



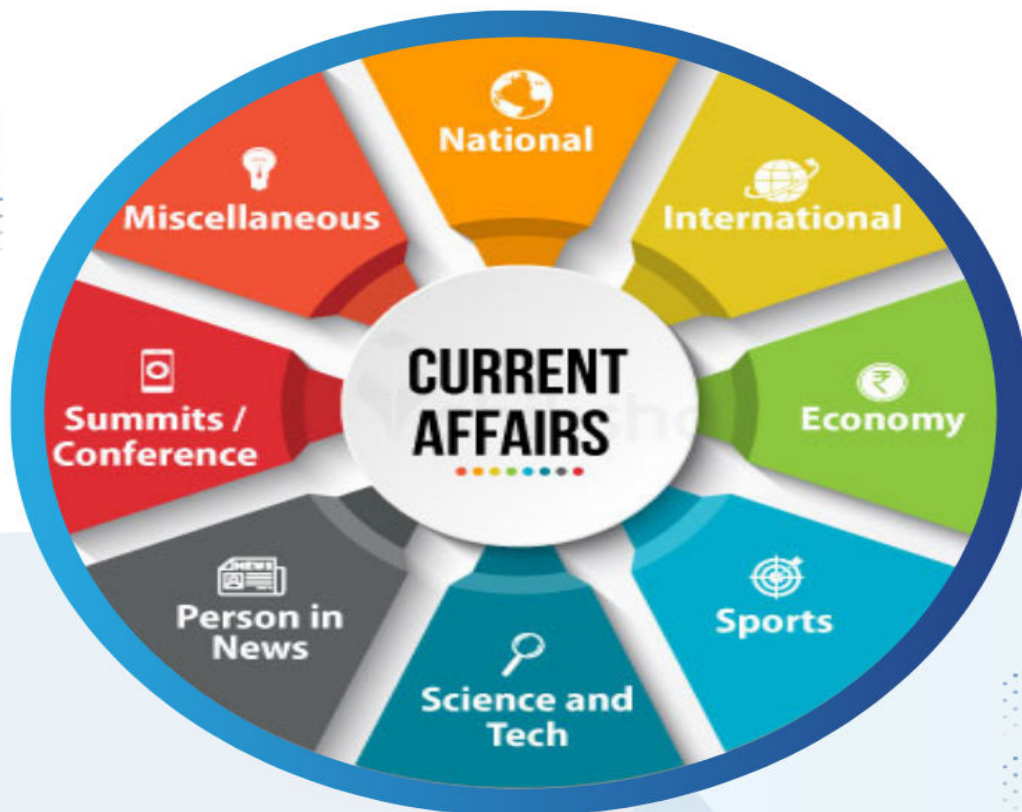
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VIDHVATH IAS KAS ACADEMY & STUDY CENTRE

DAILY CURRENT AFFAIRS

FOR UPSC CIVIL SERVICE EXAMINATION

DATE: 01/08/2026 (SATURDAY)



