



India-US Trade Deal finalised

India will now attract reduced tariff of 18%, down from the punitive 50%.



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6th Feb. - 12th Feb., 2026

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6th FEBRUARY 2026

16th Finance Commission Recommendations

- **Context:** The 16th Finance Commission chaired by Arvind Panagariya, recommended ₹7,91,493 crore in grants to rural and urban local bodies along with structural reforms to strengthen local governance.

About Finance Commission

- The Finance Commission is a constitutional body constituted by the President of India under Article 280, that recommends how tax revenues collected by the Central government should be distributed among the Centre and various States in the country.
- The Commission is reconstituted every five years and usually takes a couple of years to make its recommendations to the Centre.
- The Centre is not legally bound to implement the suggestions made by the Finance Commission.

Tax Devolution

- The Finance Commission decides what proportion of the Centre's net tax revenue goes to the States overall (vertical devolution) and how this share for the States is distributed among various States (horizontal devolution).
- The horizontal devolution of funds between States is usually decided based on a formula created by the Commission that takes into account a State's population, fertility level, income level, geography, etc.
- The Centre also aids States through additional grants for certain schemes that are jointly funded by the Centre and the States.

Challenges in Local Bodies Financing

- **Low own revenue:** Local bodies' revenue constitutes only around 0.4% of GDP, which is very low compared to global standards. Property tax collection remains inefficient and under-assessed.

- **Heavy Dependence on Grants:** Most local bodies rely overwhelmingly on transfers from the Centre and states, limiting fiscal autonomy and long-term planning capacity.
- **Irregular State Finance Commissions:** Many states fail to constitute SFCs on time, disrupting predictable fiscal devolution and weakens local governance.
- **Capacity Constraints:** Limited administrative and technical expertise affects budgeting, financial management, and efficient utilisation of funds.

Key recommendations for strengthening local bodies

- **Financial Allocations:** ₹7,91,493 crore allocated for the 2026–31 period. The grant is divided in a 60 : 40 ratio between Rural Local Bodies (RLBs) and Urban Local Bodies (ULBs).
- **Mandatory Entry-Level Conditions:** Grants are only released if states meet three critical governance criteria:
 - **Constitutional Compliance:** Proper constitution of local bodies.
 - **Financial Transparency:** Timely public disclosure of provisional and audited accounts.
 - Timely constitution of State Finance Commissions (SFCs).
- **Urbanisation and Infrastructure Reforms:**
 - **Urbanisation Premium:** A ₹10,000 crore one-time grant to incentivize states to merge peri-urban villages into larger ULBs (population >1 lakh) and formulate a Rural-to-Urban Transition Policy.
 - **Special Infrastructure Component:** ₹56,100 crore for wastewater management in cities with a population between 10-40 lakh.

Frontier Nagaland Territorial Authority

- **Context:** The Government of India, the Government of Nagaland, and representatives of the Eastern Nagaland Peoples' Organisation (ENPO) have signed a historic agreement for the creation of the Frontier Nagaland Territorial Authority (FNTA).

About Frontier Nagaland Territorial Authority

- FNTA will cover six districts — Tuensang, Mon, Kiphire, Longleng, Noklak and Shamator inhabited by eight major Naga tribes represented by ENPO.
- The agreement provides for devolution of powers over 46 subjects to FNTA, enhancing administrative and developmental autonomy.
- A Mini-Secretariat, headed by an Additional Chief Secretary/Principal Secretary-level officer, will be established to ensure effective governance.
- FNTA aims to promote balanced regional development, financial autonomy, and participatory decision-making in a historically underdeveloped region.
- However, the arrangement does not dilute Article 371(A) of the Constitution, which safeguards Naga customary practices, land rights, and social institutions.

Bharat GenAI

- **Context:** The model under the Bharat GenAI initiative would be completed in all 22 Constitutionally recognised Indian languages within this month.



