

# DAILY CURRENT AFFAIRS

By



SOURCES



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### **Important News Articles**

1. EU rules policing digital content kick in today; harsh punishments for violation- The Hindu
2. Coaching centers can't use misleading ads: draft guidelines- The Hindu
3. Use Chabahar port, India tells Central Asian countries- The Hindu
4. Torpedoes, refueller aircraft in new deals cleared by DAC- The Hindu
5. DoT unveils an unparalleled venture 'Sangam: Digital Twin' initiative - PIB
6. RBI must probe loan-to-value norms: gold loan firms - The Hindu
7. OpenAI launches Sora: How AI can create videos from a text prompt - Indian Express

### **Editorials, Gists and Explainers**

8. Why has RBI put restraints on a certain card network?- Indian express
9. Brave new world- The Hindu
10. What Swaminathan panel said- Indian Express

### **Quick Look**

1. Law panel recommends law to register NRI marriages
2. Myanmar's new law may trigger mass exodus
3. Young Scientist Programme (YUVIKA)
4. Diphtheria
5. Foreign Exchange Management Act (FEMA)

## Important News Articles

### GS II

#### 1. EU rules policing digital content kick in today; harsh punishments for violation- The Hindu

**Relevance:** Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

**News:**

- Digital companies will have nowhere to hide after the **EU's landmark content law enters into full force with the risk of heavy fines for any violations.**

**Key Highlights**

- The new rules, known as the **Digital Services Act (DSA)**, kicked in last year for the world's largest platforms
  - Including Facebook and TikTok, but will now apply to all except the smallest companies.
- When the **European Union proposed the law in 2020**, the objective was simple:
  - To tame the wild west online, where Brussels felt companies were not doing enough to block illegal content or acting sufficiently to protect consumers.
- Brussels has already bared its teeth, showing the tech titans that it means business.
- There have been a wave of probes launched by the European Commission to quiz the largest platforms on how they are addressing an array of concerns from consumer protection to children's activity online.
- So far, the **EU has launched formal infringement proceedings** against tech billionaire Elon Musk's X over "illegal content and disinformation".
- Punishment for violations of the DSA will be harsh.
- Those that **breach the rules could be fined up to 6% of their global annual turnover**, or even banned in the EU for serious and repeated violations.
- The **EU will officially be able to hit companies with sanctions**, including fines, for any violations
- The DSA has faced a slew of legal challenges from Amazon and Zalando over their designations as "very large" firms, and from Meta and TikTok over a fee to pay for enforcement.

#### Prelims Takeaway

- Digital Services Act
- EU

#### 2. Coaching centers can't use misleading ads: draft guidelines- The Hindu

**Relevance:** Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

**News:**

- The Central Consumer Protection Authority (CCPA), has **released draft guidelines for the "Prevention of misleading advertisement** in coaching sector

**Key Highlights**

- The Central Consumer Protection Authority (CCPA) **is an arm of the Union Consumer Affairs Ministry**,
- It will bring such offenses under the radar of **the Consumer Protection Act**.
- Such guidelines were initiated after widespread complaints against **certain coaching centers for**
  - Making false claims without acknowledging the individual efforts of the students and creating a false sense of urgency
  - fear of missing out that may heighten anxieties amongst students, or parents will be considered as misleading under the new guidelines.

**Central Consumer Protection Authority (CCPA)**

- CCPA is a **regulatory body established in 2020** based on the provisions of the **Consumer Protection Act, 2019**.
- It will have a **Chief Commissioner as head**, and only two other commissioners as members



- The CCPA will have an **Investigation Wing** that will be headed by a Director General.
- District Collectors too, will have the power to investigate complaints of violations of consumer rights, unfair trade practices, and false or misleading advertisements.
- It will Inquire or investigate matters relating to violations of consumer rights or unfair trade practices suo moto
  - Or on a complaint received, or on a direction from the central government.
- **Pass an order for refund the prices of goods or services** so recalled to purchasers of such goods or services
  - Discontinuation of practices which are unfair and prejudicial to consumer's interest".
- Impose a penalty up to Rs 10 lakh, with imprisonment up to two years, on the manufacturer or endorser of false and misleading advertisements.

### 3. Use Chabahar port, India tells Central Asian countries- The Hindu

**Relevance:** Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

#### Prelims Takeaway

- Chabahar port
- Shahid Beheshti

**News:**

- **India has urged Central Asian countries to use the port of Chabahar** located on the southeast coast of Iran to enhance connectivity and trade with India and other countries in the world.