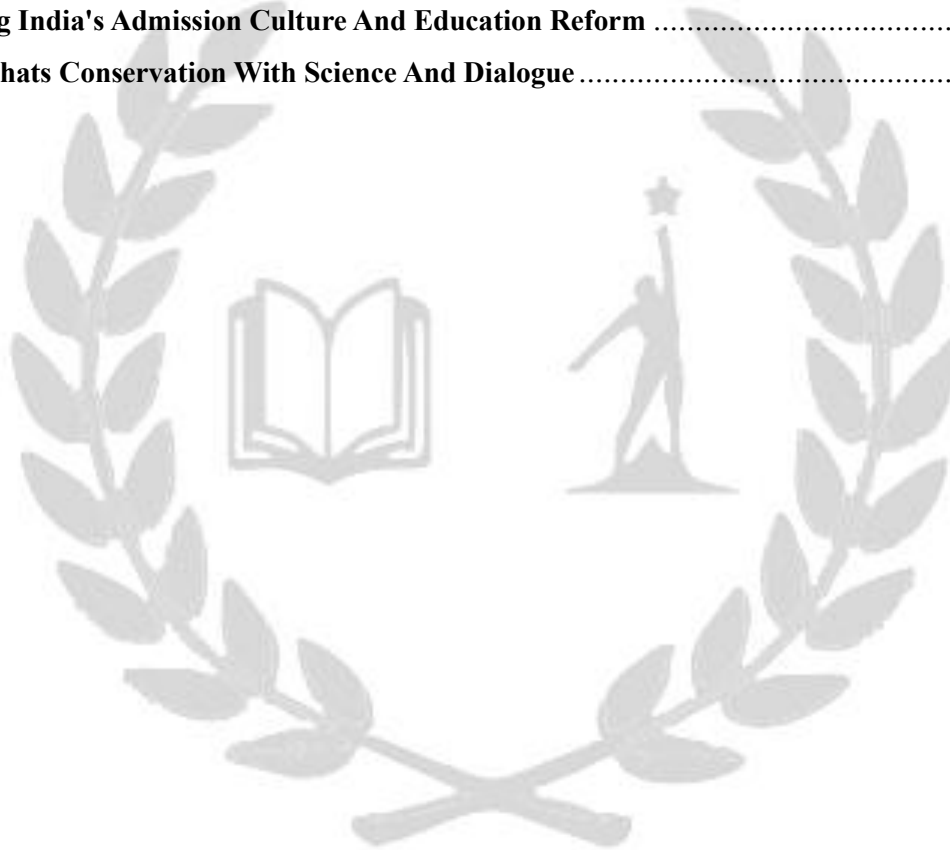
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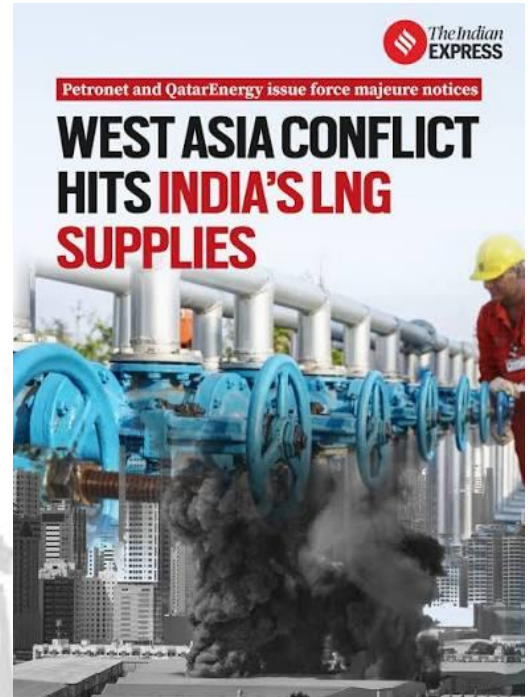
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1. India Secures LNG Supplies Till September Amid West Asian Conflict

Key Highlights & Summary

- India has secured adequate liquefied natural gas (LNG) supplies to meet domestic demand until September by diversifying imports toward the US, the UAE, and Angola.
- Supply disruptions emerged after Iranian attacks on Qatar's Ras Laffan Industrial City forced QatarEnergy to declare force majeure, halting its production hub which previously fulfilled nearly 50% of India's LNG needs.
- The US has emerged as India's top LNG supplier during April-May, with imports surging threefold, alongside key inputs from Nigeria, Oman, and Angola.
- Although short-term domestic rationing has been averted and industrial curbs are easing, replacing long-term Qatari contracts with short-term spot market cargoes has substantially escalated India's fiscal import burden.
- Benchmark spot prices have spiked by roughly 60% compared to pre-war levels, creating medium-term structural financial challenges for critical sectors like fertilizers, city gas distribution, and transport.



