

CURRENTLY - FROM NEWS TO NOTES

# DAILY CURRENT AFFAIRS

**The Hindu & The Indian express**

-----

Headline	Source
Encroachments, climate change may have led to Punjab's worst floods in decades	The Hindu, Page 10
A complex turn in India's FDI story	The Hindu, Editorial Section, Page 6



Headline	Source
Undersea cables cut in Red Sea, disrupting internet access in parts of Asia	The Indian Express, Page 12
Women lead in Punjab flood relief: Embankments to camps & supplies	The Indian Express, Pages 1 and 2



# Encroachments, climate change may have led to Punjab's worst floods in decades

**Vikas Vasudeva**  
CHANDIGARH

Punjab, the country's grain bowl, is battling one of its worst floods in decades, which have impacted nearly four lakh people, claimed 48 lives, affected about 2,000 villages, and resulted in an estimated loss of over ₹13,000 crore.

While heavy rains and overflowing rivers remain the primary triggers, experts and official assessments stress that human interventions, including blocked drainage systems, encroachments on natural water channels, and unregulated construction activities such as road laying, have aggravated the crisis.

Punjab witnessed major floods in 2023, 2019, 2013, 2010, 2008, and 2004. Each monsoon, which brings nearly 75% of the

State's annual rainfall, floods cause loss of life and extensive damage to crops, houses, and public utilities. This year, the Sutlej, Ravi, and Beas rivers are in spate, submerging farmland, roads, and low-lying areas. With the paddy harvest weeks away, standing crops have been destroyed, compounding losses to farmers and the rural economy. Substantial livestock losses have worsened the impact.

### Human factors

According to official estimates, crops over 1.72 lakh hectares across 18 of Punjab's 23 districts have been damaged. Finance Minister Harpal Singh Cheema has called it the worst flood in five decades.

"More than 22,000 people have been evacuated. The final report of damage



**Swinging into action:** Residents and Army personnel rescuing cattle at Mand village in Kapurthala district; (right) an aerial view of inundated roads in Jalandhar. FILE PHOTOS



can be prepared after floods recede, but the Union government should promptly release the State's pending dues amounting to ₹60,000 crore, besides additional financial aid," he said.

The Water Resources Department's Flood Preparedness Guidebook 2024 highlights heavy monsoon

rain as the most common cause of flooding, but also underscores man-made factors. It warns that physical barriers impede natural drains, while unregulated development, including construction along riverbanks, obstructs water flow. The report also notes that while reservoirs and embankments have miti-

gated flood risks on the Beas, Sutlej, and Ravi, threats persist due to heavy releases from reservoirs, as well as breaches in embankments.

Union Agriculture Minister Shivraj Singh Chouhan, during a visit to the State on September 4, blamed illegal mining. "When [late] Atal Bihari

Vajpayee was the Prime Minister and [late] Prakash Singh Badal was the Chief Minister, embankments along the Sutlej, Beas, Ravi, and Ghaggar rivers were strengthened and raised to protect crops from floods. However, due to illegal mining, they weakened and water entered the villages," he said. The Finance Minister dismissed Mr. Chouhan's claim, calling it a "blatant display of bias" against Punjab.

### Pattern of neglect

Experts argue that unregulated construction and mining have amplified the State's vulnerability.

S.K. Saluja, former chief engineer with the Ranjit Sagar and Shahpurkandi dam projects, said: "Encroachments through settlements close to rivers and rivulets have been

happening for years. Successive governments have failed to control them."

Construction works done in an unscientific way also obstruct water flow, Mr. Saluja said, adding that rampant sand mining in riverbeds is a huge problem in Punjab.

Since the onset of monsoon on June 24, the State has received 591.8 mm of rainfall, 53% above normal, according to the India Meteorological Department (IMD). The current floods are being compared to those of 1988, when over 500 people lost their lives.

### 'Matter of concern'

Surender Paul, scientist and IMD director at Chandigarh, said the impact of climate change is evident.

"The change in weather patterns is visible owing to climate change. Over the

last decade, rainfall has become more inconsistent in Punjab. The monsoon is not uniform, which is a matter of concern," Mr. Paul said.

