

CURRENT AFFAIRS: 20.05.2026



The Prime Minister of India concluded an official visit to the **United Arab Emirates**, resulting in landmark agreements in energy security, defence industry, artificial intelligence, and maritime infrastructure.

Summary

- India-UAE relations have evolved into a comprehensive strategic partnership driven by strong cooperation in trade, energy security, defence, artificial intelligence, digital payments, maritime infrastructure, and connectivity initiatives like IMEC and I2U2.
- Despite rapid progress, challenges such as trade imbalance, West Asian instability, China's growing influence, labour concerns, and logistical constraints remain. Strengthening investment mechanisms, green energy cooperation, digital integration, and maritime connectivity can further deepen bilateral ties.

What are the Key Outcomes of the Visit?

- **Energy Security and Strategic Petroleum Reserves (SPR):** A agreement was signed between **Indian Strategic Petroleum Reserves Limited (ISPRL)** and **Abu Dhabi National Oil Company (ADNOC)** to store up to **30 million barrels of ADNOC crude oil in India's Strategic Petroleum Reserves (SPR) facilities** (including **Visakhapatnam, Andhra Pradesh**, and the upcoming facility at **Chandikol, Odisha**), alongside potential commercial crude storage in **Fujairah, UAE**
 - An agreement between Indian Oil Corporation Limited (IOCL) and ADNOC Gas was finalized to ensure stable and long-term **Liquefied Petroleum Gas (LPG) supplies**.
- **Strategic Defence Industrial Framework:** A comprehensive framework was established to enhance **defence industrial collaboration, joint innovation, cyber defence, maritime security, and secure communication systems**, moving beyond buyer-seller dynamics into advanced co-development.
- **Major Capital Inflows:** UAE entities pledged USD 5 billion in investments into India. This includes USD 1 billion by the **Abu Dhabi Investment Authority (ADIA)** into the **National Investment and Infrastructure Fund (NIIF)** for priority infrastructure.
- **Emerging Technologies & AI:** A term sheet was signed between India's **Centre for Development of Advanced Computing (C-DAC)** and the UAE's **G42** to establish an **8 Exaflop Supercomputing Cluster**.
 - This will significantly boost the **IndiaAI Mission** and high-performance computing capabilities.

- **Maritime Infrastructure and Skill Development:** An MoU was signed between Cochin Shipyard Limited and Drydocks World (Dubai) to set up a ship repair cluster at **Vadinar** (Gujarat) under India's **Maritime Development Fund Scheme**.
 - A tripartite agreement was also signed to train and employ a skilled maritime workforce, advancing the **Make in India and Skill India** missions.
- **Geopolitical Alignment:** India reiterated its strong condemnation of regional attacks on the UAE amid **West Asian instability**.
 - The Prime Minister emphasized the critical need for safe transit and unimpeded navigation through the **Strait of Hormuz**, which is vital for global energy and food security.

Strategic Petroleum Reserves (SPRs)

- **About:** SPRs are massive stockpiles of crude oil maintained by countries to deal with unexpected crude oil-related crises, such as supply disruptions from wars, natural disasters, or shipping bottlenecks.
- **Current Status in India:**
 - The government has set up strategic crude oil storages at three locations: **Visakhapatnam (Andhra Pradesh), Mangaluru (Karnataka), and Padur (Karnataka)**.
 - Capacity expansion has been approved for new underground reserves at **Chandikol (Odisha)** and a second phase at Padur.
- **Management:** They are managed by the **Indian Strategic Petroleum Reserves Limited (ISPRL)**, a Special Purpose Vehicle, wholly-owned subsidiary of the Oil Industry Development Board (OIDB) under the Ministry of Petroleum & Natural Gas.
- **Comparison with Global Standards:** Compared to major economies like the US, Japan, and China, India's strategic oil reserves are relatively small.
 - The **International Energy Agency (IEA)** recommends member countries hold emergency oil stocks equivalent to at least 90 days of net imports.

What is the Strategic Significance of India-UAE Relations?

