

DAILY CURRENT AFFAIRS

By



SOURCES



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Important News Articles

GS I

1. Declare floods in Tamil Nadu districts as national disaster: Stalin - The Hindu

Relevance: Disaster and disaster management.

News:

- The Chief Minister of Tamil Nadu has urged the Union Government to declare the extensive damage caused by **unprecedented rainfall** in Tirunelveli and Thoothukudi districts as a '**National Disaster**.'

National Disaster

- The **Disaster Management Act, 2005**, defined "disaster" as:
 - A catastrophe, mishap, calamity or grave occurrence in any area
 - It arises from natural or man-made causes, or by accident or negligence
 - it results in substantial loss of life or human suffering or damage to, and destruction of, property
 - It is of such a nature or magnitude as to be beyond the coping capacity of the community of the affected area.
- A **natural disaster** includes earthquakes, flood, landslide, cyclone, tsunami, urban flood.
- A **man-made disaster** can be nuclear, biological and chemical.

National Disaster Response Force

- The Disaster Management Act has statutory provisions for the constitution of the National Disaster Response Force (NDRF)

Objective:

- It is aimed at a specialised **response to natural and man-made disasters**.
- NDRF carries out rescue and relief operations during natural disasters.
- In addition, NDRF has the capability to respond to nuclear, biological and chemical disasters.

Chairman

- The apex body of disaster management is the National Disaster Management Authority (NDMA).
- NDRF functions under NDMA.
- Chairman of NDMA is the **Prime Minister**

Prelims Takeaway

- National Disaster Management Authority (NDMA)
- Disaster Management Act

GS II

2. Under new law, doctors face two years of imprisonment for death due to negligence - The Hindu/ Docs thank Govt, but in BNS they can still face criminal cases - Indian Express

Relevance: Structure, organization and functioning of the Executive and the Judiciary—Ministries and Departments of the Government; pressure groups and formal/informal associations and their role in the Polity.

News:

- The amended Bharatiya Nyaya (Second) Sanhita Bill, 2023 (BNSS) **does not grant blanket exemption to doctors in cases of death due to negligence**.
- Instead, it outlines a **specific punishment** for such cases.

Key highlights of the bill

Amendment to Section 106 (1) of the BNSS

- The amended section specifies the punishment for causing death by rash or negligent acts, prescribing a **maximum imprisonment term of five years**.
- However, for **registered medical practitioners performing medical procedures**, the term is reduced to **two years**, with liability for a fine.

Prelims Takeaway

- Medical Negligence
- Bharatiya Nyaya (Second) Sanhita Bill, 2023

Definition of Registered Medical Practitioner

- A definition for a "registered medical practitioner," referring to a medical professional with qualifications recognized under the National Medical Commission Act, 2019,
 - whose name is listed in the National Medical Register or a State Medical Register.

Medical Negligence

- Medical negligence pertains to professional misconduct by a healthcare provider
 - who does not adhere to the expected standards of their profession leading to loss suffered by the seeking medical intervention.
- The loss suffered can be financial consequences, adverse health effects, worsening the patient's condition
 - inflicting emotional trauma, and leaving the patient in a permanent and irreparable state for the remainder of their life.

Landmark Cases:

- **Bolam v. Friern Hospital Management Committee (1957)**
- In this English case this case established the principle that a **medical professional is not necessarily negligent**
 - if their actions align with the practice accepted by a responsible body of medical opinion within their field, even if other experts may disagree.

3. Shri Narayan Rane launches three sub-schemes under the RAMP programme - PIB

Relevance: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

News:

- Union Minister for MSME, Shri Narayan Rane, **launched three sub-schemes under the RAMP programme** to support the MSME sector.

Prelims Takeaway

- MSMEs
- RAMP Programme

MSME Green Investment and Financing for Transformation Scheme (MSME GIFT Scheme)

Objective:

- Aims to **assist MSMEs** in adopting green technology.
- Provides **interest subvention and credit guarantee support** to encourage the adoption of eco-friendly practices.

