

1. GST Council Recommends Bringing ATF and Natural Gas under Tax Net in a Phased Manner

Source: The Economic Times

News: In a landmark decision during its 55th meeting, the GST Council, chaired by the Union Finance Minister, has recommended the inclusion of Aviation Turbine Fuel (ATF) and natural gas under the Goods and Services Tax regime. The move, aimed at reducing cascading taxes and boosting sectors like aviation and manufacturing, is proposed to be implemented in a phased manner starting January 2026. The Council has formed a committee of state finance ministers to finalize the tax slab—expected to be a new median slab around 12-15% initially—and the compensation mechanism for states that might face revenue shortfalls.

Analysis

- The aviation industry has long lobbied for this change, arguing that high state-level VAT on ATF inflates operational costs, making Indian airlines less competitive globally.
- Similarly, including natural gas is expected to lower costs for power, fertilizer, and CNG sectors, providing a fillip to the government's clean energy push.
- However, several manufacturing-heavy states expressed concerns over potential revenue loss, as petroleum products are a major source of their income.
- The proposed committee will address these fiscal concerns and ensure a smooth transition, marking one of the most significant reforms in the GST structure since its inception.

UPSC Syllabus Correlation:

GS Paper 3 (Economy): Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment. Government Budgeting.

GS Paper 2 (Polity): Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure (Fiscal Federalism).

2. Supreme Court Upholds Primacy of 'Triple Test' for OBC Reservation in Local Bodies

Source: The Indian Express

News: The Supreme Court today, in a constitution bench judgment, reaffirmed the mandatory nature of the 'triple test' criteria for providing reservation to Other Backward Classes (OBCs) in local body elections. The verdict came while hearing a batch of petitions from states like Maharashtra and Madhya Pradesh, which had sought relaxation of the conditions. The Court clarified that political representation cannot be granted at the cost of constitutional principles of empirical data-backed reservation.

Analysis

- The triple test, first laid down in the K. Krishnamurthy (2010) case, requires states to: (1) set up a dedicated commission to collect quantifiable data on the backwardness of local bodies; (2) specify the proportion of reservation required; and (3) ensure that total reservation for SCs, STs, and OBCs combined does not exceed the 50% ceiling.
- The Court directed all states to immediately constitute these commissions where they are not functional and complete the data collection exercise within a stringent timeframe.
- This judgment reinforces the need for evidence-based policymaking in affirmative action and is expected to have a significant impact on the upcoming local body polls across several states, ensuring reservation is both justified and constitutionally sound.

UPSC Syllabus Correlation:

GS Paper 2 (Polity and Governance): Structure, organization, and functioning of the Judiciary; Separation of powers; Mechanisms, laws, institutions, and Bodies constituted for the protection and betterment of vulnerable sections.

3. Government Launches 'National Mission for Eradicating Sickle Cell Anemia' Phase-II

Source: Press Information Bureau (PIB)

News: The Ministry of Health and Family Welfare, in collaboration with the Ministry of Tribal Affairs, today launched the second phase of the National Mission for Eradicating Sickle Cell Anemia. The mission, part of the government's broader goal to eliminate the disease by 2047, will now expand its screening and counselling services to 100 new districts with high prevalence rates, primarily in central and western India. Phase II introduces a novel digital tracking system using the Ayushman Bharat Health Account (ABHA) ID to monitor patient care, from screening to treatment and genetic counselling.

Analysis

- Under this phase, an emphasis will be placed on creating a "Sickle Cell Care Registry" to maintain a comprehensive database of patients.
- Mobile health units equipped with point-of-care testing devices will be deployed in remote tribal hamlets to ensure last-mile coverage.
- The government has also announced increased funding for research into affordable gene therapies and has partnered with several pharmaceutical firms to ensure a steady supply of essential medicines like hydroxyurea.
- This concerted effort aims to reduce the disease's prevalence and improve the quality of life for millions, particularly within India's tribal communities.

UPSC Syllabus Correlation:

GS Paper 2 (Social Justice): Issues relating to development and management of Social Sector/Services relating to Health; Mechanisms, laws, institutions, and Bodies constituted for the protection and betterment of vulnerable sections.