**Key Highlights**

- **Participating in the sixth Regional Dialogue of Secretaries of Security Councils/National Security Advisers on Afghanistan** in Kyrgyz capital Bishkek
  - India's Deputy National Security Adviser called for an "inclusive and representative" government in Afghanistan
  - said the approach towards the Taliban-ruled country should be based on consensus.
- During his interaction with **delegates from Iran, Russia, Kyrgyzstan, Kazakhstan and Turkmenistan,**
  - India invited "Central Asian neighbors to utilize the Chabahar port as well as the Shahid Beheshti terminal at the port for maritime trade with India and other countries of the world
- **India has not recognised the Taliban outfit** which came to power in August 2021 after the end of the U.S. occupation.
- Participating in dialogue india committed to providing humanitarian assistance, ensuring formation of a truly inclusive and representative government
  - combating terrorism and drug trafficking and preserving the rights of women, children and the minorities

## GS III

### 4. Torpedoes, refueller aircraft in new deals cleared by DAC- The Hindu

**Relevance:** Various Security forces and agencies and their mandate.

#### Prelims Takeaway

- DAC
- DAP 2020

**News:**

- The **Defence Acquisition Council (DAC) accorded Acceptance of Necessity (AoN)**, the first step in the procurement process, for proposals worth ₹84,560 crore.

**Key highlights**

- The proposals include **some long-pending deals**
  - Such as for heavyweight torpedoes (HWT) for the Navy's Scorpene-class submarines and flight refueller aircraft (FRA) for the Indian Air Force (IAF) beginning afresh.
- Other major deals include **medium range maritime reconnaissance and multi-mission maritime aircraft for the Navy and the Coast Guard**
  - New generation anti-tank mines, air defence tactical control radar, and software-defined radios.
- "Further, to keep the Indian naval ships one step ahead of the threats posed by the adversaries

- the AoN under Buy (Indian) category has been accorded for procurement of **active-towed array sonar** having capabilities
- to operate at **low frequencies** and various depths for **long-range detections of adversary submarines**.

#### 'DAP 2020'

- The procurement of a **new generation of anti-tank mines** having seismic sensors and the provision of remote deactivation
  - With additional safety features has been approved under Buy (Indigenously Designed, Developed and Manufactured category of Defence Acquisition Procedure (DAP) 2020.
- The DAC has approved amendments in the DAP 2020 with respect to benchmarking and cost computation, payment schedule and procurement quantity.
- The DAC also cleared the AoN for sustainment support through repair replenishment for the 24 MH-60R multi-role helicopters procured by the Navy from the U.S. under the foreign military sale route.

## 5. DoT unveils an unparalleled venture 'Sangam: Digital Twin' initiative - PIB

**Relevance:** Achievements of Indians in science & technology; indigenization of technology and developing new technology.

#### News:

- Recently, the Department of Telecommunications (DoT) introduced the '**Sangam: Digital Twin**' initiative.
- It seeks to **leverage Digital Twin technology** to create virtual replicas of physical assets for **real-time monitoring, simulation, and analysis**.

#### 'Sangam: Digital Twin' Initiative

- The initiative is a **Proof of Concept (PoC)** executed in **two stages**
  - The first stage focuses on **exploratory efforts** to clarify objectives and unleash potential.
  - The second stage will involve **practical demonstrations of specific use cases** to generate a future blueprint for scaling and replicating successful strategies in future infrastructure projects.
- **Objectives**
  - To bridge the gap between conceptualization and realization of innovative infrastructure solutions.
  - To develop a model framework for facilitating faster and more effective collaboration.
  - To provide a roadmap for scaling successful strategies in future infrastructure projects.
- The initiative comes against the backdrop of the past decade's breakthroughs in communication, computation and sensing in the era of techade striving for the vision 2047.
- It presents an exciting opportunity to pioneer **sustainable, efficient, and innovative infrastructure solutions** by harnessing the power of innovation, data, and design.

#### Integration of Advanced Technologies

- It **integrates** advanced technologies such as 5G, IoT, AI, AR/VR, AI native 6G, and next-gen computational technologies to **reshape infrastructure planning and design**.
- It emphasizes **collaboration** among public entities, infrastructure planners, tech giants, startups, and academia to achieve **holistic innovation**.

## 6. RBI must probe loan-to-value norms: gold loan firms - The Hindu

**Relevance:** Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

#### News:

- Recently, the Association of Gold Loan Companies requested the RBI to **investigate violations** by certain bank branches of the **norm that caps the loan amount against pledged gold jewellery**.
- This plea comes as banks continue to focus on growing their **gold loan portfolios** even after the RBI's temporary relaxation in the **Loan-to-Value (LTV) norm** ended.

#### Prelims Takeaway

- Sangam: Digital Twin Initiative
- Digital Twin Technology

#### Prelims Takeaway

- Loan-to-Value (LTV) Ratio
- Priority Sector Lending

### Violations of LTV Norm

- The Association highlighted instances of both public and private sector banks **violating the 75% LTV norm**.
  - The norm states that the loan amount cannot exceed 75% of the value of the collateral.
- Some bank branches are extending gold loans beyond this limit, with loans ranging from 80-90%, violating regulatory guidelines.