About Bharat GenAI

- Bharat GenAI is India's first government-owned sovereign Large Language Model (LLM). It is a key outcome of the IndiaAI Mission, launched in March 2024.
- It is designed specifically for Indian languages, culture, and societal needs, unlike global AI models largely trained on Western datasets.
- It is a national foundational model, meaning it can support multiple downstream applications.

7th FEBRUARY 2026

US-India Trade Deal

- **Context:** The US has slashed the effective tariff on Indian goods to 18%, down from a staggering peak of 50% (which included punitive duties). The deal marks a strategic de-escalation of trade tensions and reaffirms India's role as a primary US ally and a critical counterweight to China in the Indo-Pacific.



Key Highlights

- **Tariff Reduction:** The US has reduced the reciprocal tariff on Indian imports from 25% to 18%. Crucially, the additional 25% punitive tariff (which was imposed in August 2025 due to India's purchase of Russian oil) has been effectively removed, bringing the total effective tariff down from roughly 50% to 18%.
- **India's Commitments:**
 - **Energy Shift:** In a major diplomatic concession, India has agreed to halt/significantly reduce the purchase of Russian crude oil. India will pivot its energy procurement to the US and potentially Venezuela.
 - **Market Access:** India is expected to reduce its tariffs and non-tariff barriers on US goods to "zero". The US expects a surge in agricultural exports (tree nuts, cotton, and soybean oil) to India's massive consumer market.
 - **"Buy American" Policy:** India has committed to a stronger "Buy American" stance for government and large-scale industrial procurements.

- India could buy as much as USD 500 billion worth of US energy, coal, technology, agricultural and other products.

Repo Rate

- Context:** The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) has decided to keep the repo rate unchanged at 5.25%.



Key Highlights

- The MPC revised GDP growth for FY26 slightly higher to 7.4% (from 7.3%) and retail inflation to 2.1% (from 2%).
- Inflation trends remain benign, with CPI inflation projected at 4–4.2% in Q1-Q2 FY27, slightly raised due to precious metal prices, while food price deflation continues to keep overall inflation low.

About Repo Rate

- The repo rate is the rate at which the RBI lends short-term money to commercial banks. It is the key policy tool used by the RBI to control liquidity, inflation, and economic growth.
- A lower repo rate means banks can borrow from the RBI at cheaper rates. This encourages banks to lower lending rates, leading to:
 - Easier access to credit for consumers and businesses
 - Boost in investment, consumption, and economic activity
 - Increased liquidity and money supply
 - This can stimulate growth, especially during economic slowdowns

About Monetary Policy Committee (MPC)

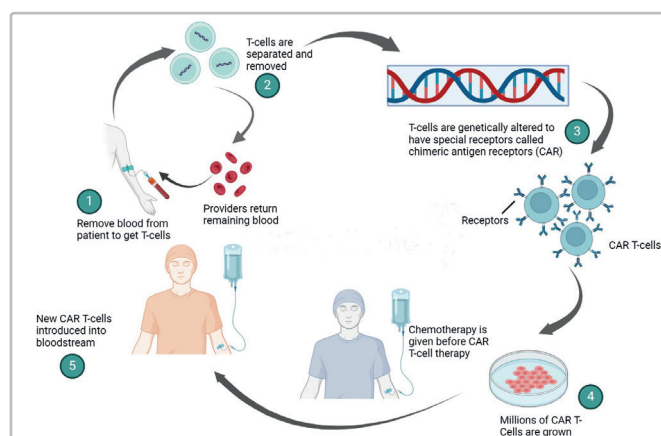
- The MPC is a statutory body established under the RBI Act, 1934 (amended in 2016).
- It is responsible for fixing the benchmark interest rate (repo rate) to maintain price stability while keeping growth in mind.
- It consists of 6 members:
 - 3 from the RBI (including the Governor as Chairperson),
 - 3 external members appointed by the Government.
- Decisions are made by majority, and each member has one vote. In case of a tie, the RBI Governor has the casting vote.

