CURRENTLY — 2nd SEPTEMBER 2026

1. Why India's Uzbekistan Upgrade Matters
Source: *The Pioneer*
Subject: GS-2 — International Relations | India–Central Asia | Strategic Partnership

2. India's Quest for Energy Atmanirbharata — Samudra Manthan
Source: *The Pioneer*
Subject: GS-3 — Energy Security | Oil & Gas | Energy Independence

3. The Baltic Way — Gandhi's Imprint on Baltic Freedom
Source: *The Hindu*
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4. Why the U.S., World's Top Oil Producer, Wants to Control Venezuela's Crude
Source: *The Indian Express*
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5. Over 7,200 Central Bureau of Investigation Corruption Cases Pending Trial
Source: *The Hindu*
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Source: *The Hindu*
Subject: GS-3 — Indian Economy | Taxation | Fiscal Policy

7. United Nations Report on Syria's Nuclear Facility at Deir el-Zour
Source: *The Hindu*
Subject: GS-2 — International Relations | Nuclear Non-Proliferation | International Atomic Energy Agency

Editor's TAKE

Why India's Uzbekistan upgrade matters

The Comprehensive Strategic Partnership takes bilateral ties beyond diplomacy, encompassing energy, defence, trade and regional connectivity

Prime Minister Narendra Modi's two-day state visit to Uzbekistan on August 29-30 – his fourth to the country – produced more than ceremony. At Tashkent's Kuksaroy Presidential Palace, Modi and President Shavkat Mirziyoyev agreed to elevate the 15-year-old India-Uzbekistan Strategic Partnership to a Comprehensive Strategic Partnership, timed with Uzbekistan's 35th Independence Day. Modi was also conferred the 'Oliy Darajali Do'stlik' Order, Uzbekistan's highest honour for a foreign leader and his 36th international award. Beyond symbolism, the visit yielded substance: sixteen outcomes, by official count.

A Coordination Council at foreign-minister level will steer the relationship, and the Joint Commission moves from secretary- to ministerial-level. The two sides agreed on a long-term uranium-supply framework for India's civil nuclear programme, growing defence cooperation spanning the industrial domain and the 'Dustlik' joint military exercise, and a trade target of $5 billion by 2030 - nearly four times the $1.3 billion in bilateral trade recorded in 2025, itself up a third over the previous year.

Why Uzbekistan? It is Central Asia's demographic and geographic anchor – home to nearly 38 million people, close to half the region's population, bordering all four Central


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KYRGYZSTAN
CHINA
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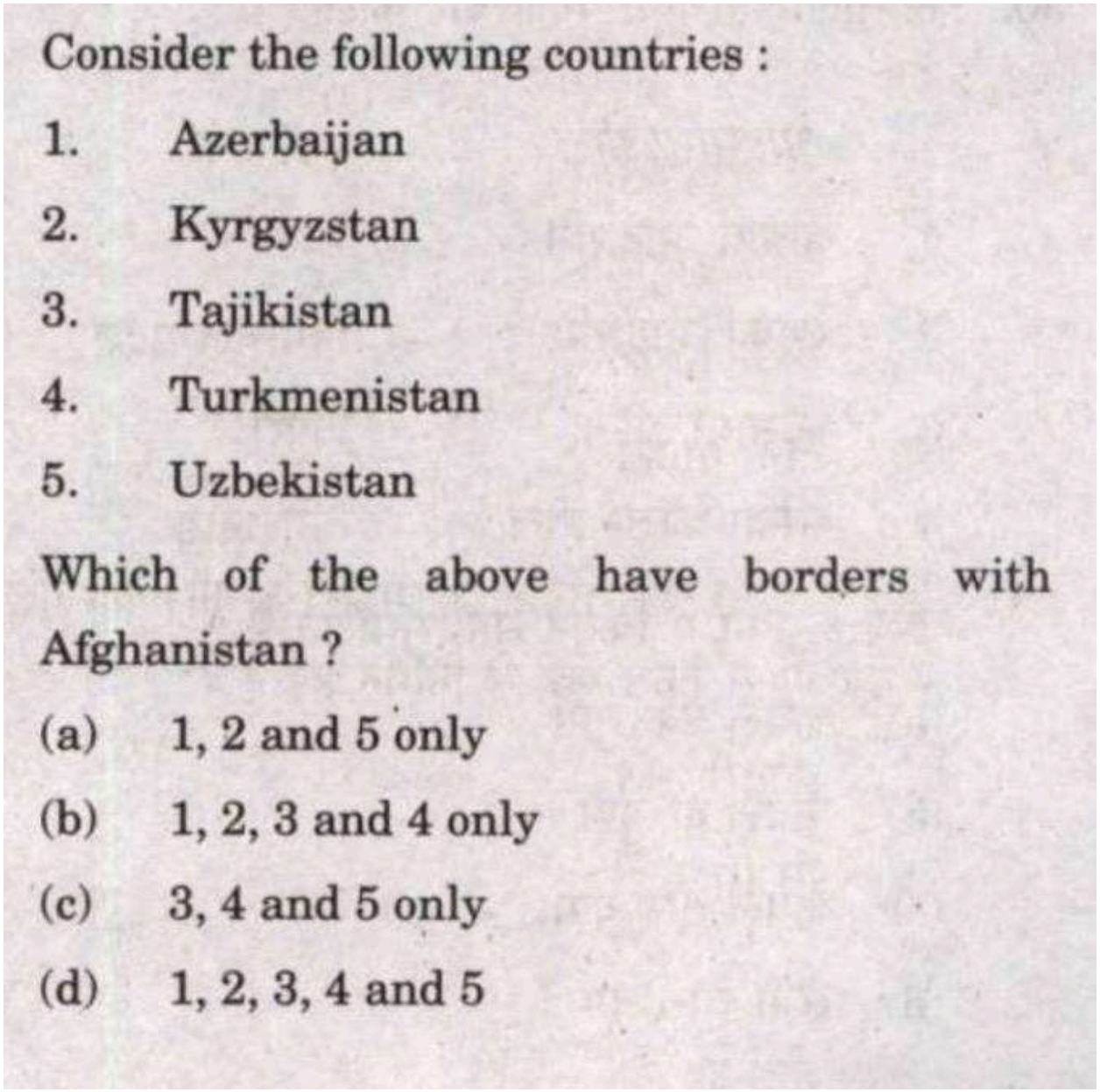
Consider the following countries :

1. Azerbaijan
2. Kyrgyzstan
3. Tajikistan
4. Turkmenistan
5. Uzbekistan

Which of the above have borders with Afghanistan ?