### Focus on Agricultural Gold Loans

- Banks are increasingly focusing on **agricultural gold loans** due to the **benefits of priority sector lending classification** and **easier recovery** in case of default.
- However, **growth in gold loans** in the **non-agriculture segment** continues to rise.
- Additionally, there are concerns about **customers without agricultural activity availing agricultural loans** which is against the regulations.

### Gold Loan Growth

- According to a Crisil Market Intelligence and Analytics Research report, gold loan finance witnessed a **CAGR of 15%** between fiscal 2018 and 2022.
  - This was driven by stable gold prices and increased demand during the pandemic.
- As of March-end 2022, banks and NBFCs collectively held outstanding gold loans of ₹5,09,400 crore, with banks holding 78% and NBFCs holding 22% shares.

## 7. OpenAI launches Sora: How AI can create videos from a text prompt - Indian Express

**Relevance:** Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology and issues relating to intellectual property rights.

### Prelims Takeaway

- OpenAI Sora
- ChatGPT

### News:

- Recently, OpenAI introduced **Sora**, a new generative artificial intelligence (GenAI) model capable of **converting text prompts into videos**.
- This marks a significant advancement in the field of AI, addressing previous inconsistencies in text-to-video conversion.

### Sora's Capabilities

- It can **create full videos in one go** or **add more to already created videos** to make them longer.
- It can generate **videos up to a minute long** while maintaining visual quality and adhering to the user's prompt.
- It can also **animate a static image**, transforming it into a dynamic video presentation.
- It is capable of **creating complex scenes** with multiple characters, specific types of motion, and accurate details of the subject and background.

### Safety Protocols

- OpenAI has developed safety protocols to detect and prevent misuse of Sora. This includes
  - a **text classifier** to reject prompts violating usage policies
  - **image classifiers** to review generated videos for compliance.
- The company plans to engage with policymakers, educators, and artists to understand concerns and identify positive use cases for the technology.
- The company will also work with visual artists, designers, and filmmakers to gather feedback for further improvements.

### Sora's Shortcomings

- Struggles with **accurately simulating complex scenes' physics**
- Understanding specific instances of **cause and effect**.
  - For example, a person might take a bite out of a cookie, but afterward, the cookie may not have a bite mark.
- It may also **confuse spatial details** and struggle with **precise descriptions of events** that unfold over time.



## Editorials, Gists and Explainers

### 8. Why has RBI put restraints on a certain card network?- Indian express

**Relevance:** Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

**Context:**

- The Reserve Bank of India (RBI) has ordered a **certain card network to stop “unauthorized payments”** made using business cards.

**Key Highlights**

<ul style="list-style-type: none"> <li>The regulator said that the card network was allowing businesses to make payments to entities that were not authorized to accept card payments             <ul style="list-style-type: none"> <li>Which was a violation of The Payment and Settlement Systems (PSS) Act, 2007.</li> </ul> </li> <li>The RBI also raised concerns over non-compliance of Know Your Customer (KYC) norms in such transactions.</li> </ul> <p><b>What is a card network?</b></p> <ul style="list-style-type: none"> <li>Card networks connect banks, merchants, and customers (card users) to one another so that transactions can be carried out smoothly and securely.</li> <li>Card networks are operating in the background every time a customer uses her card to make a payment.</li> <li>There are five authorized card networks in India: Visa, Mastercard, RuPay, Diners Club, and American Express.</li> <li>While the RBI did not name the card network that it has restrained,</li> <li>It said that so far, only one card network has operationalised the arrangement that enables corporates to make unauthorised card payments via business cards in the country.</li> </ul>	<p><b>What was the alleged modus operandi?</b></p> <ul style="list-style-type: none"> <li>In a statement, the RBI said that it had “noticed” that a card network had an arrangement that enabled businesses             <ul style="list-style-type: none"> <li>To make card payments through certain intermediaries to entities that did not accept card payments.</li> </ul> </li> <li>Thus, the intermediary was accepting card payments from corporates for their commercial payments             <ul style="list-style-type: none"> <li>And was then remitting the funds via IMPS (Immediate Payment Service), RTGS (Real-Time Gross Settlement), or NEFT (National Electronic Fund Transfer) to non-card accepting recipients.</li> </ul> </li> </ul> <p><b>The RBI’s concerns</b></p> <ul style="list-style-type: none"> <li>Under Section 4 of the PSS Act, such a payment system requires authorisation, which had not been obtained in this case.</li> <li>“The activity was, therefore, without legal sanction.</li> <li>First, the intermediary in such an arrangement pooled a large amount of funds into an account that was not a designated account under the PSS Act.</li> <li>Second, transactions processed under this arrangement did not comply with the ‘originator beneficiary information’ requirements, as stipulated under the ‘Master Direction on KYC’ issued by the RBI.</li> </ul>
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**What steps has the RBI taken now?**

- The RBI has advised the card network to keep all such arrangements in abeyance until further orders.
- It has, however, clarified that no restriction has been placed with respect to the normal usage of business credit cards.