MSE Scheme for Promotion and Investment in Circular Economy (MSE SPICE Scheme):

- First-ever government scheme **supporting circular economy projects**.
- It aims to **offer credit subsidies to promote projects** leading to zero emissions by 2070, aligning with MSME sector goals.

MSE Scheme on Online Dispute Resolution for Delayed Payments

- Unique scheme using **modern IT tools and AI to address delayed payments** for Micro and Small Enterprises.
- Synergizes legal support with technology to **streamline dispute resolution**.

Additional Initiatives

MSME – SCIP Programme

- Supports the **commercialization of intellectual property** for MSME innovators.

ZED Scheme

- It **made it free for women-led MSMEs**, with the government guaranteeing 100 percent financial support for certification costs.

Purpose of National MSME Council

- Administrative and functional body of the **World Bank-supported RAMP Programme**.

RAMP Programme Objectives

- Aims to **improve market and credit access, strengthen institutions** and governance
- It enhances **Centre-State linkages, addresses delayed payments**, and promotes green practices in MSMEs.

GS III

4. Centre approves deployment of CISF in Parliament complex - The Hindu/ CISF to be brought in for Parliament security - Indian Express

Relevance: Challenges to internal security through communication networks, role of media and social networking sites in internal security challenges, basics of cyber security; money-laundering and its prevention.

News:

- The Union Home Ministry has approved the **deployment of the Central Industrial Security Force (CISF) in the Parliament** complex, according to a government order.

Prelims Takeaway

- Parliament Security Service
- CISF

Key Points

- The decision comes days after the **security breach in the Parliament**.
- While access control such as frisking and scanning the baggage is the responsibility of the Delhi police, the Parliament Duty Group (PDG)
- An armed component of the Central Reserve Police Force (**CRPF**) is deployed in **case an armed intervention is required**.
- The **Parliament Security Service** under the Lok Sabha Speaker is the overall in-charge of security.

Central Industrial Security Force

- The CISF is India's central armed police force functioning under the **control of the ministry of home affairs**.
- It was created in **1969 to provide security cover to the Public Sector Enterprises (PSEs)**, which, in those times, occupied the commanding heights of the Indian economy.
- Its mandate is extended beyond PSEs to include **critical infrastructure and private firms in the country**.
- CISF is also providing security cover to the **protected persons under Z Plus, Z, X, Y categories**.
- CISF raised the Special Security Group (SSG) for this purpose.

5. 'Rating firms' biases raise developing nations' funding costs' - The Hindu/ Rating agencies too subjective, loaded against India, need reform: CEA - Indian Express

Relevance: Important International institutions, agencies and fora- their structure, mandate.

News:

- The **Chief Economic Advisor's (CEA)** office in the Union Ministry of Finance calls for **urgent reforms and transparency** in sovereign credit rating processes.

Prelims Takeaway

- World Bank
- Rating Agencies

Critique of Rating Agencies:

- Alleges methodologies of Fitch, Moody's, and S&P** heavily favor developed countries.
- It highlights **over-reliance on non-transparent** and subjective qualitative factors.

Impact on Developing Countries

- Qualitative parameters weigh more** than actual macroeconomic fundamentals for developing countries like India.
- Despite India's economic growth, credit rating remains static at BBB- for 15 years.

Recommended Reforms

- Urges **reliance on a country's debt repayment history** to determine 'willingness to pay.'

- Suggests focusing on authentic, verifiable information and using qualitative judgement as a last resort.

Call for Transparency

- Criticises the **opaqueness** of rating agencies' **methodologies**.
- Emphasises the **need for transparency** and reforms in the ratings process.

Bias in Ratings

- Claims subjective assessments **favour advanced economies**, leading to over 95% of credit rating downgrades for developing countries.
- **Questions heavy reliance on World Bank's** Worldwide Governance Indicators (WGIs) for determining governance and institutional quality.

6. RBI releases draft omnibus framework for SROs, seeks views - The Hindu

Relevance: Economy

News:

- The RBI recently published a **draft omnibus framework**, seeking comments from stakeholders.
- The framework aims to establish guidelines for recognizing **Self-Regulatory Organizations (SROs)** to enhance industry standards for regulated entities.