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

1. India–Uzbekistan Comprehensive Strategic Partnership: Why the Upgrade Matters

Source: *The Pioneer* — Editor's Take | **Subject:** International Relations | India–Central Asia | Strategic Partnership

Context: Prime Minister **Narendra Modi's fourth visit to Uzbekistan**, from **29–30 August 2026**, marked a major upgrade in bilateral relations. India and Uzbekistan elevated their **15-year-old Strategic Partnership to a**

Comprehensive Strategic Partnership (CSP) during talks with President **Shavkat Mirziyoyev**.

● Modi was conferred Uzbekistan's **highest state honour for a foreign leader — the "Oliy Darajali Do'stlik" (Order of Friendship of the Highest Degree)**, recognising his contribution to strengthening India–Uzbekistan relations.

● The visit produced **16 major outcomes — 11 agreements/MoUs and 5 announcements** — covering economic, strategic, technological, energy and people-to-people cooperation.

1. India–Uzbekistan Comprehensive Strategic Partnership: Major Outcomes

● **Institutional mechanism:** A **Foreign Ministers-led mechanism** will provide high-level coordination and monitor implementation of bilateral agreements and projects.

● **Trade:** Both sides aim to increase bilateral trade to **over $5 billion by 2030**, with efforts to remove non-tariff barriers, expand the range of traded goods and strengthen business-to-business links. A **Joint Working Group** will address trade and investment barriers.

● **Preferential Trade Agreement:** Following the completion of a **Joint Feasibility Study**, both sides will explore next steps towards a preferential trade arrangement.

● **Uranium & nuclear energy:** The two countries agreed to advance a framework for **long-term uranium supplies from Uzbekistan to India**, while expanding cooperation in peaceful uses of nuclear energy.

● **Critical minerals:** Cooperation will expand in **geological exploration, mining, mineral processing, value addition and recycling**, helping India diversify strategic mineral supply chains.

● **Defence & security:** Cooperation will deepen in **defence industrial cooperation, military exchanges, counter-terrorism, intelligence-sharing and combating organised crime, drug trafficking and cyber threats**. The **Dustlik joint military exercise** continues as an important pillar.

● **Digital & technology:** Cooperation covers **Digital Public Infrastructure, Artificial Intelligence, Information Technology, cybersecurity and space**. A particularly important development is the agreement enabling Indian **Unified Payments Interface (UPI) applications to scan Uzbekistan's UZQR codes for merchant payments**.

2. Wider Economic, Developmental & People-to-People Cooperation

● **Infrastructure & connectivity:** Both sides will work on **multimodal transport routes, logistics corridors and road infrastructure** to reduce transportation costs and improve India–Central Asia connectivity.

● **Agriculture & food security:** Cooperation in agricultural value chains, agricultural technology, livestock, exports and resource-efficient farming will be strengthened.

● **Pharmaceuticals & healthcare:** Cooperation will expand in **medical research, pharmaceutical manufacturing, medical centres, laboratories and technology transfer**, including through Uzbekistan's **Tashkent Pharma Park**.

● **Education & skills:** India will expand cooperation through **Indian Technical and Economic Cooperation (ITEC)**, scholarships, research and higher education. More than **2,700 Uzbek nationals** have participated in ITEC programmes and over **400 Uzbek students** have received Indian Council for Cultural Relations scholarships.

● **Culture:** A **2026–30 Cultural Exchange Programme** and cooperation on archives were agreed. India will also support conservation of the ancient Buddhist sites of **Fayaz Tepa and Kara Tepa** in Termez.

● **Environment:** India announced a **$1 million grant for ecological rehabilitation and afforestation in the Aral Sea region**.

● **Sub-national cooperation: Gujarat and Samarkand region** agreed to establish partnership relations, adding a state-to-region dimension to bilateral ties.

3. Why Uzbekistan Is Strategically Important for India

● **Central Asian anchor:** Uzbekistan is Central Asia's most populous country, with around **38 million people**, and borders all the other Central Asian republics as well as Afghanistan.

● **Connectivity challenge:** India has **no direct land route to Central Asia**. Pakistan's geographical position blocks the most direct overland access, increasing the importance of alternative routes such as **Iran's Chabahar Port and the International North–South Transport Corridor (INSTC)**.

● **Energy & resource security:** Uzbekistan and wider Central Asia offer India opportunities to diversify supplies of **uranium, critical minerals and other strategic resources**.

● **Afghanistan & regional security:** Uzbekistan's proximity to Afghanistan makes cooperation on **counter-terrorism, extremism, organised crime and regional stability** particularly important.

● **Geopolitical space:** Russia remains an important security actor and China a major economic and infrastructure partner in Central Asia. India seeks to establish itself as a **reliable, non-hegemonic development and technology partner**.

● **Civilisational connect:** Historical links through the **Silk Road, Samarkand, Bukhara and Babur's Ferghana roots** provide an additional foundation for contemporary relations.

4. India–Central Asia: Strategic Significance & Way Forward

● The upgrade moves the relationship **beyond traditional diplomacy** towards a comprehensive framework covering **trade, defence, energy, critical minerals, connectivity, technology, healthcare and human-resource development**.

● The biggest challenge is **implementation**: the $5-billion trade target and strategic partnership will require actual projects, improved connectivity, reduced non-tariff barriers and stronger financial/logistics links.

● India should use Uzbekistan as a key gateway for deeper engagement with **Central Asia**, while strengthening **Chabahar–Central Asia connectivity and the INSTC**.

● The partnership should focus on **supply-chain diversification, defence production, critical minerals, uranium, pharmaceuticals, Digital Public Infrastructure and Artificial Intelligence**.