### 9. Brave new world- The Hindu

**Relevance:** Effect of policies and politics of developed and developing countries on India’s interests, Indian diaspora

**News:**

- India must invest in fundamental research to develop reliable drugs
- Expectations are high that a free trade agreement involving India and the European Free Trade Association (EFTA) is close to fruition.

**Key Highlights**

- However, a bone of contention relates to intellectual property rights, and has persisted as an issue since 2008.
- Switzerland and Norway, which are prominent members of EFTA, host several of the pharmaceutical and biotechnology companies
  - That are responsible for several of the drugs and therapeutics that underpin health care globally.
- The nature of the pharma industry — it costs much to discover a useful effective drug and relatively little to make generic copies of it
  - With demand that is far disproportionate to affordability, means that there is a constant tussle between the inventors and the generic-drug companies.
- Patenting, or an exclusive monopoly for a fixed number of years to originators and a reciprocal right by governments to issue directions for 'compulsory licensing,
- thereby selectively breaking such monopolies in the interest of public health, has brokered the peace and sustained the global pharma industry for decades.
- But new legal innovations such as data exclusivity continue to inveigle themselves in free trade negotiations.
- Under this provision, all the clinical-trial data that concerns the safety and efficacy of a drug generated by the originator firm becomes proprietary and out of bounds for a minimum period of six years.
- Permission to make a generic is possible if a country's regulator can rely on supplied clinical trial data to approve a drug.
- For this, generic makers usually rely on the originator's published data.
- The principle of data exclusivity is present among European countries as well as in agreements involving many developing countries.
- Were it to take effect in India, it could significantly hinder India's drug industry which is also a major exporter of affordable drugs.
- Indian officials have rejected data exclusivity as a point of negotiations in the FTA, though leaked drafts of the agreement suggest that it is alive.
- However, India's rise up the drug manufacturing chain in the last few decades means that it must invest in an ecosystem that can conduct ethical drug trials and make new molecules and therapeutics from scratch.

**Conclusion**

- The paradigm that **drug development will always be expensive and confined to the West** need not be permanent.
  - as was seen in the development of several novel technology approaches to developing vaccines in India during the COVID-19 pandemic.
- But as preparation, India must **invest substantially more in fundamental research** to incubate the local drug industry into the future.

**10. What Swaminathan panel said- Indian Express**

**Relevance:** Major crops-cropping patterns in various parts of the country, – different types of irrigation and irrigation systems storage, transport and marketing of agricultural produce and issues and related constraints; e-technology in the aid of farmers.

**News:**

- The Punjab farmers, amidst ongoing protests, have demanded a law to ensure the procurement of all crops at **Minimum Support Price (MSP)**, as recommended by the **Dr. Swaminathan Commission**.
- Despite inconclusive talks, negotiations between farm unions and Union Ministers continue, with the fourth round scheduled for Sunday.



**Swaminathan Commission**

- On November 18, 2004, the Ministry of Agriculture constituted a National Commission on Farmers (NCF) under Prof Swaminathan.
  - Agricultural scientist M S Swaminathan was posthumously awarded the Bharat Ratna this month.
- It focused on enhancing food and nutrition security and improving the productivity, profitability, and sustainability of farming systems.
- The commission submitted five reports suggesting various measures to address agricultural distress and promote farmers' welfare.
  - The reports were deeply sympathetic to farmers, and made several recommendations, including at least two on MSP.

**Key Recommendations****A. First report titled "Serving Farmers and Saving Farming"**

- It highlighted the need for a comprehensive approach to address agricultural distress.
- It proposed initiatives such as a new deal for women in agriculture and the establishment of farm schools.
- The commission also advocated for the establishment of a grain bank, community food and fodder banks, and advanced soil testing labs.

**B. Second report titled "From Crisis to Confidence"**

- It recommended a code of conduct for contract farming and amendments to state APMC Acts and the Essential Commodities Act.
- These recommendations echoed pro-market reforms and anticipated reforms similar to the farm laws introduced by the present government in 2020.

**Minimum Support Prices (MSP)**

- Contrary to the demands of protesting farmers, the Swaminathan Commission did not recommend fixing MSP based on C2 (actual cost of production) plus 50 percent.
- Instead, it emphasized avoiding delays in announcing MSP and improving MSP implementation across regions.
- While the commission discussed the cost of production, it did not propose a specific formula for MSP calculation.