Prelims Takeaway

- Self-Regulatory Organisation (SRO)
- Reserve Bank of India (RBI)

Rationale for the Framework

- **Rapid growth of Regulated Entities (REs)** in terms of number and scale, coupled with increased **adoption of innovative technologies**.
- This growth has made effective regulation challenging for the RBI.
- The draft framework outlines **broad parameters** applicable to any SRO.
 - It covers objectives, responsibilities, eligibility criteria, governance standards, application process and basic conditions for SRO recognition.

Self-Regulatory Organisation (SRO)

- An SRO is a **non-governmental organisation** that sets and enforces rules and standards relating to the **conduct of entities** in the industry.
- SROs typically **collaborate** with all stakeholders in **framing rules and regulations**.
- SROs already **recognized by the RBI** will continue under their existing terms and conditions unless the new framework is specifically extended to them.

Role and Responsibilities

- SROs are expected to pursue overarching objectives that **contribute to the betterment** of their represented sector.
- SROs are tasked with developing and adhering to **self-regulatory principles** conducive to sector advancement.
- SROs should establish a comprehensive **code of conduct** for members and **minimum benchmarks** and conventions for professional market conduct among members.

Protection of Interests

- SROs are also required to **protect the interests of customers**, depositors, participants, and other stakeholders within the sector.
- They are envisioned as **allies of the RBI** in ensuring compliance, sector development, stakeholder protection, fostering innovation and **detecting early warning signals**.

Transparency and Governance

- SROs are expected to operate with transparency, professionalism, and independence to **build confidence in the sector's integrity**.
- Compliance with the highest governance standards is deemed essential for effective SRO functioning.

7. Centre considers compensation for exporters hit by UK, EU carbon tax - Indian Express

Relevance: Conservation, environmental pollution and degradation

News:

- The Indian government is considering **various relief measures** to mitigate the impact of the **Carbon Border Adjustment Mechanism (CBAM)**.
- Introduced by the European Union (EU) and the UK, it is expected to **affect India's iron, steel and aluminium exports** worth \$8-\$9 billion.

Prelims Takeaway

- Carbon Border Adjustment Mechanism (CBAM)
- Common But Differentiated Responsibilities (CBDR)
- World Trade Organization (WTO)
- Fit for 55

Carbon Border Adjustment Mechanism (CBAM)

- CBAM is part of the "**Fit for 55 in 2030 package**", which is the EU's plan to reduce greenhouse gas emissions by **at least 55% by 2030** compared to 1990 levels.
- It is a policy tool aimed at **reducing Carbon Emissions** by ensuring that imported goods are subject to the **same carbon costs** as products produced within the EU.
- Both argue that CBAM aims to **prevent carbon leakage**, the movement of production and emissions from one country to another
- CBAM came into effect on October 1, 2023, while the actual tax imposition by the EU is set for 2026.
- The UK has announced its version of CBAM, effective by 2027.

Relief Measures

- To **support affected exporters** and **maintain global competitiveness**, the government is exploring compensation options.
- Possible **measures include** seeking a longer transition time, repatriation of duties and collaborative mechanisms to enhance product competitiveness.

Challenges and WTO Dispute

- India has challenged the CBAM at the **World Trade Organization (WTO)**, arguing that it violates **special and differential treatment (SNDT) provisions**.
 - The provisions advocate longer time periods for developing nations to implement agreements.
- Addressing such measures in **Free Trade Agreements (FTAs)** poses challenges.

Against Environmental Law

- Trade experts criticize CBAM for potentially **violating the principle of international environmental law**.
 - The law states that all states are responsible for addressing global environmental destruction yet not equally responsible.
- **Common but differentiated responsibilities (CBDR)** assumes all the more significance for India that barely contributes **one-seventh of world's carbon emission**.
- Concerns are raised about the EU's expectations on export pricing discipline, hindering India's ability to **incentivize green energy consumption** in its industry.