Essential Definitions

- Liquefied Natural Gas (LNG): Natural gas that has been cooled down to liquid form for ease and safety of non-pressurized storage or transport, primarily utilized in power generation, fertilizer production, and industrial manufacturing.
- Force Majeure: A common clause in contracts freeing both parties from liability or obligation when an extraordinary event or circumstance beyond the control of the parties occurs, such as a war or strike.

Legal and Constitutional Framework

- Ministry of Petroleum and Natural Gas (MoPNG): Operates under the constitutional allocation of business rules, governing hydrocarbon exploration, production, supply, distribution, and pricing of natural gas in India.
- Essential Commodities Act, 1955: Empowers the central government to regulate or prohibit the production, supply, and distribution of essential commodities, including petroleum products and natural gas, to maintain steady supplies during geopolitical crises.

Conclusion

India's proactive diplomatic and commercial diversification has successfully insulated its immediate domestic economy from catastrophic energy shortages following the shutdown of Qatari export terminals. However, navigating the structural shift from stable long-term bilateral agreements to expensive spot-market procurement requires strategic resilience to manage escalating fiscal deficits and protect domestic fertilizer and manufacturing subsidies.



UPSC Relevance

- General Studies Paper-II: Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests; Effect of policies and politics of developed and developing countries on India's interests.
- General Studies Paper-III: Infrastructure: Energy, Ports, Roads, Airports, Railways etc.; Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

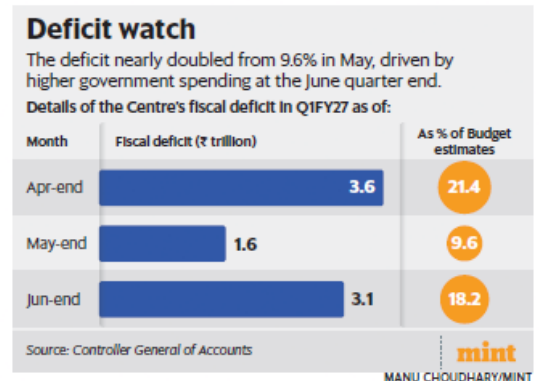
2. India Fiscal Deficit Reaches 18.2% Of Target Amid Rising Government Spending

Key Highlights & Summary

- India's fiscal deficit reached 18.2% of the full-year budget estimate at ₹3.08 trillion by the end of June, rising marginally from 17.9% in the corresponding period of the previous year.
- Total government expenditure stood at ₹13.57 trillion during the first quarter, accounting for 25.4% of the annual budget estimate, driven by robust capital expenditure growth of 23.7% to reach ₹3.4 trillion.
- Total receipts hit ₹10.49 trillion, comprising ₹6.37 trillion in net tax revenue and ₹3.78 trillion in non-tax revenue bolstered by the Reserve Bank of India's record dividend payout of ₹2.87 trillion.
- Sectoral tax collections showed uneven trends, with direct taxes and corporate income tax performing buoyantly while indirect taxes and GST collections experienced contractions.
- Economists view the current fiscal trajectory as comfortable and manageable, projecting that anticipated tax inflows and robust infrastructure spending in railways and defense will keep the full-year fiscal deficit target of 4.3% of GDP on track.

Essential Definitions

- **Fiscal Deficit:** The excess of total government expenditure over total receipts excluding borrowings during a financial year, representing the total borrowing requirements of the government.
- **Capital Expenditure (Capex):** Government spending aimed at creating long-term physical assets, infrastructure, machinery, or upgrading public utilities that generate future economic returns.



Legal and Constitutional Framework

- **Article 112 of the Constitution:** Mandates the Union Government to present an annual financial statement detailing estimated receipts and expenditures before Parliament.
- **Fiscal Responsibility and Budget Management (FRBM) Act, 2003:** Provides the statutory framework for fiscal discipline, aiming to eliminate revenue deficit and bring down the fiscal deficit to sustainable macro-economic thresholds.

Conclusion

The widening of India's fiscal deficit to 18.2% of the target in the first quarter reflects a deliberate policy choice of front-loading capital expenditure to support growth in core sectors like infrastructure and defense.