Climate expert Soumya Dutta, trustee of MAUSAM (Movement for Advancing Understanding on Sustainability and Mutuality), told *The Hindu* that global warming is directly intensifying rain.

"The primary driving factor behind heavy rains in Punjab and the northern region is global warming. The Arabian Sea has warmed up unusually, which is bringing more moisture. This is the new normal," Mr. Dutta said.

She added that the management of hydropower dams must be improved.

**FARMERS STRANDED**

» PAGE 10

Published by Nirmala Lakshman and Printed by S. Ramanujam at HT Media Ltd. Plot No. 8, Udyog Vihar, Greater Noida Distt. Gautam Budh Nagar, U.P. 201306, on behalf of THG PUBLISHING PVT LTD., Chennai-600002. Editor: Suresh Nambath (Responsible for selection of news under the PRP Act).



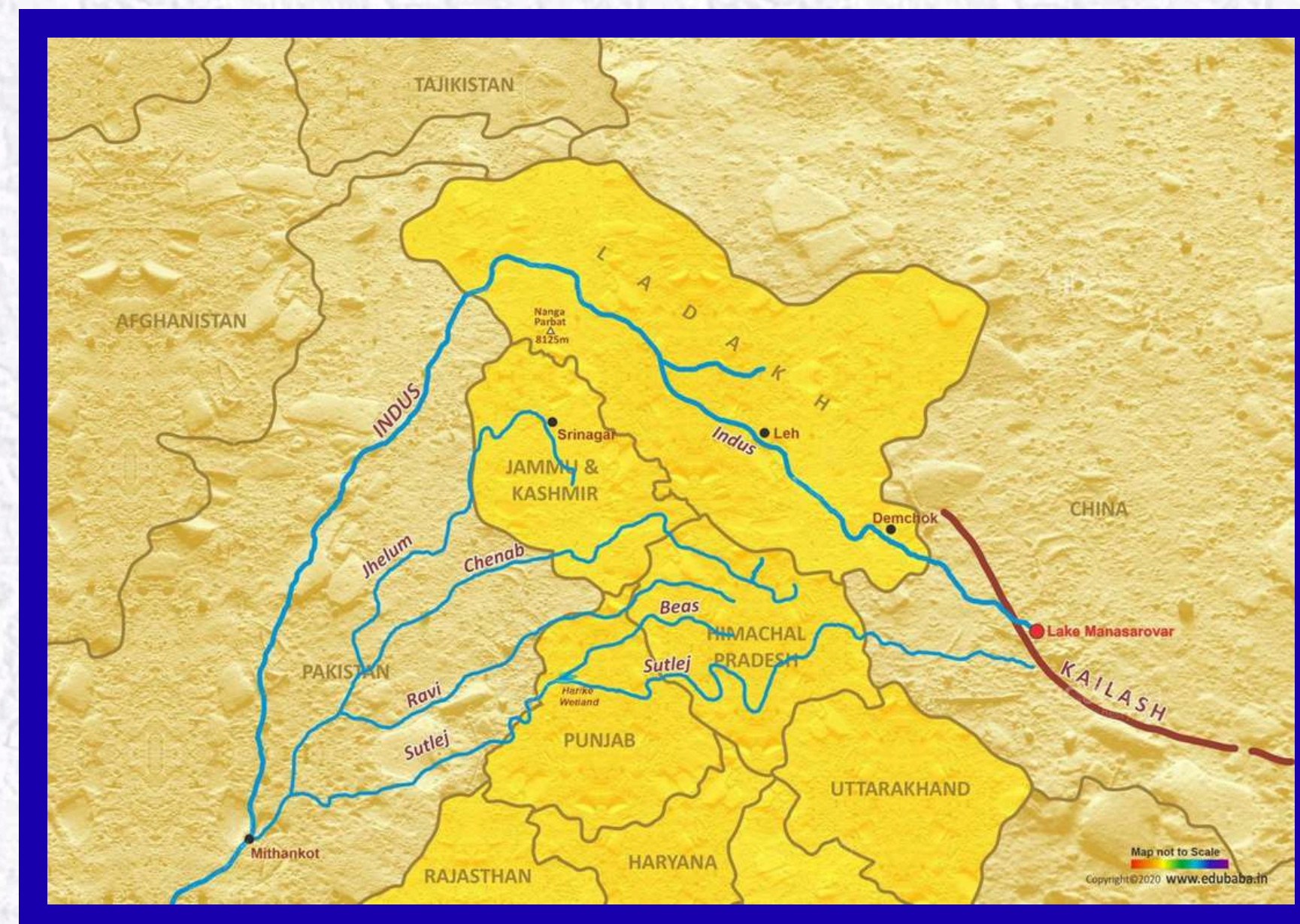
**Encroachments, climate change may have led to Punjab's worst floods in decades**