Editorials, Gists and Explainers

1. Questionable searches under the Money Laundering Act - The Hindu

Relevance: Polity

Context:

- The **Prevention of Money Laundering Act, 2002**, was passed in the background of India's commitment to the international community to **fight the drug menace and terrorism**.
- However, its enforcement has faced scrutiny especially after the Supreme Court's interpretation in the **Vijay Madanlal Choudhary case (2022)**.

Prevention of Money Laundering Act, 2002 (PMLA)

- Money laundering is defined as the process through which an illegal fund is obtained from illegal activities and disguised as legal money, eventually portrayed as white money.
- PMLA was enacted to fight against the criminal offence of legalizing the income/profits from an illegal source.
- It enables the Government or the public authority to confiscate the property earned from the illegally gained proceeds.

Supreme Court's Ruling

- The Supreme Court emphasized that the PMLA applies only if there exists "proceeds of crime" under Section 2(1)(u) of the 2002 Act.
- And the property is involved in any process or activity related to money laundering.
- The court's ruling raised concerns about the Enforcement Directorate's (ED) conduct in searches, seizures, and arrests outside its powers, leading to criticism.

Criticism of ED's Conduct

- The Supreme Court has criticized the ED's functioning stating that it must act with utmost probity, dispassion, and fairness.
- Damning observations were made about the lack of consistency and uniformity in the ED's practices.
- The court also set aside arrest orders, expressing dissatisfaction with the ED's exercise of powers.

Pavana Dibbur vs The Directorate of Enforcement, 2023

- According to a plain reading of Section 3 of the PMLA, there cannot be any money laundering offence unless the "proceeds of crime" exist.
- To constitute any property as the "proceeds of crime," it must be derived or obtained directly or indirectly by any person as a result of criminal activity relating to a scheduled offence.
- The existence of "proceeds of crime" is "sine qua non" for the offence under Section 3 of the PMLA.

Issues in Some States

- Concerns are raised about actions in states governed by the opposition.
- The ED is conducting inquiries related to alleged illegal mining of sand, a minor mineral under state control.
 - The Mines and Minerals (Development and Regulation) Act, 1957 is not covered by the Schedule of the PMLA Act and offences in relation thereto are not "Scheduled Offences".
 - The Mines Act has extensive provision to curb evasion and enables penalty and prosecution for any illegal extraction of minerals.
 - But, that power is with the State government.
- Instances in Jharkhand highlight the ED's investigations based on alleged illegal mining, raising questions about jurisdiction and abuse of authority.

Conclusion

- **Federalism** is a part of the **basic structure** of the Constitution of India, but its foundation is being slowly chipped away through such processes.
- There is a need to **curb the misuse** of investigative agencies and legal processes to **protect democracy** and **uphold federalism** in India.

2. IMF'S MESSAGE - Indian Express

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

Context:

- Under **Article IV** of the International Monetary Fund's (IMF) articles of agreement, **annual bilateral discussions** with member countries are conducted.
- Recently, the IMF released the annual **Article IV country report for India**.
- It details the views of the IMF staff on various **macroeconomic issues** and **discussions** with Indian officials on economic development and policies.

Key Focus Areas

1. Currency Regime

- The IMF notes that from December 2022 to October 2023, the **rupee-dollar rate remained stable**.
- This stability implies heavy **foreign exchange interventions** by the Reserve Bank of India.
- And it has prompted a **reclassification** of India's exchange rate regime from "floating" to "**stabilised arrangement**" for that period.
- The RBI argues against the reclassification, stating that the **rupee is market-determined**.

- It also maintained that **foreign exchange interventions** are used only to **curb excessive exchange rate volatility**.

2. Government Debt Level

- The IMF emphasises the importance of an "**ambitious**" **fiscal consolidation path** to reduce government debt.
- There are concerns that **debt could exceed 100% of GDP** in the medium term if shocks similar to those in the past materialise.
- It has also warned that **long-term risks are high** because considerable investment is required to reach India's climate change mitigation targets.
- The RBI argues that **sovereign debt risks are low**, as it is predominantly denominated in domestic currency.
- And despite several shocks, the general debt level has **barely increased**.