- **Economic Convergence:** Bilateral merchandise trade crossed **USD 100 billion** for the first time, reaching USD 101.25 billion in FY 2025-26.
 - Both nations are leveraging the **Comprehensive Economic Partnership Agreement (CEPA)** to double non-oil trade to **USD 200 billion by 2032**.
 - The UAE is **India's third-largest trading partner**, while **India is the UAE's second-largest trading partner**. The trade basket is highly diversified and includes petroleum products, gems and jewellery, textiles, food items, chemicals, and engineering goods.
- **MSME Integration:** Critical infrastructure initiatives like '**Bharat Mart**' in the **Jebel Ali Free Zone (JAFZA)** and the '**Bharat-Africa Setu**' are actively connecting Indian micro, small, and medium enterprises into the UAE's global re-export channels.
- **Shift from Buyer-Seller to Strategic Investors:** The UAE is no longer just a crude oil supplier but a pivotal investor in India's infrastructure, banking, and renewable energy sectors.
 - The **Bilateral Investment Treaty** signed in 2024 strengthened investor confidence. Between April 2000 and March 2025, cumulative FDI inflows from the UAE into India reached USD 22.84 billion, **making the UAE India's seventh-largest foreign investor**.

- The operationalization of the **Local Currency Settlement (LCS) system** (INR-AED) further reduces dollar dependence.
- The Abu Dhabi Investment Authority (ADIA), one of the world's largest sovereign wealth funds, has also established a subsidiary office in **GIFT City**.
- **Geopolitical Anchor in West Asia:** The UAE is a core pillar of India's "Think West" policy.
 - Through minilateral groupings like **I2U2 (India, Israel, UAE, USA)** and initiatives like the **India-Middle East-Europe Economic Corridor (IMEC)**, the UAE serves as India's gateway to the Middle East, Africa, and Europe.
- **Digital Integration:** The operationalization of the **Virtual Trade Corridor** using **MAITRI (Master Application for International Trade and Regulatory Interface)** is streamlining customs and reducing transit times.
 - Both nations are also working towards integrating **India's UPI with the UAE's AANI payment platform** and linking **RuPay with JAYWAN debit card systems** to improve **cross-border digital payments**.
- **Strategic Defense Pivot:** Joint maneuvers like **Exercise Desert Cyclone** and **Desert Flag** have graduated from symbolic drills into high-intensity, multi-domain operations simulating real-world air-land-sea combat readiness.

Joint frameworks focus on co-developing advanced military hardware, defense technologies, secure communication architectures, and cross-border cyber defense.

Energy Transition: Under the ***Sustainable Harnessing and Advancement of Nuclear Energy (SHANTI) Act 2025***, energy ties have advanced into civil nuclear cooperation, leveraging India's new nuclear policies and the UAE's expertise from the Barakah Nuclear Power Plant.

- **Logistical Integration:** Major projects, such as the UAE-backed development of the **Dholera Special Investment Region (Gujarat)** and **DP World's multibillion-dollar upgrades** to India's port networks, aim to link Indian production centers directly with the Jebel Ali hub, effectively securing the **IMEC** infrastructure end-to-end.
- **Skill Mobility:** The human link has evolved into a high-end knowledge partnership. Specialized institutions like the **IIT Delhi-Abu Dhabi campus** are scaling up enrollment and deploying dedicated advanced Master's programs in Artificial Intelligence, supported by reciprocal **Mutual Recognition of Qualifications** agreements.

India rejects Court of Arbitration's pondage award on Indus Waters Treaty

India's decision to hold the Indus Waters Treaty in abeyance remains in force, says MEA

Published – May 16, 2026 09:38 pm IST – New Delhi:

Why in News?

India has rejected the May 2026 award issued by the **Permanent Court of Arbitration (PCA)** at The Hague regarding the **"maximum pondage" (water storage capacity) limits at Indian hydroelectric projects on the Indus river system.**

- India reiterated that the tribunal is "illegally constituted" and maintained that the **Indus Waters Treaty (IWT)**, 1960, remains in abeyance following the **2025 Pahalgam terror attack.**

What is the Dispute Regarding the Hydroelectric Projects?