**The Hindu Page Number: 4**

**Prelims + GS1 & GS 3**

### **Context**

- Punjab, a vital agrarian state, has faced its worst floods in decades, claiming lives and affecting hundreds of thousands across over 2000 villages with losses around ₹13,000 crore.
- The state received 591.8 mm of rain, 53% above normal, up to June 24, 2023, according to the India Meteorological Department.
- Encroachments, weak flood management, and changing climate patterns
- The situation underscores an urgent need for scientific urban planning, improved drainage, and robust disaster response to prevent recurrence and reduce vulnerability to floods in Punjab.



**5 major tributaries with their origin and confluence points:**

#### **1. Jhelum River**

- **Origin:** Verinag Spring, in Anantnag district, Jammu & Kashmir (India).
- **Confluence:** Joins the Chenab River at Trimmu (Pakistan, Punjab) before all flow into the Indus.



## 2. Chenab River

- **Origin:** Confluence of Chandra and Bhaga rivers at Tandi, Himachal Pradesh (India).
- **Confluence:** Joins the Panjnad river/ Sutlej at Panjnad (near Uch Sharif, Pakistan).

## 3. Ravi River

- **Origin:** Kullu Hills, near Rohtang Pass, Himachal Pradesh (India).
- **Confluence:** Joins Chenab near Ahmedpur East (Pakistan) before Chenab meets Indus.

## 4. Beas River

- **Origin:** Beas Kund near Rohtang Pass, Himachal Pradesh (India).
- **Confluence:** Joins Sutlej at Harike (Punjab, India) → Sutlej later joins Indus.

## 5. Sutlej River

- **Origin:** Rakas Tal (near Lake Manasarovar, Tibet).
- **Confluence:** Joins Indus at Mithankot (Punjab, Pakistan).

**1**

With reference to the Indus river system, of the following four rivers, three of them pour into one of them which joins the Indus direct. Among the following, which one is such river that joins the Indus direct?

- (a) Chenab
- (b) Jhelum
- (c) Ravi
- (d) Sutlej

**PYQ 2021**



## A complex turn in India's FDI story

**F**oreign direct investment (FDI) has remained a major contributory factor in India's economic landscape since the first wave of investments began in the wake of the 1991 reforms. FDI has played a crucial part in the modernisation of India's industrial base, leading to technological innovation and linking the country more deeply with global markets. E-commerce and the computer hardware and software sectors are two areas that saw a massive influx of FDI, changing these sectors profoundly. However, recent trends suggest a complex turn as investments go downhill. While India is still able to attract foreign capital, the central part of these investments has been aimed at short-term profit gains rather than long-term industrial development. At the same time, Indian firms are investing heavily abroad, raising questions about the health of the domestic investment climate.

### Divergence between inflows and outflows

Recent numbers may seem encouraging. Gross FDI inflows reached \$81 billion in FY 2024-25, up 13.7% from the previous year. Between 2011 and 2021, FDI climbed from \$46.6 billion to \$84.8 billion, highlighting India's investor appeal. After peaking in FY 2021-22, FDI inflows fell to \$71 billion in FY 2023-24 before recovering slightly. In the four years after the COVID-19 pandemic, gross inflows recovered at an annual rate of 0.3%, while disinvestments and repatriations by foreign investors grew at 18.9% annually.