Way Forward

- While forex interventions have stabilized the rupee, a **flexible exchange rate** could enhance resilience against external shocks.
- While both central and state governments have reduced debt and deficit levels post pandemic, they must **focus on consolidation**.

3. WHAT ARE VOLCANOES - AND WHY DO THEY KEEP ERUPTING IN ICELAND? - Indian Express

Relevance: Important Geophysical phenomena such as earthquakes, Tsunami, Volcanic activity, cyclone etc.

Context:

- Recently, the **Fagradalsfjall volcano** located in the **southwest Iceland** erupted.

The Background

- This marks the third eruption of the Fagradalsfjall volcano in the past two years.
- However, it had been dormant for over 6,000 years before becoming active in March 2021.
- Iceland, known for its high volcanic activity, experiences eruptions every four to five years.
- The frequency has increased to almost one eruption per year since 2021.

Volcanoes

- According to the US Geological Survey "Volcanoes are openings, or vents where lava, tephra and steam erupt onto the Earth's surface."
- They can be on land or in the ocean, formed by the eruption of material hotter than its surroundings.
- The material could be liquid rock (known as "magma", when it's underground and "lava" when it breaks through the surface), ash, and/or gases.

Volcanic Processes

- According to NASA, the rise of magma can take place in three different ways
1. When tectonic plates move away from each other.
 - The magma rises up to fill in the space.
 - When this happens underwater volcanoes can form.
 2. When the plates move towards each other.
 - When this happens, part of Earth's crust can be forced deep into its interior.
 - The high heat and pressure cause the crust to melt and rise as magma.
 3. The way magma rises at the hotspots - hot areas inside of the Earth, where magma gets heated up.
 - As magma gets warmer, it becomes less dense, leading to its rise.

Volcanic Features

- The type of volcano depends on factors such as magma viscosity, gas content, composition and the way magma reaches the surface.
- There are two broad types of volcanoes
 - Stratovolcanoes: with steep sides
 - Shield volcanoes: with a low profile resembling a shield lying on the ground
- Various volcanic features, like cinder cones or lava domes, can form from erupted magma, along with processes that shape volcanoes.

Reasons for Iceland's Volcanic Activity

- Iceland's high volcanic activity is attributed to two main reasons.
 1. It sits on the Mid-Atlantic Ridge, where the Eurasian and North American plates are moving apart, causing volcanic rift zones.
 - These zones result from the Earth's crust being pulled apart, allowing magma to rise and erupt.
 2. Iceland is located over a hotspot, leading to enhanced volcanic activity in the region.

Quick Look

1. UNESCO's Prix Versailles 2023

- The Prix Versailles, established in 2015, focuses on intelligent sustainability as a cultural driver.
- It acknowledges innovation, creativity, reflection of local heritage, ecological efficiency, and values of social interaction.
- Terminal 2 (T2) of Kempegowda International Airport (KIA) in Bengaluru has been awarded the world special prize for interiors at the UNESCO's 2023 Prix Versailles.
- The award acknowledges T2 as one of the world's most beautiful airports, emphasizing intelligent sustainability and cultural significance.
- T2 is known as the "Terminal in a Garden" built upon four foundational pillars viz. technological leadership, environmental stewardship, celebration of local heritage, and a terminal in a garden concept.
- T2 is the world's largest terminal pre-certified with a Platinum LEED rating by the US Green Building Council before operational commencement.
- The terminal also garnered the prestigious Platinum certification under the IGBC Green New Building rating system.
- T2's design reflects a celebration of Karnataka's rich heritage and culture, creating a distinctive gateway that leaves a lasting impression on global travellers.