- The Projects:**
 - Kishenganga Project:** A 330 MW run-of-the-river hydroelectric project on the Kishenganga River (a tributary of the Jhelum) in Jammu and Kashmir.
 - Ratle Project:** An 850 MW hydroelectric project on the Chenab River in Jammu and Kashmir.
- Pakistan's Objection:** Pakistan consistently objects to the design features of these projects, arguing that the **pondage (storage) and spillways violate the IWT** and will adversely affect the flow of water into its territory.
 - Pakistan argues that India is building pondage capacities that are far larger than what is technically required to generate power.

India's Objection to the Court of Arbitration

- Parallel Proceedings:** The core of the legal dispute lies in Pakistan's insistence on bypassing the Neutral Expert mechanism.
 - In 2016, Pakistan requested the World Bank to appoint a CoA, while India simultaneously requested a **Neutral Expert to look into the technical designs.**
- Violation of the Graded Mechanism:** India argues that initiating two simultaneous processes (Neutral Expert and CoA) for the exact same dispute violates the sequential, graded dispute resolution mechanism mandated by the treaty.
- World Bank's Role:** The **World Bank** initially paused both processes in 2016 to prevent conflicting rulings.
 - However, in 2022, it lifted the pause, allowing both proceedings to run concurrently. While India has participated in the **Neutral Expert proceedings**, it has completely boycotted the CoA, terming it an "illegal" parallel process.
- Suspension/Abeyance (2025-2026):** Following the deadly cross-border terror attack in Pahalgam in April 2025, India linked water sharing to national security, placing the **treaty "in abeyance" until Pakistan irrevocably stops supporting cross-border terrorism.**

Indus Waters Treaty (IWT), 1960

- About:** The IWT is a water-distribution treaty signed between India and Pakistan in Karachi in 1960, brokered by the **World Bank**, to manage the water available in the Indus River and its tributaries.

- **Allocation of Eastern Rivers:** The waters of the **Beas, Ravi, and Sutlej** were allocated to India for exclusive, unrestricted use.
- **Allocation of Western Rivers:** The waters of the **Chenab, Indus, Jhelum** were allocated largely to Pakistan.
- **India's Rights on Western Rivers:** India is permitted limited, non-consumptive uses on the western rivers. This includes domestic use, navigation, agriculture, and **run-of-the-river hydroelectric power generation**, provided India adheres to strict technical and design parameters outlined in the treaty annexures
- **Dispute Resolution Mechanism under the IWT:** The IWT provides a graded, three-tiered mechanism to resolve differences:
 - **Permanent Indus Commission (PIC):** Any questions are initially resolved by the PIC, which comprises commissioners from both countries.
 - **Neutral Expert (NE):** If unresolved, "differences" of a technical nature are referred to a Neutral Expert appointed by the World Bank.
 - **Court of Arbitration (CoA):** If the Neutral Expert decides the issue is legal rather than just technical, or if both parties agree, a formal "dispute" is referred to a Court of Arbitration.

The Indus Waters Treaty (IWT)

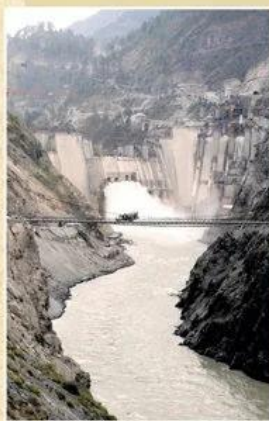
■ The distribution of waters of the Indus and its tributaries between India and Pakistan is governed by the Indus Water Treaty (IWT).

■ Was signed on Sept 19, 1960, between India, Pakistan and a representative of World Bank after eight years of negotiations.

■ Partition of India cut across the Indus river basin, which has the Indus river, plus five of its main tributaries.