India's quest for energy Atmanirbharta

India's dependence on imported hydrocarbons has long been its greatest energy vulnerability, a risk sharply exposed by recent disruptions to global oil supplies. By investing heavily in offshore exploration, India is seeking not instant self-sufficiency, but a stronger and more resilient energy base capable of cushioning the economy against future geopolitical shocks

ABHISHEK PRATAP SINGH | KAUSTUBH TRIPATHI

The Union Cabinet approved the National Offshore Exploration Scheme, termed Samudra Manthan, on July 2026 31, committing ₹84,084 crore through Financial Year 2030-31, pushing for offshore hydrocarbon exploration, along with the stated ambition of adding over 600 million tonnes of oil equivalent to India's reserve base. This new scheme does not seem to be an incidental policy intervention, but rather part of a larger strategic orientation towards building sustainable energy goals.

In the last four months, India has had to face the test of its energy security challenges, given the closure of the Strait of Hormuz, resulting in the collapse of oil traffic by almost 97 per cent. The vulnerability lies in the very structure of the energy supply chains. India's import dependence on crude oil has climbed from 77 per cent in 2014 to nearly 88 per cent in 2026. Rising domestic demand, stagnant production and the gestation lag have made it more difficult. Also, roughly half of India's natural gas supply is imported from West Asia. Moreover, around 90 per cent of crude is bought from abroad, and half of that transits through the Strait of Hormuz. Even today, indigenous output accounts for only about 12 per cent of total domestic refinery demand.

At the same time, India finds itself competing directly with China for the same limited pool of discounted Russian and Venezuelan oil, a rivalry that analysts expect will continue for as long as Gulf supplies stay constrained by conflict. Russian oil, meanwhile, has grown more expensive to keep buying, since the risk now attached to it has pushed up the premium that buyers are forced to pay. Every lever India has used so far to manage its import dependence, whether that is Russian discounts, diversity of Gulf suppliers, or flexibility in the spot market, has been narrowed in recent months, laying bare the very risk that this dependence always carried.

Samudra Manthan can be best seen as India's long-term policy response to disruptions in global energy supply chains, aiming to convert demonstrated vulnerabilities into a long-term industrial project. Pushing for local exploration is not just an economic or policy goal but a geopolitical imperative. Huge public investment in offshore exploration is a well-intended political choice made by the government.

For the past two decades, India's energy strategy has leaned mainly on demand-side diversification. In simple terms, this has meant buying oil from a wider range of countries, settling payments in different currencies, and relying on a greater variety of shipping routes. To say, when Hormuz was shut, India's energy diversification strategy of the preceding three years was tested and found to be only partially adequate, with floating Russian cargoes at sea and a temporary waiver from Washington permitting their purchase. Samudra Manthan is trying to address this challenge from the supply side of the energy equation. This policy is more inclined towards reducing India's reliance on external energy shocks, given any kind of geopolitical volatility. Offshore exploration is one lever that India can possibly design and operate on its own terms, and that is precisely what Samudra Manthan is largely aiming for in the longer run.

SAMUDRA MANTHAN CAN BE BEST SEEN AS INDIA'S LONG TERM POLICY RESPONSE TO DISRUPTIONS IN THE GLOBAL ENERGY SUPPLIES CHAINS, AIMING TO CONVERT DEMONSTRATED VULNERABILITIES INTO A LONG TERM INDUSTRIAL PROJECT. PUSHING FOR LOCAL EXPLORATION IS NOT JUST AN ECONOMIC OR POLICY GOAL BUT A GEOPOLITICAL IMPERATIVE

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Some critics may argue that with this policy initiative, India is moving away from clean energy. However, energy security and energy transition are not necessarily mutually exclusive objectives. The prolonged dependence of heavy transport, aviation, shipping, and petrochemicals on hydrocarbons underscores the strategic urgency of bolstering domestic energy output and production capacity over imported fuels. Another argument is that domestic production is not a quick substitute for import security, and the scheme's own six-year horizon concedes this fact. Deepwater and ultra-deepwater exploration, which Samudra Manthan is designed to accelerate, are globally among the most expensive hydrocarbon initiatives. In addition, they require quite advanced and complex technological support, big-term investment timelines, and stable policy frameworks.

Having said that, this new policy by the Modi government is pushing India's overarching energy transition from source diversification to import substitution by building home-grown offshore resources. The Samudra Manthan policy operationalises this strategic doctrine through three transformative takeaways.

Firstly, it dismantles historic exploration bottlenecks by co-funding up to 50 per cent of high-risk deepwater drilling costs, catalysing substantial private and global upstream investments into this sector. Secondly, scaling domestic crude and natural gas output constructs a reliable "strategic buffer" that insulates core industries like aviation, shipping, and heavy freight logistics from recurring supply chain disruptions.

And thirdly, in the longer run, by drastically reducing the country's energy import bill, it preserves critical foreign exchange reserves, enabling India to reinvest sovereign capital into building state-of-the-art subsea infrastructure and indigenous industrial supply chains. More importantly, this can lead to developing domestic advanced naval capabilities, cementing our stature as a formidable maritime power in the Indian Ocean.

The fact that Samudra Manthan addresses the structural, decade-scale vulnerability in India's energy security is very significant and well timed. The scheme's success should be measured not against whether it makes India self-sufficient, but whether it narrows, even if incrementally, the gap between a growing economy's appetite for oil and the barrels that India imports globally. Thus, Samudra Manthan is not a stand-alone policy initiative but part of a broader policy strategy to maximise every viable domestic energy resource and aim for self-reliance in energy security for India in the near future.

11. भारत की ऊर्जा सुरक्षा की प्रमुख चुनौतियों को समझाइए। आर्थिक संवृद्धि तथा संधारणीयता के साथ, ऊर्जा सुरक्षा को सुनिश्चित करने हेतु आप किन उपायों का सुझाव देंगे ? (उत्तर 250 शब्दों में दीजिए)

Explain the key challenges for India's energy security. What measures do you suggest for ensuring energy security along with economic growth and sustainability ? (Answer in 250 words) 15

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2. Samudra Manthan: Strengthening India's Offshore Energy Security

Source: *The Pioneer*
Subject: Energy Security | Offshore Exploration | Atmanirbhar Bharat

Context: India imports around **88% of its crude oil**, making it vulnerable to global price shocks and geopolitical disruptions.