2. Namdapha Flying Squirrel

- The Namdapha flying squirrel (*Biswamoyopterus biswasi*) has been recently rediscovered in Arunachal Pradesh after being last described in 1981.
- It is among the 25 "most wanted lost" species that are the focus of Global Wildlife Conservation's "Search for Lost Species" initiative.
- Restricted to a single valley in the Namdapha Tiger Reserve in Arunachal Pradesh
- Habitat: dry deciduous montane forests occupying moist forest tracts along streams
- It is an arboreal and nocturnal flying squirrel.
- Threats
 - Poaching of animals for food
 - Habitat loss and degradation
 - Landslides and floods that results in habitat loss
- IUCN Status: Critically endangered

3. Press and Registration of Periodicals Bill, 2023

- The Parliament recently passed the Press and Registration of Periodicals Bill.
- It replaces the Press and Registration of Books Act, 1867.
- Objective: To make the process of allotment of title and registration of periodicals simple through an online system without the requirement of physical interface.
- The Bill will make it mandatory for digital news platforms to do a "one-time registration" in order to operate.
- The Bill empowers the PRG to suspend/cancel registration.
- The Bill also seeks to do away with two provisions that required publishers and printers to file a declaration before the DM.
- The new Bill also provides for an appellate authority.
 - The Appellate Board (Press and Registration Appellate Board) will comprise chairperson, Press Council of India (PCI), and two members of PCI to hear an appeal against
 - Refusal of grant of registration
 - Imposition of any penalty or suspension/cancellation of registration by PRG

4. Polar Stratospheric Clouds (PSC)

- These are also known as nacreous clouds or mother of pearl, due to their iridescence.
- These are formed in very cold conditions over Polar Regions and within the stratosphere far above our normal clouds.
- These clouds are made of smaller ice particles than those that form more common clouds.
- These small particles help to scatter light in a different way, which gives them their unique appearance
- PSCs typically make their first appearance in January.
- The frequency of these clouds is often a harbinger of ozone depletion, as they play a crucial role in stratospheric chemistry.

5. Sahitya Akademi Award

- It is awarded for the most outstanding books of literary merit published in any of the major Indian languages recognised by the Akademi.
- Akademi gives 24 awards annually to literary works in the languages it has recognized and an equal number of awards to literary translations from and into the languages of India.
- Besides the 22 languages enumerated in the Constitution of India, the Sahitya Akademi has recognised English and Rajasthani as languages in which its programme may be implemented.

6. National Cooperative Exports Limited

- It was set up by the Ministry of Cooperation under the Multi-State Cooperative Societies (MSCS) Act, 2002.
- It will provide a complete ecosystem for the promotion of exports mainly of Agri commodities for the benefit of our farmers, in which India has a comparative advantage.
- All cooperative societies from the level of primary to apex that are interested in exports are eligible to become members.

7. Valmiki Tiger Reserve

- It is located at the India-Nepal border in the West Champaran district of Bihar.
- It is situated in the Gangetic Plains biogeographic zone of the country.
- It forms the easternmost limit of the Himalayan Terai forests in India and is the only tiger reserve in Bihar.
- It comprises the Valmiki National Park and Valmiki Wildlife Sanctuary.
- It is surrounded by the Royal Chitwan National Park of Nepal in the north and the river Gandak on the western side.
- Rivers Gandak, Pandai, Manor, Harha, Masan, and Bhapsa flow through various parts of the reserve.

Prelims Track Question

Q1. Consider the following statements

1. As per Disaster Management Act, 2005, earthquakes, flood, landslide, nuclear, biological comes under definition of disaster
2. The Disaster Management Act has statutory provisions for the constitution of the National Disaster Response Force (NDRF)
3. NDRF aimed at a specialised response to natural disasters only.
4. NDRF is an autonomous body and directly reports to the ministry.

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

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

Q2. Consider the following statements about the National Health Authority (NHA)?

1. It is the apex body responsible for implementing AB PM-JAY
2. It has been entrusted with the role of designing strategy, building technological infrastructure and implementation of "National Digital Health Mission" to create a National Digital Health Eco-system
3. NHA is governed by a Governing Board chaired by the Union Minister for Health and Family Welfare.

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

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

Q3. Consider the following statements about schemes of MSME

1. MSME Green Investment and Financing for Transformation Scheme Aims to assist MSMEs in adopting green technology.
2. MSE Scheme for Promotion and Investment in Circular Economy aims to offer credit subsidies to promote projects leading to zero emissions by 2070

3. MSE Scheme on Online Dispute Resolution for Delayed Payments aimed at using modern IT tools and AI to address delayed payments for Micro and Small Enterprises
4. MSME – SCIP Programme aimed at supports the commercialization of intellectual property for MSME innovators.
5. ZED Scheme aimed to make it free for women-led MSMEs, with the government guaranteeing 100 percent financial support for certification costs.