Western rivers Chenab, Jhelum, Indus

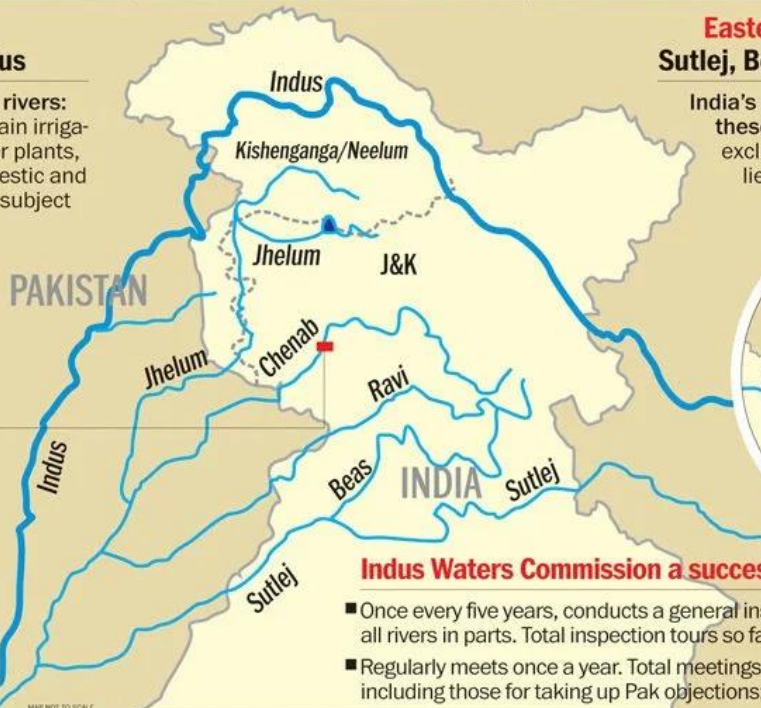
India's rights over these rivers: Limited — can set up certain irrigation, run-of-the-river power plants, very limited storage, domestic and non-consumptive use, all subject to conditions



Baglihar dam on Chenab

Eastern rivers Sutlej, Beas, Ravi

India's rights over these rivers: All exclusive rights lie with India.



Indus Waters Commission a success story

- Once every five years, conducts a general inspection of all rivers in parts. Total inspection tours so far: Over 100
- Regularly meets once a year. Total meetings thus far, including those for taking up Pak objections: Over 100

Bhojshala-Kamal Maula complex declared as temple by Madhya Pradesh High Court

The court said that the Muslim community may approach the State government for allotment of separate land in the district for construction of a mosque

Updated - May 15, 2026 11:00 pm IST - Indore

MEHUL MALPANI

The Madhya Pradesh High Court declared the disputed **Bhojshala-Kamal Maula Mosque complex** in Dhar district as a temple dedicated to **Goddess Vagdevi (Saraswati)**. The court quashed a **2003 Archaeological Survey of India (ASI) order** that had allowed shared worship by Hindus and Muslims at the site.

- The court held that the **Places of Worship (Special Provisions) Act, 1991**, does not apply to the site because it is a **protected monument** under the **Ancient Monuments and Archaeological Sites and Remains (AMASR) Act, 1958**.
- **Section 4(3) of the 1991 Act** excludes ancient and historical monuments covered under the 1958 Act from the freeze on religious character.

What is the Historical Background of the Bhojshala Complex?

- **Parmar Dynasty and Raja Bhoj:** The site is historically associated with Raja Bhoj (1010–1055 CE) of the **Parmar dynasty**, recognized as a great patron of art, literature, and education.
- He established the complex as a prominent centre of **Sanskrit learning**, which housed a temple dedicated to Goddess Saraswati (Vagdevi).
- The site uniquely preserves two **Sarpabandha (serpentine chart)** pillar inscriptions. These serve as educational tools, charting the **Sanskrit alphabet**, noun/verb terminations, and the ten tenses and moods of **Sanskrit grammar**.
- **Prakrit Odes:** Walls within the complex feature stone slabs engraved with two distinct odes dedicated to the **Kurma-Avatar (the tortoise incarnation of Lord Vishnu)**, composed in the ancient **Prakrit language**.
- **Classical Sanskrit Drama:** Notably, slabs lining the *mihrab* (prayer niche) contain a theatrical composition written by **Royal Tutor Madana**, a disciple of the prominent Jain scholar Ashadhara, dating back to the reign of **King Arjunavarma**.
- **The Idol of Vagdevi:** An intricately carved idol of Goddess Saraswati was discovered at the site during excavations in the early 20th century. This idol is currently housed in the British Museum in London.
- **Kamal Maula Mosque Claims:** The Muslim community maintained that the site is the **Kamal Maula Mosque**, arguing that the foundation was laid by Hazrat Maulana Kamaluddin Chishti around 1306–1307 AD during Islamic rule.
- **Historical Records:** Historical literature, including the *Imperial Gazetteer of India (1908)*, noted that the existing mosque was constructed using the remains of an older Hindu temple, with carved slabs actively reused in the floor and the mihrab.