About Flexible Inflation Targeting Framework

- India adopted a Flexible Inflation Targeting Framework (FITF) in 2016. Under this, the government, in consultation with the RBI, sets an inflation target every five years.
- Under this framework, the Government sets the inflation target every five years in consultation with the RBI. The current mandate, effective until March 31, 2026, specifies a CPI inflation target of 4%, with a tolerance band of $\pm 2\%$, i.e., between 2% and 6%.

CAR T-cell Therapy

- Context:** Researchers at IIT Bombay addressed a critical challenge in CAR T-cell and other adoptive T-cell transfer (ACT) therapies.



About T-cells Therapy

- T-cells are white blood cells that act as the body's frontline defenders, detecting and destroying infections or abnormal cells like cancer, and coordinating other immune cells to respond - making them crucial for immunotherapy.
- CAR T-cell therapy is an advanced treatment that modifies a patient's T-cells to more effectively attack cancer.
- Doctors first collect T-cells from the patient's blood and then introduce a gene that gives them special receptors called chimeric antigen receptors (CARs).
- These receptors function like GPS, directing the T-cells to locate and target cancer cells.
- After engineering, the T-cells are expanded in the lab and then infused back into the patient's body.
- NexCAR19 is the world's first humanised CAR-T therapy developed in India by ImmunoACT.

Benefits

- **Targeted Precision:** CAR-T cell therapy Specifically attacks cancer cells while sparing healthy cells, reducing side effects compared to chemotherapy.
- **Personalised Treatment:** CAR-T cell therapy Uses the patient's own T-cells, engineered to target their unique cancer, enhancing effectiveness.
- **Long-Lasting Effects:** Engineered T-cells can persist in the body, providing extended protection against cancer recurrence.
- **Reduced Hospitalisation and Costs:** Fewer hospital stays and less supportive care needed, leading to potential cost savings.
- **Advances in Cancer Treatment:** Opens new avenues in immunotherapy, expanding treatment options and research possibilities.
- **Technological Evolution:** Continuous development of CAR constructs allows targeting of diverse cancers and combination therapies.
- **Affordability:** Indigenous therapies like NexCAR19 in India make CAR-T treatment more accessible and cost-effective.

8th FEBRUARY 2026

Agni-3 Intermediate Range Ballistic Missile

- **Context:** India successfully test-fired the nuclear-capable Agni-3 ballistic missile from Chandipur, Odisha, with a strike range exceeding 3,000 km.



About Agni-3 ballistic missile

- It is Developed by the Defence Research and Development Organisation.
- It is a two-stage, solid-fuelled ballistic missile with a strike range exceeding three thousand kilometres.
- It is capable of carrying both conventional and nuclear warheads.
- The Agni-III has been inducted into the Strategic Forces Command since 2011.
- The successful test underscores India's continued focus on strengthening its strategic deterrence and maintaining high levels of operational readiness.

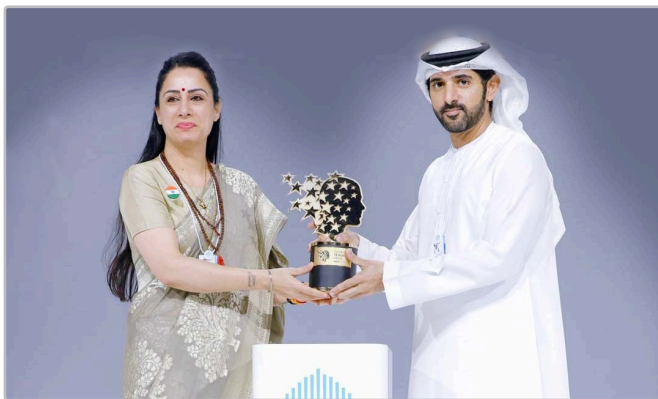
About Agni

- It is India's indigenously developed long-range missile system by DRDO, serving as the main land-based nuclear delivery platform.
- **Agni-I to Agni-IV:** Range 700–3,500 km, payload 12–40 kt, developed in 1990s, deployed mid-2000s.
- **Agni-V:** Three-stage solid-fuel, MIRV-capable, range up to 5,000 km, potentially intercontinental (5,500+ km).