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

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

Q4. Consider the following statements

1. An armed component of the Central Reserve Police Force (CRPF) is deployed in case an armed intervention is required.
2. The Parliament Security Service under the Lok Sabha Speaker is the overall in-charge of security.
3. The CISF is India's central armed police force functioning under the control of the ministry of parliamentary affairs.

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

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

Q5. Consider the following statements regarding the World Bank

1. The World Bank is an autonomous financial institution that provides grants and concessional loans to developing countries for various development projects.
2. The International Bank for Reconstruction and Development (IBRD) is the concessional arm of the World Bank, focusing on providing

financial assistance to low-income countries.

- The President of the World Bank is traditionally nominated by the United States.

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

- Only one
- Only two
- All three
- None

Q6. Consider the following statements regarding Self-Regulatory Organisation (SRO)

- An SRO is a non-governmental organisation that sets and enforces rules and standards relating to the conduct of entities in the industry.
- SROs are tasked with developing and adhering to self-regulatory principles conducive to sector advancement.
- The Ministry of Finance recently published the framework to establish guidelines for recognizing Self-Regulatory Organizations (SROs).

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

- Only one
- Only two
- All three
- None

Q7. With reference to the Carbon Border Adjustment Mechanism (CBAM), consider the following statements

- It is a key climate law introduced by the European Union (EU) to address the issue of carbon leakage.
- It imposes carbon-related costs on imports of specific carbon-intensive products.
- India argues that CBAM violates special and differential treatment (SNDT) provisions.

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

- Only one
- Only two
- All three
- None

Q8. The Vijay Madanlal Choudhary case, recently seen in the news, is associated with

- Cybersecurity Regulations in India
- Amendments to the Indian Penal Code
- Carbon Border Adjustment Mechanism (CBAM)
- Prevention of Money Laundering Act (PMLA)

Q9. Consider the following statements with reference to International Monetary Fund (IMF)

- Any country who is a member of the UN can become a member of the IMF only.
- Annual bilateral discussions with member countries are conducted, under the Article IV of the IMF's articles of agreement.
- On joining the IMF, each member country contributes a certain sum of money, based on the country's wealth and economic performance.

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

- Only one
- Only two
- All three
- None

Q10. Consider the following statements

Statement I: Iceland, known for its high volcanic activity is experiencing almost one eruption per year since 2021.

Statement II: It sits on the Mid-Atlantic Ridge, where the Eurasian and North American plates are moving apart.

Which one of the following statements is correct?

- Statement I is correct but statement II is incorrect
- Statement I is incorrect but Statement II is correct
- Both Statement I and Statement II are correct and Statement II is the correct explanation for Statement I
- Both Statement I and Statement II are correct and Statement II is not the correct explanation for Statement I

Prelims Track Answer

Ans. 1 Option B is correct

Explanation

- Disaster Management Act, 2005, defined “disaster as A natural disaster includes earthquakes, flood, landslide, cyclone, tsunami, urban flood.
- A man-made disaster can be nuclear, biological and chemical.

National Disaster Response Force

- The Disaster Management Act has statutory provisions for the constitution of the National Disaster Response Force (NDRF). **Hence, statement 1 and 2 are correct**
- It is aimed at a specialised response to natural and man-made disasters. **Hence, statement 3 is incorrect**
- NDRF carries out rescue and relief operations during natural disasters.
- In addition, NDRF has the capability to respond to nuclear, biological and chemical disasters.
- The apex body of disaster management is the National Disaster Management Authority (NDMA).
- NDRF functions under NDMA. **Hence, statement 4 is incorrect**
- Chairman of NDMA is the Prime Minister

Ans. 2 Option C is correct

Explanation

National Health Authority (NHA)