**Conclusion**

- Despite weaknesses in MSP implementation, the Swaminathan Commission advocated for **MSP as the bottom line for procurement**.
- It recommended that MSP should be **at least 50 percent more than the weighted average cost of production**.
- The commission's reports have been instrumental in shaping discussions on agricultural reforms and farmers' demands for MSP guarantee.

## Quick Look

### 1. Law panel recommends law to register NRI marriages

- The Law Commission, in a report submitted to the Union government, has suggested a comprehensive law to register marriages of non-resident Indians (NRIs)
- to deal with situations arising out of “fraudulent marriages”.
- Chairman Justice said the commission is of the opinion that the proposed legislation should be enough to cater to all facets involving marriages of NRIs as well as foreign citizens of Indian origin with that of Indian citizens.
- It is further recommended that all marriages between the NRIs/OCIs and Indian citizens should be made compulsorily registered in India,

### 2. Myanmar's new law may trigger mass exodus

- Myanmar's plans for conscription has triggered fear that it may create a new wave of exodus of young Myanmar nationals leaving for neighbouring countries in the south and Southeast Asia.
- The announcement of conscription that took place during the last weekend has made it compulsory for all Myanmar male citizens in the age group of 18 to 35
  - to join the armed forces as the military junta deals with countrywide insurgency that has freed large parts of the provinces
  - like Arakan, Chin, Kachin, and Sagaing and a few areas in the southeast of the country near the Thai-Myanmar border.
- Already a trickle of soldiers from Myanmar have been seeking refuge in Bangladesh and India over the past few months and both New Delhi and Dhaka
- have been in talks with the junta to return the soldiers who have been entering Indian and Bangladesh territory seeking refuge.
- Myanmar has flown air sorties to retrieve its soldiers from Mizoram. However such sorties are increasingly becoming difficult for the junta as it faces constraints.

### 3. Young Scientist Programme (YUVIKA)

- The Indian Space Research Organisation (ISRO) is set to conduct its special 'Young Scientist Programme' or 'YUVIKA' for school children.
- YUVIKA is a learning and awareness-creating programme of the ISRO to impart basic knowledge on Space Technology, Space Science, and Space Applications to younger students with a preference for rural areas.
- Aim: Creating awareness about the emerging trends in science and technology amongst the youngsters, who are the future building blocks of our nation.
- The programme is also expected to encourage more students to pursue Science, Technology, Engineering and Mathematics (STEM) based research /careers.
- Eligibility
  - Those who have finished class 8 and are currently studying in class 9.
  - Three students from each state/UT will participate in this programme every year, covering CBSE, ICSE and state-board syllabus.
  - The selection is based on 8th Standard academic performance and extracurricular activities.
  - Students belonging to the rural area have been given special weightage in the selection criteria.
  - In case there is a tie between the selected candidates, the younger candidates will be given priority.

- It is a two-week residential programme offered by ISRO that includes invited talks, experience sharing by eminent scientists, facility and lab visits, exclusive sessions for discussions with experts and practical and feedback sessions.

#### 4. Diphtheria

- Recently, the World Health Organization (WHO) published the guidelines on the clinical management of diphtheria.
- Diphtheria is a serious contagious bacterial infection of the nose and throat.
- It is caused by strains of bacteria called *Corynebacterium diphtheriae* that make a toxin.
- It can spread from person to person, usually through respiratory droplets, like from coughing or sneezing. People can also get sick from touching infected open sores or ulcers.
- The bacteria can also infect the skin, causing open sores or ulcers. However, diphtheria skin infections rarely result in severe disease.
- Although diphtheria can be treated with medications, in advanced stages, the bacterial infection can damage the heart, kidneys and nervous system.
- Symptoms: A thick, grey membrane covering the throat and tonsils, sore throat and hoarseness, swollen glands in the neck, difficulty breathing etc.
- Treatments: Neutralisation of unbound toxin with Diphtheria Antitoxin (DAT); antibiotics to prevent further bacterial growth; and monitoring and supportive care to prevent and treat complications.

#### 5. Foreign Exchange Management Act (FEMA)

- The Enforcement Directorate (ED) has conducted an inquiry into Paytm Payments Bank Limited (PPBL) transactions and found no violation under the Foreign Exchange Management Act (FEMA).
- FEMA is an enactment that deals primarily with the provisions relating to cross-border trade and payments
- It defines the procedures, formalities, and dealings of all foreign exchange transactions in India.
- It was introduced in 1999 as a replacement for the earlier Foreign Exchange Regulation Act (FERA).
- Applicability: It is applicable to all parts of India. It is also equally applicable to the offices and agencies located outside India but managed or owned by an Indian Citizen.
- It is applicable to the following entities and transactions
  - Any citizen of India residing in the country or outside (NRI)
  - Any overseas company that is owned 60% or more by an NRI
  - Any Associate Branches or subsidiaries, outside India, of companies or bodies corporate, registered or incorporated in India
  - Exports of any goods and services from India; Imports of goods and services to India
  - Banking, financial, and insurance services provided outside India
  - Cross-border sale, purchase, and exchange of any kind