Madhya Pradesh High Court Judgment

- **Rejection of Historical Proclamation:** The bench rejected the Muslim side's reliance on an August 1935 *Ailan* (official proclamation) by the princely State of Dhar under the **Government of India Act, 1935**, noting that the Act itself was not enforced until **April 1937**.
 - Unlike the **Babri Masjid dispute**, which was treated as a **title suit involving ownership claims**, the Bhojshala case was considered a **writ petition under Article 226** seeking enforcement of the **fundamental right to worship**.
- **Alternative Allotment for Mosque:** To maintain complete justice and secure religious rights, the court directed the State government to consider applications for **allotting alternative, suitable land within Dhar district** for the construction of a mosque or prayer site.
- **Administrative Stewardship:** The **ASI has been granted full supervisory, management, and administrative control** over the property to regulate religious access, preserve the **11th century monument**, and manage affairs related to Sanskrit learning at the site.

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DRDO Successfully Tests ULPGM-V3 Missile

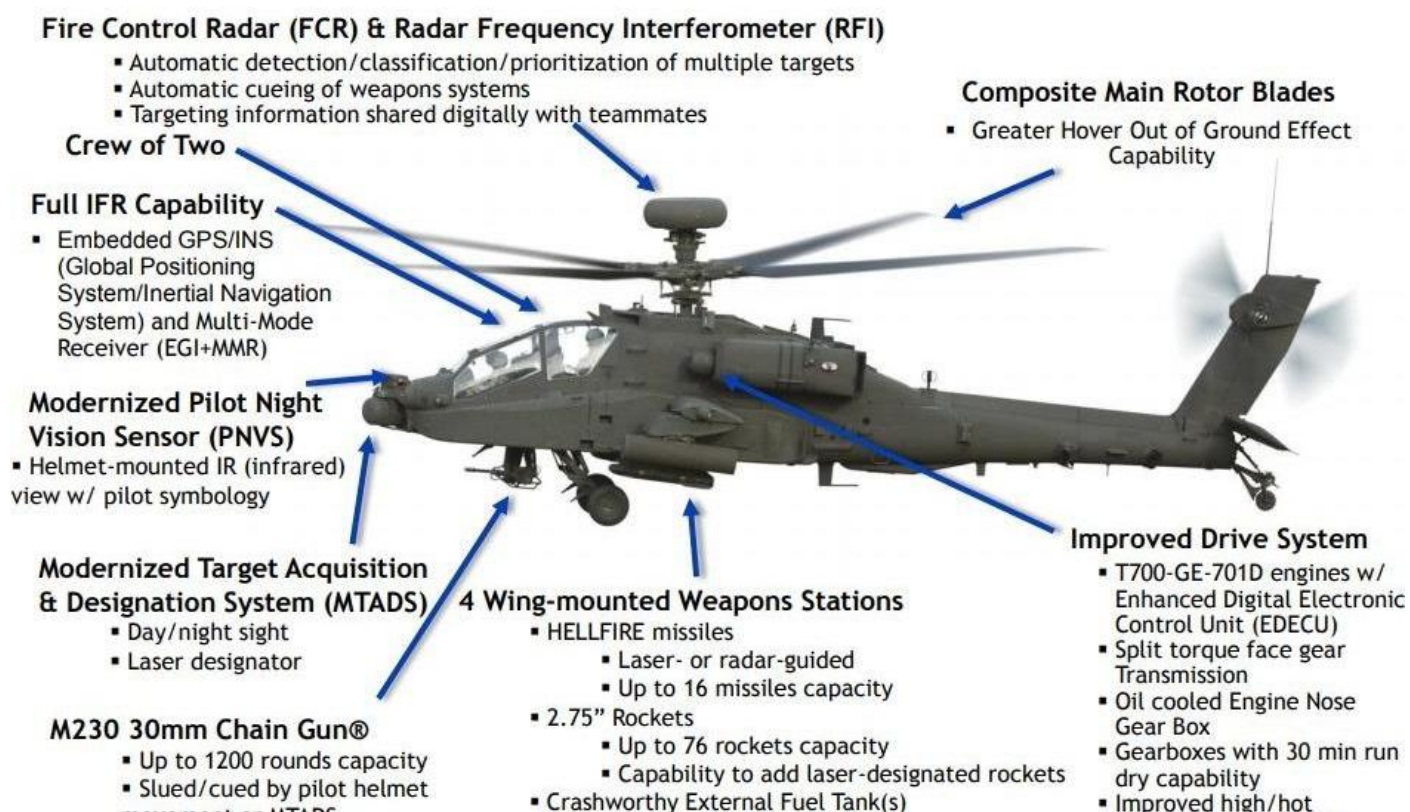
Recently, the **Defence Research and Development Organisation (DRDO)** successfully conducted flight trials of the **Unmanned Aerial Vehicle Launched Precision Guided Missile (ULPGM-V3)** at the **National Open Area Range (NOAR)**, Kurnool, Andhra Pradesh.