This divergence between inflows and outflows is profound. Though India saw \$308.5 billion in gross FDI inflows during the post-pandemic period, foreign investors also withdrew or repatriated \$153.9 billion. More telling is the decline in FDI net inflows – gross inflows minus repatriations and loan repayments – which sharply declined from FY 2021-22 to FY 2024-25. After adjusting for outward FDI by Indian companies, the net retained capital within India fell to an alarming \$0.4 billion. Thus, a large outflow limits FDI's long term development impact. These figures indicate that the capital does not stay long enough, limiting its long-term developmental impact.

The sharp rise in disinvestments has significantly contributed to this deterioration. In FY 2023-24, this surged by 51% to \$44.4 billion and rose again in FY 2024-25 to \$51.4 billion. They now represent over 63%, signalling a marked shift



**Amarbahadur Yadav**

is Assistant Professor of Economics, Zakir Husain Delhi College (Evening), University of Delhi

The situation where foreign firms are withdrawing funds after short-term profit gains and Indian firms are investing abroad highlights systemic lacunae that must be addressed

in investor behaviour – from long-term strategic commitments to short-term profit-seeking, often through tax arbitrage and treaty-based routing. Short-term investments aimed at rapid financial returns replace those contributing to sustained industrial or technological development. For instance, what was once a primary sector to attract FDI, the manufacturing sector saw incredible outflows, with its share dropping to a meagre 12% of total FDI.

The declining FDI net inflow suggests that capital is not staying long enough to contribute meaningfully to the country's economic landscape. A lack of sustained investment in manufacturing, infrastructure and innovation hampers India's growth trajectory. The surge in outward investment by Indian firms is another cause for concern. FDI outflows have grown from \$13 billion in FY 2011-12 to \$29.2 billion in FY 2024-25. Many firms blame regulatory inefficiencies, infrastructure gaps and unpredictable policy frameworks for looking beyond India's borders. This outflow of capital weakens the domestic economy, hampering job creation, arresting innovation and stifling industrial growth.

Despite improving rankings and government reforms, structural barriers such as regulatory opacity, legal unpredictability and inconsistent governance continue to discourage foreign and domestic investors. The growing parity in behaviour between foreign firms withdrawing funds and Indian firms investing abroad highlights deeper systemic lacunae that must be addressed if India hopes to reverse the trend.

### The long term is what matters

Short-term capital inflows lack potential to support long-term growth. India must prioritise reforms that reward long-term commitments to build a more resilient investment ecosystem. This includes simplifying regulations, ensuring policy consistency, investing in infrastructure, and expanding educational and skill-building initiatives to meet evolving industry demands. India needs to proactively work to attract and retain investment aligned with its developmental goals in a global economic environment, especially those that help technological change.

The gross FDI figures may appear promising but they seem to hide more than they reveal. Rising disinvestments, shifting investment

patterns and growing capital outflows reflect a deeper erosion of confidence in India's economic outlook. Further, the dominance of financial centres such as Singapore and Mauritius in India's FDI inflows suggests that much of this capital may be driven by tax strategies rather than productive investment. Moreover, traditional sources of industrial FDI such as the United States, Germany, and the United Kingdom have pulled back on their involvement.

Services and rent-seeking sectors such as financial services, energy distribution and hospitality saw increased capital flow. Despite their contribution to GDP, such investments lack the broader multiplier effects typically associated with manufacturing, infrastructure or advanced technology. This shift is contributing to weaker long-term growth potential and reduced economic resilience.

India's macroeconomic stability is also closely tied to the health of its FDI ecosystem. FDI inflows serve as a source of capital, support the balance of payments and provide a cushion for the currency. As FDI net inflows decline, the implications for external account management and monetary policy flexibility become more concerning. The Reserve Bank of India has acknowledged this trend, noting that while rising outflows are in line with trends in other emerging economies, they also present risks that need to be managed carefully. Around half of India's FDI outflows are directed toward developed economies, attracted by favourable tax regimes, market stability, and access to strategic resources.