## Prelims Track Question

**Q1. Consider the following statements about the Digital Services Act (DSA)**

1. The DSA focuses on regulating social media platforms and search engines to prevent the spread of misinformation and hate speech.
2. One of the key objectives of the DSA is to establish a clear framework for the liability of online platforms, making them more accountable for the content hosted on their platforms.
3. The DSA primarily aims to promote unrestricted freedom of expression and protect user privacy, with minimal emphasis on content moderation.

**How many of the statements given above is/are correct?**

- A. Only one
- B. Only two
- C. All three
- D. None

**Q2. Consider the following statements regarding the Central Consumer Protection Authority (CCPA) in India**

1. The Central Consumer Protection Authority (CCPA) is a statutory body established under the Consumer Protection Act, 2019, to promote, protect, and enforce the rights of consumers.
2. CCPA has the authority to investigate, sue, and take remedial measures against unfair trade practices and misleading advertisements that harm the interests of consumers.
3. CCPA has jurisdiction over only the e-commerce sector and does not cover traditional brick-and-mortar retail establishments.
4. The chairperson of the CCPA is appointed by the President of India on the recommendation of the Prime Minister.

**How many of the statements given above is/are correct?**

- A. Only one
- B. Only two
- C. Only three
- D. All four

**Q.3 Consider the following statements regarding Shahid Beheshti Port**

1. Shahid Beheshti Port is located in Iran and serves as a major naval base for the Iranian Navy in the Persian Gulf.

2. The port is a vital hub for trade and commerce, connecting Iran to several countries in Central Asia and facilitating the transportation of goods through the North-South Transport Corridor.
3. Shahid Beheshti Port is situated on the Gulf of Aden and plays a crucial role in countering piracy in the region.
4. India has been actively involved in the development and management of Shahid Beheshti Port, contributing to its infrastructure and enhancing regional connectivity.

**How many of the statements given above is/are correct?**

- A. Only one
- B. Only two
- C. Only three
- D. All four

**Q4. Consider the following statements regarding the Defence Acquisition Procedure (DAP) 2020**

1. DAP 2020 aims to streamline and fast-track the procurement process for defense equipment and enhance the role of indigenous defense industries in meeting the country's defense needs.
2. Under DAP 2020, the "Buy (Indian-IDDMM)" category prioritizes the acquisition of defense items designed, developed, and manufactured indigenously with no foreign collaboration.
3. DAP 2020 has no provisions for promoting technology transfer and collaboration with foreign defense manufacturers to strengthen India's defense capabilities.

**How many of the statements given above is/are correct?**

- A. Only one
- B. Only two
- C. All three
- D. None

**Q5. Consider the following statements regarding Sangam: Digital Twin Initiative**

1. It aims to demonstrate practical implementation of innovative infrastructure planning solutions.

2. By creating virtual replicas of physical assets, it allows for real-time monitoring, simulation, and analysis.

**Which of the statements given above is/are incorrect?**

- A. Only 1
- B. Only 2
- C. Both 1 and 2
- D. Neither 1 nor 2

**Q6. Consider the following statements with reference to the Loan-To-Value (LTV) Ratio**

1. It is a financial ratio that compares the amount of money being borrowed to the market price of the asset being purchased.
2. Loans with higher LTV ratio are considered safer as the lender is protected from larger fluctuations in collateral value.

**Which of the statements given above is/are correct?**

- A. Only 1
- B. Only 2
- C. Both 1 and 2
- D. Neither 1 nor 2

**Q7. Consider the following statements regarding Sora, the new generative artificial intelligence (GenAI) model developed by OpenAI**

1. It is capable of converting text prompts into high-quality videos.
2. It can animate a static image, transforming it into a dynamic video presentation.
3. It cannot create complex scenes with multiple characters and accurate details of the subject and background.

**How many of the statements given above is/are correct?**

- A. Only one
- B. Only two
- C. All three
- D. None

**Q8. Consider the following statements**

1. NEFT is a payment mode where the money is transferred from one bank account to the other in real-time.
2. Transactions made through RTGS are processed on a one-to-one basis.
3. NEFT and RTGS transactions can be performed 24\*7.

**How many of the statements given above is/are correct?**

- A. Only one
- B. Only two
- C. All three
- D. None

**Q9. Consider the following statements about the European Free Trade Association (EFTA)**

1. It is an intergovernmental organization established by the Stockholm Convention.
2. UK is one of the members of the European Free Trade Association (EFTA).
3. It is a customs union similar to the European Union (EU).