Backed by a historic RBI dividend and robust direct tax collections, the government remains well-positioned to balance its fiscal consolidation path while driving public investment.

UPSC Relevance

- General Studies Paper-III: Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment; Government Budgeting.

3. Bloomberg Defers India Bond Inclusion In Key Index

Key Highlights & Summary

- Bloomberg Index Services Limited (BISL) has deferred for a second time its decision on adding Indian government bonds to its flagship Bloomberg Global Aggregate Index.
- Global investors have acknowledged India's progressive market accessibility reforms but want to see these changes more firmly embedded into day-to-day trading practices before inclusion.
- Key operational improvements cited include expanded electronic trading platforms, broader foreign investor access, and the removal of withholding and capital gains taxes for eligible foreign investors.
- Investors continue to demand smoother operational workflows, faster account opening, and greater evidence that regulatory changes translate into consistent day-to-day liquidity and settlement efficiency.
- Successful future inclusion is projected by dealers to potentially unlock massive foreign portfolio inflows ranging between \$20billion to \$25billion into Indian government securities (gilts).

Essential Definitions

- Global Bond Index: A standardized benchmark tracking the performance of local-currency or foreign-currency bonds from issuers worldwide, used extensively by international institutional investors for portfolio allocation.
- Sovereign Debt: Debt issued by a national government in foreign or domestic currency to finance public expenditures and manage fiscal deficits.



Legal and Constitutional Framework

- Government Securities Act, 2006: Manages and regulates government securities and their handling by the Reserve Bank of India, ensuring transparent public debt management.
- Foreign Exchange Management Act (FEMA), 1999: Governs foreign investments, cross-border capital flows, and external trade in India, dictating the operational boundaries for foreign portfolio investors (FPIs) in domestic debt markets.

Conclusion

The deferral by Bloomberg highlights the cautious approach of global institutional investors who prioritize seamless operational execution and operational readiness over statutory policy announcements. While India has introduced visionary tax and structural reforms, ensuring frictionless post-trade frameworks and liquidity depth will be vital for winning ultimate benchmark inclusion.



UPSC Relevance

- General Studies Paper-III: Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment; Financial Markets and Capital Flows.

4. Rajasthan High Court Slams Unchecked Construction In Udaipur Hills

Key Highlights & Summary

- The Rajasthan High Court slammed the state government over rampant commercial construction and hotel development in the Aravalli Hills surrounding Udaipur, warning that hills are being pushed to the verge of extinction.
- The bench critically remarked that the state's 2018 Hill Policy seemed to have been authored by certain private agencies rather than public welfare institutions.
- Expressing deep alarm over mountains being brutally cut, the court demanded the names of the authors behind both the 2018 and 2024 Hill Policies, alongside the officers who granted construction permissions.
- The judicial strictures arose during a petition filed by Basant Hotels Private Ltd seeking exemption from the stricter provisions of the newer Hill Policy 2024 based on prior clearances.
- Environmentalists and experts highlight that unchecked urban sprawl and structural cutting of Aravalli ranges degrade regional ecology, compromise natural drainage systems, and aggravate microclimate vulnerabilities.



Essential Definitions

- Hill Area Development Policy:** A specialized administrative framework formulated by state governments to regulate land use, environmental conservation, and structural construction in ecologically sensitive hill tracts.
- Ecological Degradation:** The deterioration of the natural environment through depletion of resources such as air, water, and soil, destruction of ecosystems, and extinction of wildlife.

Legal and Constitutional Framework

- Article 48A of the Constitution:** Directs the State to protect and improve the environment and to safeguard the forests and wildlife of the country.
- Article 21 of the Constitution:** Encompasses the right to a clean, wholesome, and unpolluted environment as an intrinsic component of the Right to Life.
- Environment Protection Act, 1986:** Empowers the central government to coordinate actions, protect, and improve environmental quality, and restrict hazardous industrial and commercial activities in ecologically fragile zones.