● **Samudra Manthan — National Offshore Exploration Scheme**, approved on **31 July 2026**, has an outlay of **₹84,084 crore up to FY 2030–31** to accelerate exploration of India's deepwater and ultra-deepwater hydrocarbon resources.

1. Samudra Manthan — Key Features

● **Seismic surveys — ₹28,534 crore:** 2D/3D surveys, improved geological data and Artificial Intelligence-based identification of exploration prospects.

● **Deepwater exploration — ₹43,200 crore:** Support for **60 deepwater/ultra-deepwater wells**; government support up to **50% of eligible drilling cost or ₹675 crore per well**, whichever is lower.

● **Common infrastructure — ₹10,000 crore:** Shared offshore production and evacuation infrastructure to make smaller discoveries commercially viable.

● **Manufacturing & services — ₹2,000 crore:** Development of domestic offshore equipment, engineering and specialised services.

2. Expected Outcomes

● **600+ Million Metric Tonnes of Oil Equivalent (MMTOE)** additional hydrocarbon reserves.

● Potential increase in India's resource base from about **1.6 billion to 2.2 billion tonnes of oil equivalent**.

● Domestic production target: **62 → 80 MMTOE annually**.

● Potential reduction in the import bill by **nearly ₹1 lakh crore annually**, if exploration translates into commercial production.

3. Why It Matters for India

● **Energy security:** Reduces vulnerability to international supply disruptions and crude-price volatility.

● **Foreign-exchange savings:** Higher domestic production can reduce expenditure on crude imports.

● **Atmanirbharta:** Promotes domestic capabilities in **offshore drilling, engineering, equipment and technology**.

● **Strategic resilience:** Strengthens India's capacity to withstand disruptions in critical energy supply routes.

4. Challenges & Way Forward

● Deepwater exploration involves **high geological and financial risks, advanced technology and long gestation periods**.

● Offshore development must balance energy security with protection of **marine ecosystems and coastal livelihoods**.

● Therefore, India needs a **diversified energy strategy** combining domestic hydrocarbons with **renewables, nuclear energy, energy efficiency and strategic petroleum reserves**.

The Baltic Way — Gandhi's imprint on Baltic freedom

August 23, 2026, marked the 37th anniversary of the Baltic Way, the historic 1989 human chain that became a watershed moment in the Gandhian-inspired Singing Revolution in Lithuania, Latvia, and Estonia, culminating in the restoration of Baltic independence in 1990-91. Conversations across the Baltic states revealed powerful personal reflections on the Baltic Way and Gandhian non-violence: "We studied India's freedom struggle and chose Gandhian non-violent resistance to reclaim our national freedom from Soviet rule." "We watched the film *Gandhi* on Lithuanian national television, telecast for 24 hours." "It was thrilling to join a non-violent protest against the Soviet army at Vilnius Cathedral Square; even as a bullet passed near my ear, I stood firm." "Baltic Way matters a lot for us today."

A turning point

The Singing Revolution (1986-91), shaped by songs and non-violence during Mikhail Gorbachev's perestroika and glasnost, reached a turning point with the Baltic Way, when two million people formed a 675-kilometre human chain from Tallinn through Riga to Vilnius, demanding freedom from Soviet rule. It remains a powerful symbol of unity, solidarity, and freedom. The Baltic Way was organised on the 50th anniversary of the 1939 Molotov-Ribbentrop Pact to expose its secret protocol, which divided Eastern Europe into German and Soviet spheres of influence, and paved the way for the Soviet annexation of the Baltic states in 1940. Having gained independence in 1918, the Baltics lost it after 22 years. The Baltic Way exposed Soviet-era repression, leading to the Soviet Union's acknowledgement of the secret protocol's existence and the Baltic states' re-independence in 1991. Its global media coverage drew international attention, while its inscription in UNESCO's Memory of the World Register and Guinness World Records recognition reinforced its international legacy.

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The Mahatma's principles of non-violence have forged enduring bonds between the Baltics and India

An enduring influence

Gandhi's ideas travelled globally, inspiring movements from the American civil rights struggle to South Africa and beyond. Today, the Baltic Way reflects the enduring relevance of his principles of non-violence, truth, and human dignity, while echoing the non-cooperation and civil disobedience of his 1930 Dandi March.

Gandhi showed that moral authority could outweigh military power through ahimsa, satyagraha, civil resistance, mass mobilisation, and the principle that a nation's rule depends on people's consent and cooperation. The Baltic Way and the Singing Revolution stand as a testimony to the success of people's power and civilian-based defence drawn from the Gandhi-led Indian freedom movement.

The Singing Revolution's leaders drew on global traditions of non-violent resistance. Latvian scholar Maija Kūle noted that, lacking local theorists, they turned to Gandhi and Martin Luther King Jr.; Latvia's earlier cultural links with India may also have encouraged this attraction to Gandhian ideas. Lithuania, too, played a key role in developing non-violent civilian-based defence inspired by Gandhi.

In a 2012 conversation with this writer, the late Prof. Gražina Miniotaitė, a leading ideologue of Lithuania's Singing Revolution, recalled that non-violence was widely understood from the outset as essential. The December 1990 "Republic in Danger" declaration urged adherence to "non-violence and non-cooperation with the occupational authorities".

Unlike other thinkers of non-violence, Miniotaitė regarded Gandhi as the most successful in both theory and practice, demonstrating that non-violent struggle could effectively resist foreign rule. Richard Attenborough's 1982 film *Gandhi* was broadcast on Lithuanian national television to educate citizens about non-violent resistance. Confronting Soviet troops, people repeated: "We won't fight," "We follow Gandhi," and "We are peaceful people."

Building closer ties

Since 1992, the Baltic states have drawn on Gandhian and cultural ties to deepen relations with India, expanding cooperation in technology, sustainability, the blue economy, and culture. The Government of India's Ministry of Commerce and Industry estimates show that India's total bilateral trade with Lithuania reached $490.61 million; with Latvia, $475.66 million, and with Estonia, $219.69 million in 2025-26.