**How many of the statements given above is/are correct?**

- A. Only one
- B. Only two
- C. All three
- D. None

**Q10. Consider the following statements regarding the Swaminathan Commission**

1. The Swaminathan Commission is associated with recommending measures to address agrarian distress and enhance the well-being of farmers in India.
2. One of the key recommendations of the Swaminathan Commission is to fix Minimum Support Prices (MSP) for agricultural produce at a level that ensures a 50% profit margin over the comprehensive cost of production.
3. The Swaminathan Commission exclusively focused on the economic aspects of agriculture and did not consider the ecological sustainability of farming practices.

**How many of the statements given above is/are incorrect?**

- A. Only one
- B. Only two
- C. All three
- D. None

## Prelims Track Answer

### Answer 1 Option C is correct

#### Explanation

- While the DSA does address issues related to content moderation on online platforms, its scope is broader. It aims to regulate all digital services, not just social media platforms and search engines. The goal is to create a safer online environment by addressing various challenges such as disinformation, hate speech, and illegal content. **Hence, statement 1 is correct**
- One of the central goals of the DSA is to update the liability framework for digital services. It proposes a risk-based approach to ensure that online platforms take appropriate measures to address illegal content and activities while providing legal certainty and protection for fundamental rights. **Hence, statement 2 is correct**
- While the DSA aims to strike a balance between freedom of expression and addressing harmful content, it doesn't prioritize unrestricted freedom of expression. Instead, it seeks to establish a legal framework that promotes responsible behavior among online platforms, ensuring that they take adequate measures to tackle harmful content. **Hence, statement 3 is incorrect**

### Answer 2 Option B is correct

#### Explanation

- The Central Consumer Protection Authority (CCPA) is indeed a statutory body established under the Consumer Protection Act, 2019, with the mandate to protect and enforce the rights of consumers. **Hence, statement 1 is correct**
- The CCPA has the authority to investigate, take suo-motu action, and intervene in matters related to unfair trade practices, misleading advertisements, and violations of consumer rights. It can also initiate class-action suits on behalf of consumers. **Hence, statement 2 is correct**
- The jurisdiction of the CCPA extends beyond the e-commerce sector. It covers all goods and services, both offline and online, and has the authority to take action against unfair trade practices in various sectors, including traditional retail establishments. **Hence, statement 3 is incorrect**

- The chairperson of the CCPA is appointed by the Central Government, not the President of India. The appointment is based on the recommendations of a selection committee, which is chaired by the Cabinet Secretary. **Hence, statement 4 is incorrect**

### Answer 3 Option B is correct

#### Explanation

- Shahid Beheshti Port is indeed located in Iran, but it is not primarily a naval base. It is a major seaport that serves as a key maritime gateway for trade and commerce. **Hence, statement 1 is incorrect**
- Shahid Beheshti Port, also known as Chabahar Port, is strategically located on the southeastern coast of Iran and provides India with a shorter route to Afghanistan and Central Asia. It is a crucial component of the North-South Transport Corridor, enhancing regional connectivity. **Hence, statement 2 is correct**
- Shahid Beheshti Port is situated on the Gulf of Oman, not the Gulf of Aden. While it is strategically important, particularly for trade, it is not directly involved in countering piracy in the Gulf of Aden. **Hence, statement 3 is incorrect**
- India has been actively involved in the development of Shahid Beheshti Port as part of its efforts to enhance regional connectivity. India has invested in the construction of the port and associated infrastructure, aiming to establish a reliable trade route to Afghanistan and Central Asia. **Hence, statement 4 is correct**

### Answer 4 Option B is correct

#### Explanation

- The primary objective of DAP 2020 is to promote self-reliance in defense production, streamline the procurement process, and enhance the role of indigenous defense industries in meeting the country's defense needs. It encourages the Make in India initiative for defense production. **Hence, statement 1 is correct**
- The "Buy (Indian-IDDM)" category under DAP 2020 prioritizes the acquisition of defense items that are designed, developed, and manufactured indigenously with no foreign collaboration. IDDM stands for "Indigenously Designed, Developed, and Manufactured."