Conclusion

The Rajasthan High Court's sharp intervention underscores the dangerous friction between unregulated commercial tourism and ecological preservation in fragile landscapes like the Aravalli range. Safeguarding geological formations requires strict judicial oversight, transparent policy formulation free from vested private interests, and unyielding enforcement of environmental jurisprudence.



UPSC Relevance

- General Studies Paper-III: Conservation, environmental pollution and degradation, environmental impact assessment.
- General Studies Paper-II: Structure, organization and functioning of the Executive and the Judiciary; Statutory, regulatory and various quasi-judicial bodies.

5. Educational Crisis In Northern States: From Exam Leaks To Structural Reform

Key Highlights & Summary

- Recurrent exam leaks, protests, and institutional challenges across Punjab, Haryana, and Himachal Pradesh have brought structural public education reforms to the forefront of national political discourse.
- While states like Punjab and Himachal Pradesh claim significant administrative strides in school infrastructure, literacy, and ranking indices, systemic issues like youth out-migration and unemployability persist.
- Himachal Pradesh boasts high historical literacy and near universal enrolment, whereas Punjab has integrated AI instruction into school curricula and elevated government school standards.
- Chronic challenges such as rampant paper leaks have compelled states like Himachal Pradesh and neighboring jurisdictions to enact stringent anti-paper leak legislation featuring rigorous jail terms and heavy financial penalties.
- Experts emphasize that merely plugging administrative leakages is insufficient; states must transform from diploma producers into dynamic engines of innovation, research, and entrepreneurship to harness the demographic dividend.



Essential Definitions

- **Demographic Dividend:** A period of economic growth potential that can occur when a country has a large working-age population, provided adequate investments are made in education, health, and skill development.
- **Skill-Based Education:** An educational approach focusing on equipping students with practical, industry-relevant competencies and vocational training rather than rote learning and theoretical degree acquisition.

Legal and Constitutional Framework

- **Article 21A of the Constitution:** Guarantees the right to free and compulsory education to all children aged six to fourteen years as a fundamental right.
- **Public Examinations (Prevention of Unfair Means) Act, 2024:** Enacted by the central government to deal with organized cheating, paper leaks, and fraudulent practices in public recruitment and entrance examinations.

Conclusion

The educational landscape across northern states reflects a deep dichotomy between expansion of physical infrastructure and the persistent erosion of meritocracy due to examination fraud and skill-mismatches.



Overcoming these systemic bottlenecks requires robust institutional accountability, strict enforcement of anti-malpractice laws, and an aggressive pivot toward innovation-driven education to convert India's demographic assets into productive economic drivers.

UPSC Relevance

- General Studies Paper-II: Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.
- General Studies Paper-III: Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

6. Cabinet Clears Five Year Extension For PM-KISAN Scheme

Key Highlights & Summary

- The Union Cabinet has approved the continuation of the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme for the next five years, spanning from 2026-27 to 2030-31.
- A massive financial outlay of ₹3.15 lakh crore has been sanctioned by the central government for the successful implementation and sustenance of the scheme during this extended tenure.
- The scheme continues to guarantee ₹6,000 annually to eligible landholding farmer families, disbursed in three equal installments directly into their bank accounts.
- Originally launched in February 2019, the program functions entirely as a Central Sector Scheme funded fully by the Government of India to supplement financial requirements.
- Implementation leverages advanced digital architecture, including Aadhaar authentication, land record linkages, and the Direct Benefit Transfer (DBT) mechanism to plug leakage and ensure absolute transparency.



Essential Definitions

- Income Support Scheme: A welfare policy instrument that provides direct monetary transfers to targeted vulnerable demographics to ease immediate liquidity constraints without distorting market prices.
- Central Sector Scheme: A developmental project or welfare scheme completely funded and administered directly by the Union Government through various line ministries.