### What needs to be done

If India seeks to lead as a global investment hub, it must look beyond headline FDI figures and focus on the quality, durability and strategic alignment of capital inflows. An overemphasis on gross figures neglecting their origin or economic impact risks masking deeper vulnerabilities. What the country truly needs is committed capital investment that builds domestic capability and furthers national priorities. Streamlined regulations, infrastructure upgrades, policy stability and renewed trust in institutions may help fulfil these priorities. Equally crucial is investing in human capital to attract high-value sectors such as advanced manufacturing, clean energy, and technology. India stands at the crossroads in the FDI conundrum.

## A complex turn in India's FDI story

The Hindu, Page No. 6, Editorial

Economics for Prelims & GS3

### Context

- Foreign Direct Investment (FDI) has been central to India's modernization since 1991 reforms.
- Recent data shows a paradox: while FDI inflows remain high in numbers, disinvestments and outflows are also rising, reducing net gains.
- The trend shows a shift from long-term industrial growth investment to short-term profit-driven capital, raising concerns about India's economic climate.

### FDI vs. FPI (Key Difference)

- FDI (Foreign Direct Investment):

Long-term, stable capital → in factories, infrastructure, R&D, tech transfer, jobs.

Investor has control (≥10% stake). Example: Amazon building logistics hubs in India.



• **FPI (Foreign Portfolio Investment):**

Short-term, volatile capital → in stocks, bonds, mutual funds. No control (<10% stake). Driven by quick returns. Example: Foreign funds buying Reliance/Infosys shares.

**Reasons for Contrast (Why inflows vs. outflows differ)**

1. **Short-term Profit Motives:** Investors focusing on financial sectors/e-commerce rather than manufacturing & technology.
2. **High Disinvestments:** Companies selling stakes and withdrawing capital quickly.
3. **Regulatory Hurdles:** Land, infrastructure, taxation, and compliance issues pushing firms to divert capital abroad.

4. **Tax Arbitrage:** FDI routed via

Singapore/Mauritius largely for tax benefits.

5. **Global Factors:** US, UK, EU remain primary sources of industrial FDI, but their cautious stance reduces inflows into India.

6. **Domestic Weakness:** Structural barriers (skill gap, policy uncertainty, governance issues) discourage long-term commitments.

7. **FDI Outflows:** Indian firms themselves investing abroad due to favourable conditions and strategic reasons.

**Way Forward:**

- Simplify regulations, improve infrastructure, build skills.
- Attract FDI into manufacturing and technology sectors.
- Strengthen domestic investment climate to reduce dependence on volatile global capital.

Both Foreign Direct Investment (FDI) and Foreign Institutional Investor (FII) are related to investment in a country. Which one of the following statements best represents an important difference between the two ?

- (a) FII helps bring better management skills and technology, while FDI only brings in capital
- (b) FII helps in increasing capital availability in general, while FDI only targets specific sectors
- (c) FDI flows only into the secondary market, while FII targets primary market
- (d) FII is considered to be more stable than FDI

**PYQ 2011**





3

Which of the following has/have occurred in India after its liberalization of economic policies in 1991 ?

1. Share of agriculture in GDP increased enormously.
2. Share of India's exports in world trade increased.
3. FDI inflows increased.
4. India's foreign exchange reserves increased enormously.

Select the correct answer using the codes given below :

- (a) 1 and 4 only
- (b) 2, 3 and 4 only
- (c) 2 and 3 only
- (d) 1, 2, 3 and 4

**PYQ 2017**







## Undersea cables cut in Red Sea, disrupting internet access in parts of Asia

ASSOCIATED PRESS  
DUBAI, SEPTEMBER 7

UNDERSEA CABLE cuts in the Red Sea disrupted internet access in parts of Asia and the Middle East, experts said Sunday, though it wasn't immediately clear what caused the incident.

There has been concern about the cables being targeted in a Red Sea campaign by Yemen's Houthi rebels, which the rebels describe as an effort to pressure Israel to end its war on Hamas in the Gaza Strip. But the Houthis have denied attacking the lines in the past.

Undersea cables are one of the backbones of the internet, along with satellite connections and land-based cables. Typically, internet service providers have multiple access points and reroute traffic if one fails, though it can slow down access for users.