Baltic political discourse reflects Gandhian influence through Gandhi's Lithuanian-born Litvak "soulmate" Hermann Kallenbach; Vydūnas's engagement with Gandhian thought; Antanas Poška's meetings with Gandhi; Sonja Schlesin's secretaryship; and Estonian translations of Gandhi by Linnart Hall. These ties continue through annual commemorations of the 2015 Gandhi-Kallenbach monument in Kallenbach's birthplace, Rusnė, most recently in July 2026; the Kallenbach Memorial Lectures; and the India-Lithuania Friendship Award (this year, it honoured the people of Goa during the 400th anniversary of missionary Andrius Rudamina). India has also gifted Gandhi memorials to the Baltics, including a bust unveiled in Latvia in 2019 and a statue installed in Estonia in 2025.

The Baltic Way endures as a chain of freedom and ideas, linking courage with conscience. Its contemporary significance is multifaceted: a model of non-violent resistance, a site of contested memory, a narrative in Russia-West tensions, and ultimately, a tribute to Gandhi and India.

3. The Singing Revolution & the Baltic Way

Source: *The Hindu*
Subject: World History | International Relations | Non-Violent Resistance

Context: The **Singing Revolution (1987–1991)** was a peaceful mass movement in **Estonia, Latvia and Lithuania** that ultimately restored their independence from the Soviet Union.

1. From Cultural Resistance to Independence

● **Cultural mobilisation:** Songs, national symbols and public gatherings became instruments of peaceful political resistance.

● **Baltic Way — 23 August 1989:** Nearly **2 million people** formed a **675-km human chain** across Estonia, Latvia and Lithuania, demonstrating their collective demand for freedom.

● **Historical significance:** The movement challenged Soviet control and culminated in the restoration of independence of the three Baltic states in **1990–91**.

2. Gandhian Non-Violence as a Strategy

● **Ahimsa:** Resistance remained deliberately non-violent despite the presence of overwhelming Soviet military power.

● **Satyagraha & non-cooperation:** Activists used **civil resistance, mass mobilisation and withdrawal of cooperation** rather than armed confrontation.

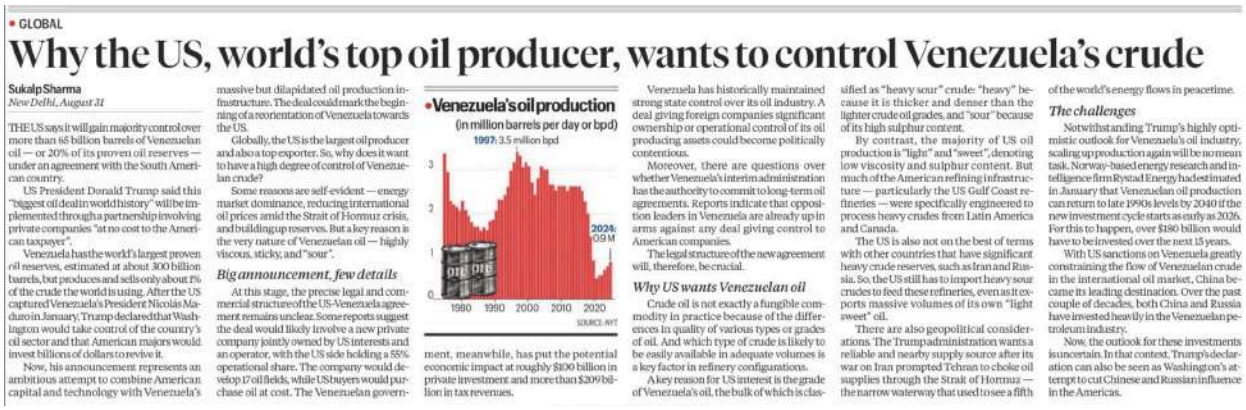
● **Moral authority:** The movement demonstrated that disciplined civilian resistance can undermine the legitimacy of coercive power.

3. Core Lesson & Significance

● **People power:** Political authority ultimately depends upon the **consent and cooperation of the governed**.

● **Mass solidarity:** Unified civilian action can become a powerful political force even against a militarily superior state.

● **National self-determination:** The Baltic experience illustrates how **peaceful resistance + cultural identity + collective action** can achieve political freedom.



• GLOBAL

Why the US, world's top oil producer, wants to control Venezuela's crude

Sukalp Sharma
New Delhi, August 31

THE US says it will gain majority control over more than 65 billion barrels of Venezuelan oil — or 20% of its proven oil reserves — under an agreement with the South American country.

US President Donald Trump said this "biggest oil deal in world history" will be implemented through a partnership involving private companies "at no cost to the American taxpayer".

Venezuela has the world's largest proven oil reserves, estimated at about 300 billion barrels, but produces and sells only about 1% of the crude the world is using. After the US captured Venezuela's President Nicolás Maduro in January, Trump declared that Washington would take control of the country's oil sector and that American majors would invest billions of dollars to revive it.

Now, his announcement represents an ambitious attempt to combine American capital and technology with Venezuela's massive but dilapidated oil production infrastructure. The deal could mark the beginning of a reorientation of Venezuela towards the US.

Globally, the US is the largest oil producer and also a top exporter. So, why does it want to have a high degree of control of Venezuelan crude?

Some reasons are self-evident — energy market dominance, reducing international oil prices amid the Strait of Hormuz crisis, and building up reserves. But a key reason is the very nature of Venezuelan oil — highly viscous, sticky, and "sour".

Big announcement, few details

At this stage, the precise legal and commercial structure of the US-Venezuela agreement remains unclear. Some reports suggest the deal would likely involve a new private company jointly owned by US interests and an operator, with the US side holding a 55% operational share. The company would develop 17 oil fields, while US buyers would purchase oil at cost. The Venezuelan government, meanwhile, has put the potential economic impact at roughly $100 billion in private investment and more than $209 billion in tax revenues.

Venezuela's oil production
(in million barrels per day or bpd)

Venezuela has historically maintained strong state control over its oil industry. A deal giving foreign companies significant ownership or operational control of its oil producing assets could become politically contentious.

Moreover, there are questions over whether Venezuela's interim administration has the authority to commit to long-term oil agreements. Reports indicate that opposition leaders in Venezuela are already up in arms against any deal giving control to American companies.