Legal and Constitutional Framework

- Article 38 of the Constitution: Mandates the State to promote the welfare of the people by securing a social order characterized by social, economic, and political justice, forming the foundational ethos for income-support interventions.
- Article 43 of the Constitution: Directs the State to secure all workers a living wage and decent standard of living, guiding socio-economic policies directed at agrarian equity and rural upliftment.

Conclusion

The five-year extension and substantial budgetary allocation for PM-KISAN reflect the government's unwavering focus on institutionalizing structural income support for the agrarian community. By mitigating



input costs and curbing reliance on informal rural lenders, the scheme acts as a critical anchor for long-term agricultural stability and rural demand.

UPSC Relevance

- General Studies Paper-III: Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment; Inclusive growth and issues arising from it; Major crop patterns and direct and indirect farm subsidies.

7. Lok Sabha Passes Registration Of Births And Deaths Amendment Bill 2026

Key Highlights & Summary

- The Lok Sabha has passed the Registration of Births and Deaths (Amendment) Bill, 2026, without debate via voice vote amidst opposition protests regarding student demonstrations.
- The legislation introduces a two-tier mechanism to replace the earlier single-tier setup for reporting vital events after a prolonged delay.
- For births and deaths reported between one year and two years after occurrence, authorization from a District Magistrate, Sub-Divisional Magistrate, or an authorized Executive Magistrate remains mandatory.
- For any birth or death reported after a delay exceeding two years, an explicit order from a Judicial Magistrate of the First Class is now required after thorough verification.
- The amendment aims to prevent fraudulent entries, ensure foolproof demographic data integrity, and tighten national population registries used for public welfare delivery.

Essential Definitions

- Civil Registration System (CRS): The unified statutory system of continuous, permanent, and compulsory recording of vital events like births and deaths in a nation.
- Executive Magistrate versus Judicial Magistrate: Executive magistrates belong to the administrative executive wing executing state control, whereas judicial magistrates are independent judicial officers belonging to the judiciary handling judicial scrutiny and trials.

Legal and Constitutional Framework

- Entry 30 of the Concurrent List (Seventh Schedule): Empowers both Parliament and State Legislatures to legislate on vital statistics including registration of births and deaths.
- Registration of Births and Deaths Act, 1969: The primary parent legislation governing the uniform registration of vital demographic events across India, previously amended in 2023.

Conclusion

The passage of the Registration of Births and Deaths (Amendment) Bill, 2026 marks a crucial institutional step toward tightening administrative and judicial oversight over stale demographic filings. Shifting the gatekeeping responsibility for multi-year delayed entries to judicial magistrates safeguards the authenticity of national population databases.

UPSC Relevance

- General Studies Paper-II: Structure, organization and functioning of the Executive and the Judiciary; Government policies and interventions for development in various sectors.



- General Studies Paper-I: Population and associated issues, developmental and demographic planning.

8. Severe Sewage Contamination Detected Near Bhopal Gas Tragedy Site

Key Highlights & Summary

- Activists and local residents in Bhopal have alleged that 68% of drinking water samples collected from areas surrounding the defunct Union Carbide factory are severely contaminated with faecal coliform.
- Out of 63 tap water samples gathered across 30 localities between July 2 and July 22, 43 samples tested positive for sewage contamination, raising critical public health concerns.
- Activists noted that 19 out of 30 surveyed communities face active sewage contamination in their municipal water lines, echoing recent urban water safety crises like Indore's Bhagirathpura tragedy.
- Comparative tests revealed that 90% of water samples from Bhopal's upper lake and 25% of samples from Kolar dam also displayed contamination markers, whereas Narmada river samples tested negative.
- The Bhopal Municipal Corporation (BMC) has strongly contested these findings, asserting that its own internal water testing of 61 samples conducted in July revealed no such impurities.



Essential Definitions

- **Faecal Coliform:** A subgroup of coliform bacteria originating from the gut of warm-blooded animals, whose presence in drinking water indicates sewage or faecal contamination and associated disease risks.
- **Waterborne Disease:** Illnesses caused by pathogenic micro-organisms transmitted through contaminated drinking water, including cholera, typhoid, and dysentery.