4. India and the UK Finalise 'Critical Minerals Partnership' During Strategic Dialogue

Source: The Hindu

News: India and the United Kingdom have elevated their bilateral ties by finalising a 'Critical Minerals Partnership' during the annual India-UK Strategic Dialogue held in New Delhi. The agreement, co-chaired by India's External Affairs Minister and the UK's Foreign Secretary, aims to build resilient and diversified supply chains for minerals essential for sectors like renewable energy, electric vehicles, and high-tech defence manufacturing. This partnership will focus on joint exploration projects in third countries, R&D in mineral processing technologies, and establishing a circular economy framework for recycling critical minerals like lithium, cobalt, and rare-earth elements.

Analysis

- Ø The move is seen as a strategic response to global supply chain vulnerabilities and an effort to reduce dependence on a single source.
- Ø A joint task force will be established to identify specific projects and facilitate investment flows. The partnership also includes provisions for skill development and technology transfer, aligning with India's 'Atmanirbhar Bharat' initiative.
- Ø This collaboration strengthens the India-UK Comprehensive Strategic Partnership and underscores a shared commitment to sustainable development and economic security in an increasingly complex geopolitical landscape.

UPSC Syllabus Correlation:

GS Paper 2 (International Relations): Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

GS Paper 3: Economic Infrastructure: Energy. Effects of liberalization on the economy.

5. BRO Completes Strategic Sela-Charduar-Tawang Alternate Axis Road

Source: Hindustan Times

News: In a major boost to military logistics and regional connectivity in the Northeast, the Border Roads Organisation (BRO) today announced the completion of the Sela-Charduar-Tawang (SCT) alternate axis road in Arunachal Pradesh. This new 150-km two-lane road provides a crucial all-weather alternative to the existing route that passes through the Sela Tunnel, significantly enhancing the Indian Army's ability to mobilize troops and heavy artillery to the Line of Actual Control (LAC) with China.

Analysis

- Unlike the main axis, which is vulnerable to weather and strategic chokepoints, the new route traverses a lower altitude and is designed to withstand heavy military traffic throughout the year.
- The project, executed under Project Vartak, involved cutting through treacherous mountain terrain and constructing several major bridges.
- This development is a cornerstone of India's border infrastructure upgrade program, aimed at countering strategic disadvantages in the region. Besides its military significance, the road is also expected to boost tourism and economic development in the remote districts of West Kameng and Tawang, providing reliable connectivity for local populations.

UPSC Syllabus Correlation:

GS Paper 3 (Security): Security challenges and their management in border areas; linkages of organized crime with terrorism. Role of external state and non-state actors in creating challenges to internal security. Infrastructure.

6. RBI Holds Repo Rate Steady at 6.5%; Warns of Inflationary Risks from Monsoon Deficit

Source: The Economic Times

News: The Reserve Bank of India's Monetary Policy Committee (MPC) has unanimously decided to keep the policy repo rate unchanged at 6.5 per cent for the tenth consecutive time. Announcing the decision, RBI Governor Shaktikanta Das stated that the committee remains focused on the "withdrawal of accommodation" to ensure inflation progressively aligns with the 4% target. While core inflation has shown signs of moderation, the MPC expressed concern over persistent food inflation, which could be exacerbated by the uneven progress of the southwest monsoon.

Analysis

- The RBI has maintained its real GDP growth forecast for FY26 at 6.8% but has slightly revised its CPI inflation projection for the fiscal year upwards to 4.7% from 4.5%, citing potential risks from rising food and fuel prices.
- Governor Das highlighted that global economic uncertainties and volatile crude oil prices also warrant a cautious approach.
- The central bank's commentary suggests that any potential rate cuts are unlikely in the near future, prioritizing price stability over growth stimulus.
- The decision aims to anchor inflationary Expectations and maintain macroeconomic stability amidst a challenging domestic and global environment.

UPSC Syllabus Correlation:

GS Paper 3 (Economy): Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment. Inclusive growth and issues arising from it.

7. CPCB Report Reveals Alarming Rise in E-Waste; Only 25% Formally Recycled

Source: The Hindu

News: A new report by the Central Pollution Control Board (CPCB) paints a grim picture of India's electronic waste management, revealing that the country generated an estimated 4.5 million tonnes of e-waste in 2024, with only 25% being processed through the formal recycling chain. The report, titled "E-Waste Management in India: Challenges and the Road Ahead," highlights the failure of the Extended Producer Responsibility (EPR) framework under the E-Waste (Management) Rules, 2022, to effectively channel waste towards authorized recyclers.