- The missile was tested in both **Air-to-Ground** and **Air-to-Air** modes from an indigenous **UAV** developed by **NewSpace Research Technologies**, with support from DRDO labs, and **30 MSMEs/start-ups**.

ULPGM- V3

- **About:** ULPGM-V3 is a **drone-launched** precision missile that can accurately hit both ground targets and enemy aerial targets.
 - Its **Air-to-Ground role is mainly for destroying tanks**, while its Air-to-Air role is for targeting drones, helicopters and other airborne threats.
 - It is an **upgraded version** of DRDO's ULPGM-V2, enhancing India's indigenous drone-launched precision strike capability.
- **Objective:** The recent trials were carried out in the Anti-armour configuration, designed to neutralise modern armoured vehicles protected by **Rolled Homogeneous Armour (RHA)** and **Explosive Reactive Armour (ERA)**.
- **Key Features:**
 - **Precision Targeting:** ULPGM-V3 is equipped with a **high-definition dual-channel seeker**, enabling precise engagement of a wide variety of targets.
 - **All-Weather Capability:** The missile features **full day-and-night operational capability**, ensuring effectiveness under varying visibility conditions.
 - **Terrain Flexibility:** It is designed for deployment in both **plain terrains and high-altitude regions**, enhancing operational versatility.
 - **Real-Time Guidance:** It supports **two-way real-time data transmission**, allowing post-launch target updates and mid-course aim-point corrections.
 - **Anti-Bunker Role:** The **Penetration-cum-Blast warhead** is optimised for destroying fortified structures and bunker targets.
- **Warhead Options:** The missile has three modular warhead configurations:
 - **Anti-armour warhead** for modern armoured vehicles equipped with **RHA and ERA**
 - **Penetration-cum-Blast warhead** for anti-bunker applications
 - **Pre-fragmentation warhead** with high lethality effects.

US Clears Apache & Howitzer Support for India



Recently, the United States approved sustainment support and related equipment for **AH-64E Apache helicopters** and **M777A2 Ultra-Light Howitzers** for India, further boosting bilateral defence ties.

- **Apache Helicopters:** The AH-64 Apache is an **advanced multi-role combat helicopter** used by the US Army and several international defence forces.
 - The **Apache support package**, worth approximately **\$198.2 million**, includes engineering, technical and logistics support, technical data, publications, personnel training and programme support.
- **M777A2 Howitzer:** M777A2 howitzers, recognised for their **lightweight structure and high mobility** in difficult mountainous terrain, are widely deployed by the Indian Army, especially across strategically important border areas.
 - The **M777A2 howitzer support package**, worth about **\$230 million**, includes spares, repair and return, training, technical assistance, field service representatives, depot capability and other logistics support.
- **Other Defence Procurements:** Major acquisitions from the US include **MQ-9B drones**, **MH-60R helicopters**, **Sig Sauer rifles** and **M777 howitzers**. Negotiations are also underway for manufacturing **GE F-414 jet engines** in India, while deliveries of **GE-F404 engines** for the **LCA Tejas Mark-1A** are underway.
- **Key India-US Defence Agreements:**
 - **LEMOA (2016)**
 - **COMCASA (2018)**
 - **BECA (2020)**
 - **SOSA (2024)**
 - **Framework for US-India Major Defence Partnership 2025**