- **Agni-P:** Two-stage solid-fuel, weight 11,000 kg, range 1,000–2,000 km, incorporates advanced propulsion/navigation, can carry high-explosive, thermobaric, or nuclear warheads.

Global Teacher Prize 2026

- **Context:** Indian teacher Rouble Nagi has won the Global Teacher Prize 2026, receiving the one-million-dollar award at the World Government Summit in Dubai.



About Global Teacher Prize

- It was Launched in 2014 and is often referred to as the “Nobel Prize of Teaching”.
- It is Presented by GEMS Education and organised by the Varkey Foundation in collaboration with UNESCO.
- It recognises exceptional educators for their outstanding contributions to teaching and social transformation.

About Awardee

- Rouble Nagi, is a pioneering educator from India, dedicated to making learning accessible to the most marginalised communities.
- Over the past two decades, she has established more than 800 learning centres across over 100 underserved communities and villages, reimagining abandoned walls as interactive educational murals that spark curiosity and engagement.

9th FEBRUARY 2026

PM Modi's Visit to Malaysia

- **Context:** India and Malaysia vowed to expand their ties in the high-priority sectors of trade and investment, defence, energy, advanced manufacturing and semiconductors, during PM Modi visit to Malaysia.



Key Facts

- The two sides inked a total of 11 agreements and documents to expand cooperation in a range of key areas.
- Audio-Visual Co-production Agreement to boost cultural and media collaboration, and a MoU on Disaster Management Cooperation aimed at improving joint preparedness for emergencies.
- In the technology and industrial domain, the governments exchanged an Exchange of Notes on Cooperation in Semiconductors, underlining mutual interest in strengthening capabilities and supply chains in this critical sector.
- A Framework Agreement on the International Big Cats Alliance (IBCA) was also finalised, reflecting shared commitment to biodiversity and sustainable development.
- Both signed a MoU between the Employees' State Insurance Corporation of India and the Social Security Organisation of Malaysia to enhance social security programmes for Indian citizens working in Malaysia.

- Agreements on Vocational Education and Training and Security Cooperation between the two national security councils were also exchanged, signalling broader institutional linkages.
- Both sides also received the report of the 10th Malaysia-India CEO Forum, highlighting private sector perspectives on trade, investment and future collaboration.

India-Malaysia Relations

- **Diplomatic Relations:** The two countries established diplomatic relations in 1957, and this was elevated to a Comprehensive Strategic Partnership (CSP) in 2024. Both countries are members of various international organizations, such as the United Nations, ASEAN (Association of Southeast Asian Nations), and the Non-Aligned Movement.
- **Trade and Economic Relations:** Malaysia is the 13th largest trading partner for India while India stands amongst the 10 largest trading partners globally.
 - Furthermore, Malaysia has emerged as the third largest trading partner for India from the ASEAN region and India is the largest trading partner for Malaysia among the countries of the Southeast Asian region.
 - Malaysia stands as an important trade partner, as both countries have engaged in various economic agreements such as the India-Malaysia Comprehensive Economic Cooperation Agreement (CECA).
 - Both countries have agreed to conduct trade settlements in Indian rupees, reflecting an intention to bolster trade relations.
- **Defense and Security:** The defense ties have steadily expanded, marked by the signing of a defense cooperation memorandum in 1993, regular defense cooperation meetings, and joint military exercises.
- **Strategic Partnership:** India and Malaysia have aimed to strengthen their strategic partnership through various initiatives, including high-level visits, joint commissions, and dialogues. Both countries have expressed interests in enhancing cooperation in areas such as defense, counter-terrorism, maritime security, and cultural exchanges.
- **ASEAN Centrality:** Malaysia holds a crucial position in expanding India's trade with ASEAN, aligning with India's Act East Policy, advancing maritime connectivity in the Strait of Malacca and South China Sea, and supporting ASEAN's Indo-Pacific Perspective (AOIP) and the Indo-Pacific Initiative (IPOI).
- **Tourism and Diaspora:** India are the 5th largest source country for inbound tourism to Malaysia. A bilateral agreement on employment and workers' welfare in 2009, and a revised air services agreement in 2017, have significantly contributed to the growth of tourism between the nations.
- **Indian Community:** Malaysia has the third largest Indian diaspora in the world (2.9 million). The number of Persons of Indian Origin is around 2.75 million (about 6.8% of Malaysia's population).
- **Cultural Ties:** Indian influence in Malaysia can be seen in various aspects of Malaysian culture, including language, religion (Hinduism and Buddhism), architecture, cuisine, and festivals.