The legal structure of the new agreement will, therefore, be crucial.

Why US wants Venezuelan oil

Crude oil is not exactly a fungible commodity in practice because of the differences in quality of various types or grades of oil. And which type of crude is likely to be easily available in adequate volumes is a key factor in refinery configurations.

A key reason for US interest is the grade of Venezuela's oil, the bulk of which is classified as "heavy sour" crude: "heavy" because it is thicker and denser than the lighter crude oil grades, and "sour" because of its high sulphur content.

By contrast, the majority of US oil production is "light" and "sweet", denoting low viscosity and sulphur content. But much of the American refining infrastructure — particularly the US Gulf Coast refineries — were specifically engineered to process heavy crudes from Latin America and Canada.

The US is also not on the best of terms with other countries that have significant heavy crude reserves, such as Iran and Russia. So, the US still has to import heavy sour crudes to feed these refineries, even as it exports massive volumes of its own "light sweet" oil.

There are also geopolitical considerations. The Trump administration wants a reliable and nearby supply source after its war on Iran prompted Tehran to choke oil supplies through the Strait of Hormuz — the narrow waterway that used to see a fifth of the world's energy flows in peacetime.

The challenges

Notwithstanding Trump's highly optimistic outlook for Venezuela's oil industry, scaling up production again will be no mean task. Norway-based energy research and intelligence firm Rystad Energy had estimated in January that Venezuelan oil production can return to late 1990s levels by 2040 if the new investment cycle starts as early as 2026. For this to happen, over $180 billion would have to be invested over the next 15 years.

With US sanctions on Venezuela greatly constraining the flow of Venezuelan crude in the international oil market, China became its leading destination. Over the past couple of decades, both China and Russia have invested heavily in the Venezuelan petroleum industry.

Now, the outlook for these investments is uncertain. In that context, Trump's declaration can also be seen as Washington's attempt to cut Chinese and Russian influence in the Americas.

4. Why the U.S., World's Top Oil Producer, Wants Control Over Venezuela's Crude

Source: *The Indian Express*
Subject: Energy Security | Geopolitics | U.S.–Venezuela Relations

1. Context: A Huge Oil Reserve with Collapsed Production

● **Venezuela has the world's largest proven oil reserves — around 300 billion barrels**, but produces only about **1% of the crude consumed globally**.

● Production has fallen drastically from **3.5 million barrels/day in 1997 to around 0.9 million barrels/day in 2024**, due to underinvestment, sanctions and severely deteriorated infrastructure.

● The U.S. is seeking greater control over Venezuelan crude to combine **American capital and technology with Venezuela's enormous but underutilised resources**.

2. What the Proposed U.S.–Venezuela Arrangement Means

● The U.S. says it would gain control over **more than 65 billion barrels of Venezuelan oil**, or about **20% of its proven reserves**.

● The proposed arrangement reportedly involves **U.S.-linked private companies investing in and operating Venezuelan oilfields**, while U.S. buyers purchase the crude.

● Potential impact: around **$100 billion in private investment** and more than **$209 billion in tax revenues**, according to the article.

● However, the **precise legal and commercial structure remains unclear**, making Venezuelan sovereignty and the durability of the arrangement important questions.

3. Why the U.S. Wants Venezuelan Oil

● **Heavy crude requirement:** Venezuelan crude is **heavy and "sour" (high sulphur)**. Several U.S. Gulf Coast refineries were specifically designed to process such crude.

● **Geographical advantage:** Venezuela provides a **nearby source of heavy crude**, reducing dependence on more distant suppliers.

● **Energy-security calculation:** The U.S. wants reliable supplies amid disruptions such as the **Strait of Hormuz crisis**.

● **Strategic influence:** Greater U.S. control could reduce the role of **China and Russia**, which have invested heavily in Venezuela's petroleum sector.

4. The Central Paradox

● The **U.S. is the world's largest oil producer**, but its production is predominantly **light and sweet crude**.

● Venezuela has the **world's largest reserves**, but its production capacity is severely constrained.

● Therefore, the proposed arrangement attempts to match **U.S. capital, technology and refining capacity** with **Venezuela's large heavy-oil reserves**.

5. Key Challenges

● **Dilapidated infrastructure:** Reviving production would require enormous investment; the article cites an estimate of **over $180 billion over 15 years** to restore output to historically high levels.

● **Political/legal uncertainty:** Venezuela has traditionally maintained strong state control over its oil industry; questions remain over the government's authority to make long-term agreements.

● **Geopolitical resistance:** Existing Chinese and Russian interests could complicate restructuring of Venezuela's petroleum sector.

Over 7,200 CBI cases under Prevention of Corruption Act pending trial, says CVC report

The Hindu Bureau
NEW DELHI

Over 7,200 cases probed by the Central Bureau of Investigation (CBI) under the Prevention of Corruption (PC) Act were pending trial as on December 31, 2025. Of these, more than 400 cases were pending for over 20 years, according to the annual report of the Central Vigilance Commission (CVC).

Apart from the 7,229 cases under the Prevention of Corruption (PC) Act awaiting completion of trials, there were 14,083 appeals, revisions, and writ petitions pending under the Act in the High Courts and the Supreme Court. Of them, 3,161 were 10-15 years old, while 1,347 were 15-20 years old, and 739 were over 20 years old.

In 2025, the conviction rate in CBI cases was 71.71% against 69.14% for 2024. At the end of the year, 11,510 court cases (including the cases not registered under the PC Act) were pending under trial in various courts.

14,083 appeals, revisions, and writ pleas under the PC Act are pending in HCs and the SC.

Last year, the agency had 755 corruption-related cases pending investigation. They included 679 regular cases, 63 preliminary enquiries, and 13 Lokpal references. Of the 679 regular cases, 274 had been pending for over one year. During the year, the CBI registered 797 regular cases, 177 preliminary enquiries, and recorded 31 Lokpal references.

1,088 vacancies

As of December 31, 2025, sanctioned strength of the CBI was 7,300. However, there were 1,088 vacant positions. The largest vacancy of 672 posts was in the executive ranks. For officers under CVC jurisdiction, 1,460 departmental inquiries were under process during last year, of which 731 were completed. For employees outside its purview, 9,883 departmental inquiries were under process, of which 5,561 were completed.