Legal and Constitutional Framework

- **Article 21 of the Constitution:** Encompasses the right to clean drinking water and a pollution-free environment as an intrinsic part of the Right to Life.
- **Water Prevention and Control of Pollution Act, 1974:** Provides the primary regulatory framework for the prevention and control of water pollution, empowering State Pollution Control Boards to maintain water quality standards.

Conclusion

The alarming prevalence of sewage contamination in municipal water networks near historical disaster zones underscores persistent gaps in urban infrastructure management and public health oversight. Ensuring safe drinking water requires strict municipal accountability, rigorous pipe-network auditing, and transparent public reporting to protect vulnerable urban communities from waterborne catastrophes.



UPSC Relevance

- General Studies Paper-II: Issues relating to development and management of Social Sector/Services relating to Health, Sanitation.
- General Studies Paper-III: Conservation, environmental pollution and degradation, environmental impact assessment.

9. Reimagining India's Admission Culture And Education Reform

Key Highlights & Summary

- India's higher education admission culture places excessive reliance on single-shot competitive examinations, creating a high-pressure environment tied to student stress and mental health crises.
- A fair assessment system requires multi-dimensional evaluations combining moderated school performance, discipline-specific aptitude, analytical writing, interviews, and verified project portfolios.
- Centralized testing models like the National Testing Agency (NTA) often fail to account for regional, linguistic, and social diversities, making a decentralized evaluation framework more equitable.
- Elected representatives and legislative bodies carry the constitutional responsibility to regulate the exploitative commercialization of coaching hubs and safeguard student well-being.
- Comprehensive reform necessitates broadening career options through industry exposure, structured parental counseling, and humane educational policies focused on capacity-building rather than mere rank-based filtration.



Essential Definitions

- Demographic Dividend: The economic growth potential resulting from shifts in a population's age structure, primarily when the share of the working-age population is larger than the non-working-age share.
- Capacity-Based Recognition: An evaluation approach that assesses a candidate's holistic aptitude, motivation, ethical seriousness, and potential for growth rather than test-taking speed under extreme pressure.

Legal and Constitutional Framework

- Article 21 of the Constitution: Guarantees the right to life and personal liberty, interpreted by the judiciary to encompass the right to a healthy, stress-free environment and access to dignified education.
- Entry 25 of the Concurrent List (Seventh Schedule): Empowers both Parliament and State Legislatures to legislate on education, including technical education, medical education, and universities.



Conclusion

Overhauling India's educational assessment framework is imperative to transition away from fear-driven competition toward holistic human development. By integrating decentralized testing models, strengthening institutional accountability, and expanding career perspectives, the nation can protect its youth from academic distress and fulfill the true promise of inclusive growth.

UPSC Relevance

- General Studies Paper-II: Issues relating to development and management of Social Sector/Services relating to Education, Human Resources.
- General Studies Paper-III: Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

10. Western Ghats Conservation With Science And Dialogue

Key Highlights & Summary

- The Western Ghats span six coastal states across India and contain 39 biodiversity hotspot areas recognized as UNESCO World Heritage Sites for their unique ecological richness.
- The Gadgil Committee (WGEEP) recommended declaring the entire Western Ghats an Ecologically Sensitive Area (ESA), which was subsequently calibrated by the Kasturirangan Committee to cover 37% of the region.
- Between 2015 and 2026, five draft notifications have been issued by the Ministry of Environment, Forest and Climate Change (MoEF&CC), though final consensus remains delayed due to opposition from stakeholder states over mining, infrastructure, and agricultural restrictions.
- Karnataka, featuring 10 districts within the Ghats, has consistently resisted ESA notifications over potential impacts on local livelihoods, plantation crops, and economic development.
- Balancing scientific conservation with local stakeholder dialogue, indigenous rights, and livelihood protection is vital to prevent long-term ecological degradation and loss of biocultural diversity.