PM CARES Fund

- **Context:** The Prime Minister's Office has informed the Lok Sabha Secretariat that parliamentary questions and discussions related to the PM CARES Fund, Prime Minister's National Relief Fund (PMNRF), and the National Defence Fund (NDF) are not admissible under the Rules of Procedure and Conduct of Business in Lok Sabha.

Key Facts

- The right to ask questions in the Lok Sabha, Rule 41(2) (viii) states that "it shall not relate to a matter which is not primarily the concern of the Government of India".

- Rule 41(2) (xvii) states “it shall not raise matters that are under the control of bodies or persons not primarily responsible to the Government of India”.
- The reasoning given by the PMO was that the corpus of these funds is constituted entirely with voluntary public contribution and not from any allocation out of the Consolidated Fund of India.

About PM CARES Fund

- PM CARES is a public charitable trust set up to raise funds for national emergencies such as COVID-19.
 - It was set up in 2020, following the Covid outbreak.
 - The fund was registered as a Public Charitable Trust and its trust deed has been registered under the Registration Act, 1908.

10th FEBRUARY 2026

Kimberley Process (KP)

- **Context:** India has assumed the chair of the Kimberley Process (KP) for the year 2026. The chair oversees the implementation of the Kimberley Process Certification Scheme (KPCS) and operations of the working groups, committees and administration that activate the KP.

About Kimberley Process (KP)

- The KP is a multinational mechanism or structure for governing the trade of conflict diamonds. These are rough (or pre-polished) diamonds which are used illegally by rebel or insurgent groups across the world to undermine or threaten legitimate governments.
- The KP was initiated in 2000 when the countries of southern Africa initiated dialogues to prevent the trade in conflict diamonds.
- Negotiations with 37 signatory parties, in 2003, led to the Kimberley Process Certification Scheme (KPCS).
 - KPCS is the mechanism the KP uses to prevent the trade of conflict diamonds.

- It is enforced individually by KP Participant countries to ensure that rough diamonds in the legitimate supply chain are KP-compliant.
- The KP has 60 participants, representing 86 countries, and accounts for approximately 99.8% of the global rough diamond production.

Trade in Rough Diamonds

- The trade is permitted only between certified KP members who comply fully with these international standards.
- **Obligations for Countries:** Participant countries are obliged to share timely and accurate statistical data for diamond production and trade.
- **Major Producer:** Angola, Botswana, Canada, Congo, Namibia and Russia alone account for more than 85% of the production of rough diamonds, in quantity and value terms.
- Though India is not a producer, it is a major importer of rough diamonds, importing roughly 40% of the total global imports.
 - India is a leading cutting and polishing hub, centered in Surat and Mumbai.
 - India re-exports polished diamonds to major markets which include China, Hong Kong, Israel, the United Arab Emirates and the United States.
- **India's Relevance to KP:** India's strategic position, at the heart of the global diamond value chain, gives it unique leverage within the KP to steer meaningful reforms in global diamond governance.

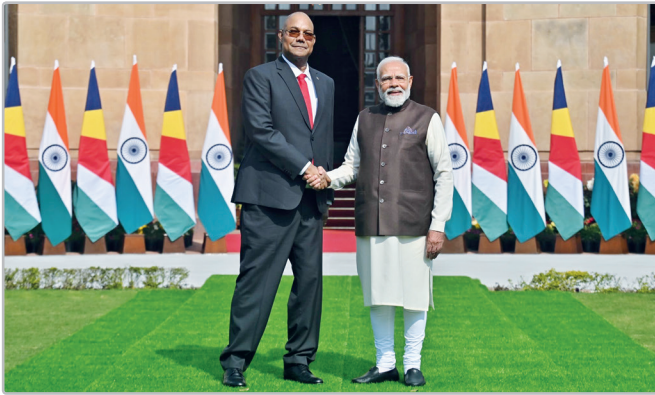
Special Economic Package for Seychelles

- **Context:** Prime Minister Narendra Modi announced a \$175 million Special Economic Package for Seychelles during the visit of Seychelles President Dr. Patrick Herminie to India.