- **Hence, statement 2 is correct**
- DAP 2020 includes provisions for promoting technology transfer and collaboration with foreign defense manufacturers. It recognizes the importance of leveraging global expertise to strengthen India's defense capabilities. The "Buy and Make (Indian)" and "Buy and Make" categories encourage collaboration with foreign vendors and technology transfer. **Hence, statement 3 is incorrect**

**Answer 5 Option D is correct**

**Explanation**

- Recently, the Department of Telecommunications (DoT) introduced the 'Sangam: Digital Twin' initiative.
- It seeks to leverage Digital Twin technology to create virtual replicas of physical assets for real-time monitoring, simulation, and analysis.
- The initiative is a Proof of Concept (PoC) executed in two stages
- It aims to demonstrate practical implementation of innovative infrastructure planning solutions, to develop a model framework for facilitating faster and more effective collaboration and to provide a future blueprint that may serve as a roadmap to scale and replicate successful strategies in future infrastructure projects. **Hence, statement 1 is correct.**
- It offers a solution by creating virtual replicas of physical assets, allowing for real-time monitoring, simulation and analysis for experimental iterations and feedback loops to adapt to the changes to achieve the best outcomes. **Hence, statement 2 is correct.**

**Answer 6 Option A is correct**

**Explanation**

- Loan-To-Value (LTV) Ratio is a metric used to assess the level of risk involved in extending a loan to a borrower by comparing the value of the loan against the value of the underlying collateral.
- The loan to value (LTV) ratio is calculated by dividing the loan amount by the estimated market value of the collateral. **Hence, statement 1 is correct.**
- It is usually expressed in percentage terms, and shows the amount of money that can be salvaged from a borrower in case of a default.

- Since the actual market value of the collateral is likely to fluctuate over time, loans with lower LTV ratio are considered safer as the lender is protected from larger fluctuations in collateral value. **Hence, statement 2 is incorrect.**

**Answer 7 Option B is correct**

**Explanation**

- Recently, OpenAI introduced Sora, a new generative artificial intelligence (GenAI) model capable of converting text prompts into videos. **Hence, statement 1 is correct.**
- It can create full videos in one go or add more to already created videos to make them longer.
- It can generate videos up to a minute long while maintaining visual quality and adhering to the user's prompt.
- It can also animate a static image, transforming it into a dynamic video presentation. **Hence, statement 2 is correct.**
- It is capable of creating complex scenes with multiple characters, specific types of motion, and accurate details of the subject and background. **Hence, statement 3 is incorrect.**
- OpenAI has developed safety protocols to detect and prevent misuse of Sora. This includes a text classifier to reject prompts violating usage policies and image classifiers to review generated videos for compliance.
- Despite its capabilities, it has some weaknesses, including struggles with accurately simulating complex scenes' physics — and understanding specific instances of cause and effect.
- It may also confuse spatial details and struggle with precise descriptions of events that unfold over time.

**Answer 8 Option B is correct**

**Explanation**

- NEFT, which stands for National Electronic Funds Transfer, is an electronic method of transferring money online.
- Most Indian banks provide the NEFT feature on internet banking and mobile banking.
- As per Reserve Bank of India (RBI) guidelines, the payments made via NEFT are processed and settled half hourly batches. **Hence, statement 1 is incorrect.**
- NEFT transactions can be performed 24\*7.

- Money transfer made through NEFT does not require any additional transaction RTGS, which stands for Real-time Gross Settlement, is a payment mode where the money is transferred from one bank account to the other in real-time, without any delay. It is mostly used for transactions of high value.
- Transactions made through RTGS are processed on a one-to-one basis. **Hence, statement 2 is correct.**
- RTGS transactions can be performed 24\*7. **Hence, statement 3 is correct.**

**Answer 9 Option A is correct**

**Explanation**

- The European Free Trade Association (EFTA) is an intergovernmental organization established in 1960 by the Stockholm Convention. **Hence, statement 1 is correct.**
- Objective: To promote free trade and economic integration between its members within Europe and globally.
- EFTA currently has 4 member countries: Iceland, Liechtenstein, Norway and Switzerland. **Hence, statement 2 is incorrect.**
- In contrast to the EU, EFTA is not a customs union. This means that the individual EFTA States are free to set their own customs tariffs and arrange other foreign trade measures vis-à-vis the non-EFTA States. **Hence, statement 3 is incorrect.**

- EFTA's highest governing body is the EFTA Council. It generally meets 8 times a year at the ambassadorial level and twice a year at the ministerial level.
- The headquarters of the EFTA Secretariat is located in Geneva.

**Answer 10 Option A is correct**

**Explanation**

- The Swaminathan Commission, formally known as the National Commission on Farmers (NCF), was established to recommend measures to improve the economic conditions of farmers and address agrarian distress in India. **Hence, statement 1 is correct**
- One of the key recommendations of the Swaminathan Commission is indeed to fix Minimum Support Prices (MSP) for agricultural produce at a level that ensures a 50% profit margin over the comprehensive cost of production. This is commonly referred to as the "Swaminathan Formula." **Hence, statement 2 is correct**
- The Swaminathan Commission took a comprehensive approach, considering both economic and ecological aspects of agriculture. It emphasized the need for sustainable farming practices, crop diversification, and environmental conservation in its recommendations. **Hence, statement 3 is INcorrect**

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