Essential Definitions

- Ecologically Sensitive Area (ESA): An area notified under the Environment Protection Act, 1986, surrounding protected forests and wildlife sanctuaries where specific developmental activities are regulated to prevent environmental harm.
- Biocultural Diversity: The link between biological diversity and cultural diversity, representing the interrelated adaptations of indigenous communities with their natural surrounding ecosystems.

Legal and Constitutional Framework

- Article 48A of the Constitution: Directs the State to protect and improve the environment and to safeguard the forests and wildlife of the country.



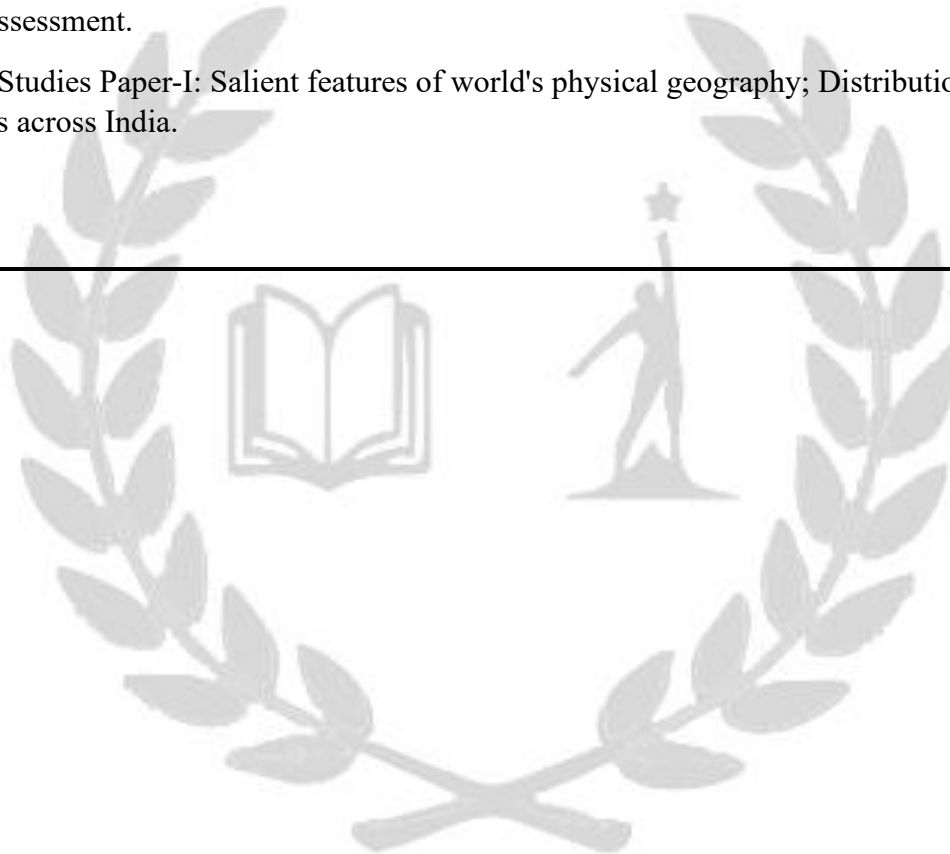
- Environment Protection Act, 1986: Empowers the central government to restrict industrial, commercial, and developmental operations in ecologically fragile zones to preserve environmental integrity.

Conclusion

Conserving the Western Ghats requires bridging the gap between rigorous scientific ecological protection and the genuine socioeconomic aspirations of local communities. Advancing towards final ESA notifications through inclusive dialogue will ensure long-term preservation of India's vital ecological spine without marginalizing indigenous populations.

UPSC Relevance

- General Studies Paper-III: Conservation, environmental pollution and degradation, environmental impact assessment.
- General Studies Paper-I: Salient features of world's physical geography; Distribution of key natural resources across India.



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