Key Facts

- India and Seychelles have also signed 7 Memoranda of Understanding (MoUs) across various sectors, including Health, Meteorology, Electronics and Information Technology and Good Governance.

- The agreements include technical and scientific collaboration between the India Meteorological Department and the Seychelles Meteorological Authority.



Strategic Importance of Seychelles for India

- **Geostrategic Location in the Indian Ocean:** Seychelles lies near major sea lanes of communication (SLOCs) in the western Indian Ocean. It is critical for maritime domain awareness (MDA) and anti-piracy operations.
- **Vision MAHASAGAR (Mutual and Holistic Advancement for Security and Growth Across Regions):**
 - Focuses on maritime security, sustainable development, and regional stability.
 - Expands upon India's earlier SAGAR (Security and Growth for All in the Region) doctrine.
 - Strengthens India's role as a net security provider in the Indian Ocean.

11th FEBRUARY 2026

Information Technology (IT) Rules, 2026

- **Context:** The Government has introduced the amended Information Technology (IT) Rules, 2026.

Key Highlights

- The amendments are set to come into effect on February 20, 2026, and are aimed at countering the rapid spread of deepfakes, child sexual abuse material (CSAM), and non-consensual intimate imagery (NCII) across digital platforms.

- **Synthetic Media:** It has defined "synthetic media" as content that can appear like a real person or real event in a manner that may deceive viewers into believing it is genuine.
- **Need:** The move comes amid growing concerns over the misuse of deepfakes, impersonation, misinformation and synthetic media for fraud, harassment and other unlawful activities.

Amended Rules

- **Content Prohibited:** Platforms are required to prevent their services from being used to create or disseminate synthetic content involving child sexual abuse material, obscene or indecent content, impersonation, false electronic records, or material linked to weapons, explosives or other illegal activities.
- **Mandatory Label:** It has directed social media platforms and other digital intermediaries to ensure that synthetic content is clearly labelled as AI-generated.
 - Platforms are also required to embed persistent metadata or technical provenance markers, such as unique identifiers, to help trace synthetic content back to the originating platform or system.
 - Intermediaries are prohibited from allowing these labels or metadata to be removed or tampered with.
- **Declarations and Accountability:** Social media platforms are directed to obtain user declarations at the time of upload, asking whether the content being posted has been synthetically generated or altered using AI. Platforms are expected to verify the accuracy of these declarations.
- **Authorities to Issue Orders:** The rules also allow police authorities to designate one or more officers, not below the rank of Deputy Inspector General (DIG), to issue takedown orders.
- **Timeline:** In certain cases, social media platforms must now act on lawful orders or user complaints within three hours, down from 36 hours earlier. Other response deadlines have also been reduced, with timelines cut from 15 days to seven days and from 24 hours to 12 hours, depending on the nature of the violation.

- Social media platforms will also need to inform users about privacy laws, policies, prohibited content and recourse available to them at least once every three months, instead of once a year from before.
- **Penalty:** Failure to comply with the new timelines will attract criminal litigation under the existing social media intermediary laws.

No-Confidence Motion Against Lok Sabha Speaker

- **Context:** A no-confidence motion (resolution for removal) has been submitted against the Lok Sabha Speaker under Article 94(c) of the Constitution of India.