Microsoft announced via a status website that the Mideast "may experience increased latency due to undersea fibre cuts in the Red Sea."

NetBlocks, which monitors internet access, said "a series of subsea cable outages in the Red Sea has degraded internet connectivity in multiple countries," which it said included India and Pakistan.

It blamed "failures affecting the SMW4 and IMEWE cable systems near Jeddah, Saudi Arabia."

The South East Asia-Middle East-Western Europe 4 cable is run by Tata Communications, part of the Indian conglomerate. The India-Middle East-Western Europe cable is run by another consortium overseen by Alcatel Submarine Networks.

Neither firm responded to requests for comment.

## Undersea cables cut in Red Sea, disrupting internet access in parts of Asia

The Indian Express, Page No. 12

### Places in News

### Context

Undersea cable cuts in the Red Sea have disrupted internet access in parts of Asia and the Middle East. These cables are crucial as they form the backbone of global internet connectivity. The incident has raised security concerns, especially given the geopolitical tensions in the region involving Yemen's Houthi rebels, Israel, and Gaza.

### Summary:

- **Disruption:** Internet access in Asia and the Middle East, including India and Pakistan, was degraded due to subsea cable cuts near Jeddah, Saudi Arabia.
- **Cause:** It is not immediately clear what caused the cuts. While there is concern about possible targeting by Yemen's Houthi rebels, they have denied such attacks in the past.
- **Importance of cables:** Undersea cables are vital for internet connectivity, serving as backbones along with satellites and land cables. Multiple access points usually prevent complete outages, but disruptions still slow down services.





### Red Sea

- Narrow strip of water between Northeast Africa and the Arabian Peninsula.
- Connects to the Mediterranean Sea via the Suez Canal (through the Gulf of Suez) in the north, and to the Arabian Sea/Indian Ocean via Bab el-Mandeb Strait in the south.
- Strategic Importance:
- One of the busiest maritime trade routes in the world.
- Vital for energy shipments (oil, LNG) and global trade.
- Hosts several undersea internet cables critical for Asia-Europe connectivity.

### Suez Canal

- An artificial sea-level waterway in Egypt, connecting the Mediterranean Sea (Port Said) with the Red Sea (Suez/Gulf of Suez).
- Opened in 1869; one of the world's most heavily used shipping lanes.
- Allows ships to bypass the longer route around the Cape of Good Hope (South Africa).





Suez Canal and SUMED Pipeline chokepoints



**4**

Sea	Bordering country
1. Adriatic Sea	: Albania
2. Black Sea	: Croatia
3. Caspian Sea	: Kazakhstan
4. Mediterranean Sea	: Morocco
5. Red Sea	: Syria

Which of the pairs given above are correctly matched?

- (a) 1, 2 and 4 only
- (b) 1, 3 and 4 only
- (c) 2 and 5 only
- (d) 1, 2, 3, 4 and 5

**PYQ 2019**







5

Consider the following statements :

*Statement-I :*

Sumed pipeline is a strategic route for Persian Gulf oil and natural gas shipments to Europe.

*Statement-II :*

Sumed pipeline connects the Red Sea with the Mediterranean Sea.

Which one of the following is correct in respect of the above statements ?

- (a) Both Statement-I and Statement-II are correct and Statement-II explains Statement-I
- (b) Both Statement-I and Statement-II are correct, but Statement-II does **not** explain Statement-I
- (c) Statement-I is correct, but Statement-II is incorrect
- (d) Statement-I is incorrect, but Statement-II is correct

9



# Women lead in Punjab flood relief: Embankments to camps & supplies

**KAMALDEEP SINGH BRAR**  
SRIHARGOBINDPUR  
(GURDASPUR), SEPTEMBER 7

ON THE bridge over the Beas connecting Hoshiarpur and Tanda, 32-year-old Harmel Kaur has been living in a makeshift camp for 20 days, turning a trolley into a cramped room and kitchen for her three children, after floodwaters submerged her home and fields. "The morning and evening meals come from the gurdwara. I still make tea, wash clothes and do all the

**CONTINUED ON PAGE 2**



Women prepare food for those affected at a village near Ajnala in Amritsar on Sunday. Rana Simranjit Singh

## ● Punjab floods

chores, even though there is no toilet here. We have to go out in the open," she says, boiling milk on a small gas stove.