As many as 34,153 complaints, besides 1,260 carried forward from 2024, were received by the Commission during 2025. It disposed of 35,193 complaints.

5. Over 7,200 Central Bureau of Investigation Corruption Cases Pending Trial

Source: *The Hindu*
Subject: Polity & Governance | Anti-Corruption Institutions | Judicial Delays

Context: The **Central Vigilance Commission (CVC)** has highlighted the large and prolonged backlog of corruption cases investigated by the **Central Bureau of Investigation (CBI)**, with several cases pending for decades.

1. Central Vigilance Commission — Basics

● **Established:** 1964, following the recommendations of the **Santhanam Committee**; given statutory status under the **Central Vigilance Commission Act, 2003**.

● **Nature:** A **statutory vigilance body** responsible for overseeing vigilance administration and addressing corruption-related matters in the Central Government.

● **Composition:**
→ **1 Central Vigilance Commissioner — Chairperson**
→ **Not more than 2 Vigilance Commissioners**

● **Appointment:** By the **President of India**, on the recommendation of a committee comprising the **Prime Minister, Union Home Minister and Leader of Opposition in the Lok Sabha**.

● **Tenure: 4 years or until 65 years of age**, whichever is earlier.

2. Powers & Functions of the Central Vigilance Commission

● **Superintendence over CBI:** Exercises superintendence over the CBI in matters relating to investigation of offences under the **Prevention of Corruption Act, 1988**.

● **Monitoring:** Reviews the progress of CBI investigations and prosecution-sanction matters.

● **Inquiry:** May inquire or cause inquiries into specified corruption allegations involving Central Government public servants and certain Central Government-controlled bodies.

● **Advisory role:** Advises Central Government organisations on **vigilance and disciplinary matters**.

● **Whistle-blower mechanism:** Receives protected disclosures relating to corruption and misuse of office under the prescribed framework.

3. CVC Report — Number & Nature of Pending Cases

● **7,229 cases** under the **Prevention of Corruption Act** were pending trial as of **31 December 2025**.

● **400+ cases** had remained pending for **more than 20 years**.

● **3,161 cases:** Pending for **10–15 years**.

● **1,347 cases:** Pending for **15–20 years**.

● **739 cases:** Pending for **over 20 years**.

● **14,083 appeals, revisions and writ petitions** relating to such cases were pending before the **High Courts and Supreme Court**.

● **755 corruption-related cases** were pending investigation with the CBI at the end of 2025.

4. CBI Performance & Capacity

● **Conviction rate:** CBI recorded a **71.71% conviction rate in 2025**, up from **69.14% in 2024**.

● **Vacancies:** Against a sanctioned strength of **7,300**, the CBI had **1,088 vacancies**, including **672 executive-level vacancies**.

● Thus, the issue is not simply the ability to investigate and secure convictions; **delays in completing the judicial process remain a major concern**.

5. Why Does the Pendency Matter?

● **Weakens deterrence:** When corruption cases take decades to conclude, the threat of punishment loses its effectiveness.

● **Delays accountability:** Accused persons, witnesses and institutions remain involved in prolonged litigation.

● **Reduces public confidence:** Persistent delays can weaken trust in the effectiveness of anti-corruption institutions.

● **Systemic bottleneck:** The problem extends across the entire chain — **investigation** → **prosecution** → **trial** → **appeal**.

6. Way Forward

● **Fill CBI vacancies** and strengthen specialised investigative capacity.

● Improve coordination between **CBI, CVC, sanctioning authorities, prosecutors and courts**.

● Promote **time-bound investigation and trial** of corruption cases.

● Strengthen prosecution capacity and reduce avoidable delays in **sanction, trial and appeals**.

● At the same time, ensure that faster disposal does not compromise **due process and the right to a fair trial**.

GST revenue grows 14.8% in Aug. to nearly ₹2 lakh crore

Official data show revenue from imports grew 29%, whereas revenue from domestic transactions grew in the single digits; net collections grew a relatively lower 8.3% on higher refunds given out

T.C.A. Sharad Raghavan
NEW DELHI

Gross Goods and Services Tax (GST) collections grew nearly 15% to about ₹2 lakh crore in August, official data released on Tuesday showed. Net collections, however, grew a relatively lower 8.3% on higher refunds being given out.

The Gross GST revenue stood at ₹1,99,853 crore in August 2026, reflecting the business activity of July.

The data also shows that the collections for August last year were revised downward from the originally reported ₹1.86 lakh crore to ₹1.74 lakh crore. As a result, the growth in gross collections in July 2026 now stands at 14.8%.

Had the July 2025 figure not been revised, growth in gross GST collections in August 2026 would have been 7%.

The sharp 72.6% surge in domestic refunds driven by inverted duty structures signals an imbalance, says an analyst. GETTYIMAGES/ISTOCK

Within the data, tax analysts have also pointed out the continued robust growth in revenues from imports as opposed to the slower growth in revenue from domestic transactions.

"The quality of collections warrants closer attention," Manoj Mishra, Partner and Tax Controversy Management Leader at Grant Thornton Bharat said. "While gross GST revenue expanded by 14.8% year-on-year, domestic collections grew 9.3%, whereas import-related GST surged 29%, indicating that trade-linked activity continues to make a disproportionately higher contribution to revenue buoyancy."

They also pointed out that the sharp increase in refunds, which grew nearly 68% overall in August 2026, also pointed to structural issues that the GST Council should take note of in its next meeting scheduled on September 12.

"The sharp 72.6% surge in domestic refunds, driven by inverted duty structures, signals a structural imbalance that warrants urgent redressal," Vivek Jalan, Partner at Tax Connect Advisory Services LLP said. "The Hon'ble GST Council may address these anomalies in its forthcoming meeting to ensure that the tax framework supports competitiveness."

6. Goods and Services Tax Revenue Grows 14.8% in August to Nearly ₹2 Lakh Crore

Source: *The Hindu*
Subject: Economy | Taxation | Fiscal Policy

Context: Gross Goods and Services Tax (GST) collections rose **14.8% year-on-year to ₹1,99,853 crore in August 2026**, but the composition of

revenue growth and sharp rise in refunds indicate structural issues that require attention.