About Speaker of Lok Sabha

- The presiding officer of India's Lower House of Parliament, the Lok Sabha Speaker, is the constitutional and ceremonial head of the House. In the absence of the Speaker, the Deputy Speaker discharges his/her functions.
- Article 93 of the Indian Constitution provides for the election of both the Speaker and the Deputy Speaker. Generally, a member belonging to the ruling party is elected as Speaker.
- The salary and allowances of the Speaker of Lok Sabha are charged on the Consolidated Fund of India and hence are not subject to the annual vote of Parliament.



Appointment of the Lok Sabha Speaker

- There are two methods for the appointment of a Lok Sabha speaker. The ruling party nominates a candidate using the first and most practiced method. After a formal consultation with the opposition party, the candidate is named the Speaker of Lok Sabha for the respective assembly.
- However, in the less practiced method, the ruling and opposition party nominates one candidate from each side for the position. The Speaker is elected

based on votes cast by the present MPs of the Lok Sabha on the day of the election.

- In the 72 years of the Lok Sabha Assembly, the election for the Speaker post has taken place thrice, i.e., in 1952, 1976 and 2024.

Removal of the Speaker

- **Article 94(c):** The Speaker may be removed by a resolution of the Lok Sabha passed by a majority of all the then members of the House.
 - This is known as an effective majority (majority of the total effective strength, excluding vacancies).
 - If the motion is passed, the Speaker is removed immediately but continues as an MP.
- **Notice Requirement:** At least 14 days written notice must be given before moving the resolution.
- **Minimum Support for Admission:** The motion must be supported by at least 50 members to be admitted for discussion.
- **During the Pendency of Motion:**
 - The Speaker cannot preside over the House during the discussion of the motion.
 - The Deputy Speaker or another member presides.
 - The Speaker has the right to participate and defend himself.

NOTE

No Speaker of the Lok Sabha has ever been successfully removed from office through a no-confidence or removal motion.

12th FEBRUARY 2026

Corruption Perceptions Index

- **Context:** Transparency International recently published 2025 Corruption Perception Index (CPI).

About Corruption Perceptions Index

- It measures perceived levels of public sector corruption using assessments from experts and business leaders.

- Scores range from zero, indicating very high levels of perceived corruption, to 100, which reflects a clean public sector.

Key Highlights

- **Methodology:** The index evaluated 182 countries based on perceived public sector corruption, using a scale from zero (highly corrupt) to 100 (very clean).
- **Trend:** Corruption globally is worsening, even in advanced democracies, as the number of countries scoring above 80 has decreased from 12 a decade ago to just five this year.
 - It revealed a troubling downward trend, with the global average score falling to 42 out of 100 — the lowest in over ten years.
 - It further pointed out that 122 countries, which are more than two-thirds of the total, scored under 50 in the 2025 CPI.
- **Best performing countries:** Denmark, maintaining its eight-year streak, tops the CPI 2025 with the highest score of 89, followed closely by Finland (88) and Singapore (84).
- **Worst Performing Countries:** The countries with the lowest scores suffer from severely repressed civil societies and high levels of instability. South Sudan and Somalia, both scoring 9, tied at rank 181.
- **India's Performance:** In 2025, India ranked 91st globally on the Corruption Perceptions Index (CPI), scoring 39 out of 100, which is a slight improvement from the previous year.

Network Readiness Index Report, 2025

- **Context:** India is placed at 45th rank (with score 54.43 out of 100) as per the Network Readiness Index 2025 report released in 2026.

Key Highlights

- The report has been prepared by the Portulans Institute, an independent, non-profit research and educational institute based in Washington DC.
- The report maps the network-based readiness landscape of 127 economies based on their performance in four pillars: Technology, People, Governance and Impact, covering a total of 53 indicators.
- **Top Three Nations:** USA, Finland, Singapore
- The report states that India secured;
 - 1st rank in "Annual investment in telecommunication services", "AI scientific publications", "ICT services exports" and "E-commerce legislation",
 - 2nd rank in "FTTH/Building Internet subscriptions", "Mobile broadband internet traffic within the country" and "International Internet bandwidth", and
 - 3rd rank in "Domestic market scale" and "Income Inequality".
- India is ranked 2nd in the group of lower-middle-income countries.