Then, Harmel pauses and adds, "For women, this is much harder than for men. But this is a calamity, and we have to bear it."

Across Punjab's flood-hit districts, thousands of women endure similar conditions but have still stepped out of their homes to help. They are the unseen volunteers ferrying medicines to marooned hamlets, setting up kitchens in trolleys, and working shoulder to shoulder with men to hold the flood at bay.

They are also the hygiene warriors. "We formed a small team, raised everything through donations from Chandigarh and Mohali, and took relief to the Ramdas-Ajnala belt," says Harpuneet Kaur, a law student at Panjab University. "Sanitary pads are the most basic need. Many families didn't even have undergarments. This is causing UTI issues. Women with severe period

pain are unable to manage without hot water or home care."

Her team now focuses on medical support and cleanliness drives. "Because of waterlogging, fungal infections and allergies are common," she says, as volunteer doctors consult on the spot. "Rations are reaching big hubs, what's missing is hygiene. That's what we're prioritising now," says Harpuneet.

The massive floods that hit Punjab in mid-August, fuelled by heavy rains and water release from dams upstream, have claimed 48 lives and displaced over 3.54 lakh people, with 21,000 evacuated to relief camps. More than 1,900 villages across all 23 districts have been inundated, submerging 3.71 lakh acres of farmland.

With some respite from rains expected from Monday, the Punjab government has ordered schools across the state, which have remained shut since August 27, to reopen from Tuesday after inspection.

Mansa-based kabaddi player Pittu Kotra started "with just a bag

of clothes" and is now leading a convoy of volunteers, taking medicines by boat to homes cut off in Sultanpur Lodhi. "We cannot give up. Punjab lives in the heart, we must come together," she says.

Singer Baani Sandhu has issued an Instagram appeal for tailors around Mohali to stitch 1,000 salwar suits for displaced women, focusing on dignity and comfort for pregnant women.

Actor Zainab Rajput Sai's team has spent 10 days distributing essential items, wading through chest-deep water without life jackets. "Many times, boats have no diesel or drivers," she says. "From the administration, even basic safety gear hasn't reached us."

In Gondwana village in Amritsar, a large group of NREGA women workers has mobilised to fill sandbags and reinforce river embankments. Balwinder Kaur, one of them, says the rising water entered her home and damaged her rooftop. She joined the effort not only for employment but also to protect her house. "Community volunteers bring sand, and we fill

the bags. These are then deployed along weak points in the bunds," she says.

With authorities selecting NREGA women workers to fill the bags while locals collectively built up embankments, residents described this initiative as one of the few government-supported measures in the area.

Midday meal worker Mohinder Kaur has been on round-the-clock duty at a government-run relief camp at Baupur in Sultanpur Lodhi, coordinating food and water arrangements for women sheltering there, even as she lost her grain to the floods. Stationed at the camp, she oversees meals and supplies. Ensuring dignity and safety for women, she offers sleeping space in her home whenever the camp gets full.

Wherever relief kitchens have sprung up, women are at the core. Many have turned their tractors and trolleys into rolling kitchens, cooking dal and rotis not just for their families but for the other flood-hit and those repairing embankments. At night, these trolleys serve as beds, too.



# Mains Enrichment

**Women lead in Punjab flood relief:  
Embankments to camps & supplies**

**The Indian Express, Page 1 & 2**

**GS1 (Society): Women's role in crisis → resilience, social change, balancing domestic + relief work.**

**GS2 (Governance): Community participation, NREGA women in embankments, gender-sensitive disaster policies.**

**GS3 (Disaster Management): Grassroots innovations (trolley kitchens), hygiene drives, CBDRR.**

**GS4 (Ethics): Empathy, care, resilience, community service.**

**Essay: Women as agents of change; community resilience in disasters.**