Analysis

- The study found that a vast majority of e-waste is still handled by the informal sector, using crude and hazardous methods that release toxic substances like lead, mercury, and cadmium into the environment, posing severe health risks.
- The CPCB has flagged several issues, including a cumbersome EPR portal, a lack of awareness among consumers about disposal channels, and the proliferation of unauthorized dismantling units.
- The report recommends a complete overhaul of the EPR certification process, a nationwide awareness campaign, and providing technological and financial support to integrate informal sector workers into the formal recycling industry.

UPSC Syllabus Correlation:

GS Paper 3 (Environment): Conservation, environmental pollution and degradation, environmental impact assessment. Solid waste management.

8. 16th Finance Commission Concludes Consultations with North-Eastern States

Source: The Indian Express

News: The 16th Finance Commission, chaired by Dr. Arvind Panagariya, has concluded its round of consultations with the Chief Ministers and Finance Ministers of the eight North-Eastern states. A key point of discussion was the states' demand for a special dispensation in the horizontal devolution formula, considering their unique challenges, including hilly terrain, low revenue base, and security-related expenditure. The states argued for higher weightage to be given to criteria like 'Forest and Ecology' and 'Infrastructure Deficit' in the tax-sharing formula for the 2026-31 period.

Analysis

- Another major issue raised was the financing of climate change adaptation and disaster management, given the region's high vulnerability to floods and landslides.
- The Commission assured the states that their specific developmental needs and fiscal disabilities would be given due consideration in its final recommendations.
- It also explored mechanisms for providing grants-in-aid to strengthen autonomous district councils under the Sixth Schedule.
- The outcomes of these consultations are crucial for shaping the future of fiscal federalism and ensuring equitable development in a strategically vital region of the country.

UPSC Syllabus Correlation:

GS Paper 2 (Polity and Governance): Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels, and challenges therein. Appointment to various Constitutional posts, powers, functions, and responsibilities of various Constitutional Bodies.

9. Ministry of Defence Announces Successful User Trials of 'Prahaar-II' Tactical Ballistic Missile

Source: Press Information Bureau (PIB)

News: The Ministry of Defence announced today that the 'Prahaar-II', an advanced tactical ballistic missile, has successfully completed its final phase of user trials with the Indian Army. Developed by the Defence Research and Development Organisation (DRDO), Prahaar-II is a solid-fuel, surface-to-surface missile with a range of 250 km, designed for quick reaction and battlefield support. The trials, conducted at a test range off the Odisha coast, demonstrated the missile's high accuracy and its ability to engage multiple targets with different warhead configurations.

Analysis

- Prahaar-II fills a critical gap between the 'Pinaka' multi-barrel rocket launcher and the 'Prithvi' series of ballistic missiles.
- Its key features include a canister-based launch system, making it highly mobile and difficult to detect, and a rapid launch time of under five minutes.
- The successful induction of this missile system will significantly enhance the Army's conventional strike capability along the borders.
- This achievement is a major success for the 'Atmanirbhar Bharat' initiative in defence, showcasing India's indigenous capability in designing and manufacturing advanced missile technology.

UPSC Syllabus Correlation:

GS Paper 3 (Science and Technology/Security): Achievements of Indians in science & technology; indigenization of technology. Various Security forces and agencies and their mandate.

30 June 2025

10. Bastar's 'Dhokra Art' and 'Madiya' Textile Receive Geographical Indication (GI) Tag

Source: The Hindu

News: The Geographical Indications Registry has awarded the prestigious Geographical Indication (GI) tag to two unique products from Chhattisgarh's Bastar region: the 'Bastar Dhokra Art' and the 'Madiya Handloom Textile'. The GI tag grants legal protection to these traditional products, preventing their unauthorized use and enhancing their commercial value in national and international markets.

Analysis

- Bastar Dhokra' is an ancient bell metal craft using the lost-wax casting technique, practiced for centuries by tribal artisans to create intricate figurines of deities, animals, and lamps.
- The 'Madiya Textile' is a coarse, durable cotton fabric, handwoven by the Madiya tribe, known for its natural dyes and symbolic ethnic motifs.
- The application for the GI tag was filed by a local cooperative supported by the state government.
- This recognition is expected to empower the tribal artisan communities by ensuring authenticity and better prices for their crafts.
- It also serves as a vital tool for preserving the region's rich cultural heritage and traditional knowledge, linking it to sustainable livelihoods.

UPSC Syllabus Correlation:

Prelims: Art and Culture, Geographical Indications.

GS Paper 1 (Art and Culture): Indian culture will cover the salient aspects of Art Forms, literature, and Architecture from ancient to modern times.