1. Goods and Services Tax — Concept & Basics

● **Goods and Services Tax (GST)** is a **destination-based, value-added indirect tax** imposed on the **supply of goods and services**.

● It replaced a large number of Central and State indirect taxes and was implemented nationwide on **1 July 2017**.

● **Constitutional basis:** The **101st Constitutional Amendment Act, 2016** inserted **Article 246A**, giving Parliament and State Legislatures concurrent powers to make GST laws.

● **Destination-based taxation:** Tax revenue ultimately accrues to the jurisdiction **where goods or services are consumed**, rather than where they are produced.

● **Value-added taxation:** GST is collected at different stages of the supply chain, while businesses can claim **Input Tax Credit (ITC)** for GST already paid on eligible inputs.

● This prevents **cascading or "tax on tax"**, thereby improving tax efficiency.

2. Structure of GST in India

● **Central Goods and Services Tax (CGST):** Levied by the Centre on **intra-State supplies**.

● **State Goods and Services Tax (SGST):** Levied by the State on **intra-State supplies**.

● **Integrated Goods and Services Tax (IGST):** Levied on **inter-State supplies and imports** and subsequently apportioned according to the prescribed mechanism.

● **Union Territory Goods and Services Tax (UTGST):** Applicable to supplies within specified Union Territories.

3. GST Council — Institutional Framework

● **Constitutional body:** Established under **Article 279A**.

● **Chairperson:** Union Minister of Finance.

● **Members:** Union Minister of State in charge of Revenue/Finance and the **Finance or Taxation Ministers of States/UTs**.

● **Role:** Recommends GST **rates, exemptions, thresholds, model laws and other major aspects** of the GST framework.

4. August 2026 GST Collections — Key Data

● **Gross GST revenue: ₹1,99,853 crore**, registering **14.8% year-on-year growth**.

● The collections reflect economic activity during **July 2026**.

● The previous year's August collection was revised downward from **₹1.86 lakh crore to ₹1.74 lakh crore**. Consequently, the reported growth is **14.8%**; without the revision, it would have been around **7%**.

● **Net GST collections:** Increased by only **8.3%**, significantly below gross collection growth because of higher refunds.

5. Domestic Transactions vs Imports

● **Revenue from domestic transactions:** Increased by **9.3%**.

● **Revenue from imports:** Increased by a much higher **29%**.

● This indicates that **trade/import-linked activity contributed disproportionately to GST revenue growth**, while domestic GST revenue expanded at a comparatively slower pace.

Significance:
● Strong import-related collections support overall revenue buoyancy, but sustained GST growth requires a stronger and broader **domestic tax base** as well.

6. Rising Refunds — The Major Concern

● Overall GST refunds increased by nearly **68% in August 2026**.

● **Domestic refunds increased by 72.6%**, raising concerns about structural distortions within the GST rate framework.

● One important issue is the **inverted duty structure**, where:

GST rate on inputs > GST rate on final product

● This can result in accumulation of **Input Tax Credit**, requiring businesses to claim refunds and potentially creating **working-capital pressures**.

● Therefore:

Gross GST revenue ↑ 14.8% → Refunds ↑ nearly 68% → Net revenue growth limited to 8.3%.

7. What Does the Data Indicate?

● **Revenue mobilisation remains strong:** Gross collections approaching ₹2 lakh crore indicate robust tax collection.

● **But growth is uneven:** Domestic transaction revenue grew only **9.3%**, compared with **29% for imports**.

● **High refunds dilute revenue gains:** The sharp rise in refunds substantially widened the gap between gross and net collections.

● **Structural reform is needed:** The large increase in domestic refunds, particularly due to inverted duty structures, warrants examination by the **GST Council**.

8. Way Forward

● **Rationalise inverted duty structures** to reduce unnecessary accumulation of Input Tax Credit.

● Strengthen **domestic tax compliance and formalisation** to make GST growth less dependent on import-related revenue.

● Use improved **data analytics and digital systems** to identify evasion while facilitating genuine compliance.

● Periodically review GST rates and exemptions to make the system **simpler, predictable and economically efficient**.

● Ensure that legitimate refunds are processed **quickly**, while preventing misuse of the refund mechanism.

VIENNA

UN report finds Syria was building a nuclear reactor in Deir el-Zour

AP

UN nuclear watchdog inspectors found that "former Syrian authorities failed to report nuclear material, facilities and activities as required under safeguards agreements", a confidential report said. Inspectors of IAEA confirmed reactor infrastructure at Deir el-Zour and verified about "73 tonnes of natural uranium". AP

7. Syria's Deir el-Zour Nuclear Reactor Issue

Source: *The Hindu*
Subject: International Relations | Nuclear Non-Proliferation

Context: A United Nations report has found that **former Syrian authorities failed to declare nuclear material and facilities**, while International Atomic Energy Agency inspectors confirmed reactor infrastructure at **Deir el-Zour**.

1. Location in News — Deir el-Zour

● **Deir el-Zour** is a city and governorate in **eastern Syria**, located along the **Euphrates River**, close to Syria's borders with Iraq.

● It is strategically important because of its location in **eastern Syria**, an area connected to regional trade routes and affected by the wider conflicts involving Syria, Iraq and various armed groups.

● **Nuclear angle:** A suspected nuclear reactor was being constructed at **Deir el-Zour**. The facility was destroyed in **2007**.

● International Atomic Energy Agency inspectors later found evidence that the facility was **very likely a nuclear reactor** and that Syria should have declared it under its safeguards obligations.

2. International Atomic Energy Agency — IAEA

● **Established: 1957**
● **Headquarters: Vienna, Austria**

● **Purpose:** To promote the **peaceful use of nuclear energy** and prevent the diversion of nuclear technology and material towards **nuclear weapons**.

● **Nuclear safeguards:** The IAEA verifies that declared nuclear material and facilities are being used for **peaceful purposes**.

● **In the Syrian case:** IAEA inspectors confirmed **reactor infrastructure at Deir el-Zour** and verified about **73 tonnes of natural uranium**.

● The issue arose because Syria had **failed to declare nuclear material, facilities and activities** as required under its safeguards agreement.