency derivative contracts.
- Applies to contracts with a notional value exceeding \$2 million used to hedge current account transactions.
- Designed to regulate currency risk exposure and prevent structured circumvention by authorised dealer banks.

EVENT World Food Day and WTO Public Stockholding Standoff

- Commemorated globally on 16 October every year to emphasize global food security.
- Triggers memory of India's 2014 WTO stance refusing the Trade Facilitation Agreement to safeguard MSP and public stockholding.
- Preserved India's legal peace clause protections for food procurement and welfare distribution.

Practice MCQs (UPSC Prelims)

Attempt these questions on your own first. Answers and explanations are online — see the link below.

ENVIRONMENT

India's Ramsar Site Tally Reaches 103 with New Additions

Sukhna Wetland and Sauj Jheel Designated as India's Newest Ramsar Sites

Q1. Consider the following statements regarding the latest addition of Ramsar sites in India: 1. Sukhna Wetland is located in Chandigarh. 2. Sauj Jheel is situated in Uttar Pradesh. 3. With these additions, India's total tally of Ramsar sites reached 103. 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 |

SECURITY

Indigenisation of Defence: INS Samarthak Commissioned and Key Defence Contracts Signed

Indian Navy Commissions First Indigenous Private-Built Multi-Purpose Vessel INS Samarthak

Q2. With reference to INS Samarthak, consider the following statements: 1. It is the first major warship built for the Indian Navy by an Indian private shipyard. 2. It incorporates over 75% indigenous content. 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

Foreign Contribution Regulation Act Rules on Religious Conversion: High Court Order

Madras High Court Rules FCRA Registration Ineligible for Religious Conversion Entities

Q3. Regarding Foreign Contribution Regulation Act (FCRA) rules as per recent judicial rulings, consider the following: 1. Organisations involved in religious conversion activities are entitled to FCRA registration if registered under the Income Tax Act. 2. Only entities whose operations preserve national secular harmony and social amity are eligible to receive foreign contributions under FCRA. 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 |

AGRICULTURE

PM Dhan-Dhaanya Krishi Yojana Marks First Anniversary Across 100 Districts

PM Dhan-Dhaanya Krishi Yojana Completes One Year of Agricultural Development

Q4. Which of the following parameters are used to select the 100 Aspirational Agricultural Districts under the PM Dhan-Dhaanya Krishi Yojana? 1. Low crop productivity 2. Low cropping intensity 3. Less agricultural credit disbursement Select the correct 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

SCIENCE & TECH

NITI Aayog Releases Data Centre Evaluation Framework for Sustainable Infrastructure

NITI Aayog Unveils Data Centre Evaluation Framework to Guide State Investments

Q5. According to NITI Aayog's Data Centre Evaluation Framework, which of the following are among the five core pillars evaluated for data centre projects? 1. Power and Energy 2. Water and Cooling 3. Site Selection and Environmental Sustainability Select the correct 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

INTERNATIONAL RELATIONS

India Flags Non-Tariff Barriers and Trade Deficit Concerns with China

Chinese Non-Tariff Barriers Major Obstacle to Indian Exports, Says Finance Minister

Q6. Consider the following statements regarding India-China bilateral trade: 1. India's trade deficit with China exceeded \$100 billion, reaching \$112 billion in FY26. 2. Non-tariff barriers like stringent phytosanitary rules restrict Indian exports of generic drugs and agricultural produce to China. 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

ECONOMY

Direct Tax Mop-up Rises 13.2 Percent and World Bank Upgrades Growth Forecast

India's Net Direct Tax Mop-Up Reaches Rs 13.38 Trillion as Corporate Tax Surges

Q7. With reference to recent economic indicators released in October 2026, consider the following statements: 1. Net direct tax collections grew by 13.2% to reach Rs 13.38 trillion as of October 14. 2. World Bank revised India's GDP growth projection for FY27 upwards to 7.1%. 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

Answers and explanations

Attempt these questions on today's edition page to see your score with the answer and explanation for every question:

samarthyaiaas.com/current-affairs/2026-10-17#practice-mcqs

Prepared by Samarthya IAS, Ahmedabad · Samarthya Current Affairs · samarthyaiaas.com