- It is the apex body responsible for implementing AB PM-JAY. **Hence, statement 1 is correct**
- It has been entrusted with the role of designing strategy, building technological infrastructure and implementation of “National Digital Health Mission” to create a National Digital Health Eco-system.
- It is the successor of the National Health Agency, which was functioning as a registered society since 2018. Pursuant to Cabinet decision for full functional autonomy, National Health Agency was reconstituted as the National Health Authority in January 2019.
- An attached office of the Ministry of Health and Family Welfare with full functional autonomy, NHA is governed by a Governing Board chaired by the Union Minister for Health and Family Welfare.
- It is headed by a Chief Executive Officer (CEO), an officer of the rank of Secretary to

the Government of India, who manages its affairs. The CEO is the Ex-Office Member Secretary of the Governing Board.

- To implement the scheme at the State level, State Health Agencies (SHAs) in the form of a society/trust have been set up by respective States. **Hence, statement 2 and 3 are correct**

Ans. 3 Option D is correct

Explanation

MSME Green Investment and Financing for Transformation Scheme (MSME GIFT Scheme)

- Aims to assist MSMEs in adopting green technology.
- Provides interest subvention and credit guarantee support to encourage the adoption of eco-friendly practices.

MSE Scheme for Promotion and Investment in Circular Economy (MSE SPICE Scheme):

- First-ever government scheme supporting circular economy projects.
- It aims to offer credit subsidies to promote projects leading to zero emissions by 2070, aligning with MSME sector goals.

MSE Scheme on Online Dispute Resolution for Delayed Payments

- Unique scheme using modern IT tools and AI to address delayed payments for Micro and Small Enterprises.
- Synergizes legal support with technology to streamline dispute resolution.

MSME – SCIP Programme

- Supports the commercialization of intellectual property for MSME innovators.

ZED Scheme

- It made it free for women-led MSMEs, with the government guaranteeing 100 percent financial support for certification costs.
- Purpose of National MSME Council
- Administrative and functional body of the World Bank-supported RAMP Programme.
- **Hence, all statement are correct**

Ans. 4 Option A is correct

Explanation

- An armed component of the Central Reserve Police Force (CRPF) is deployed in case an armed intervention is required. **Hence, statement 1 is correct**
- The Parliament Security Service under the Lok Sabha Speaker is the overall in-charge of security. **Hence, statement 2 is correct**

- Central Industrial Security Force
- The CISF is India's central armed police force functioning under the control of the ministry of home affairs. **Hence, statement 3 is incorrect**

Ans. 5 Option B is correct

Explanation

- The World Bank is indeed an autonomous international financial institution.
- However, it primarily provides loans and financial assistance, including concessional loans, to developing countries rather than grants. The aim is to support development projects that contribute to economic growth and poverty reduction. **Hence, statement 1 is correct**
- The International Bank for Reconstruction and Development (IBRD) is not the concessional arm but the non-concessional arm of the World Bank.
- It provides loans to middle-income and creditworthy low-income countries at market-based interest rates.
- The concessional arm is the International Development Association (IDA), which offers low-interest loans and grants to the world's poorest countries. **Hence, statement 2 is incorrect**
- Traditionally, the President of the World Bank has been nominated by the United States, which is the largest shareholder in the institution.
- However, the nomination process involves consultation with the World Bank's Executive Directors, and the candidate needs approval from the Bank's Board of Governors.
- Recent developments may reflect a more open and merit-based selection process. **Hence, statement 3 is correct.**

Ans. 6 Option A is correct

Explanation

- An SRO is a non-governmental organisation that sets and enforces rules and standards relating to the conduct of entities in the industry. **Hence, statement 1 is correct.**
- SROs typically collaborate with all stakeholders in framing rules and regulations.
- SROs are tasked with developing and adhering to self-regulatory principles conducive to sector advancement. **Hence, statement 2 is correct.**

- SROs should establish a comprehensive code of conduct for members and minimum benchmarks and conventions for professional market conduct among members.
- SROs are also required to protect the interests of customers, depositors, participants, and other stakeholders within the sector.
- The RBI recently published a draft omnibus framework, seeking comments from stakeholders.
- The framework aims to establish guidelines for recognizing Self-Regulatory Organizations (SROs) to enhance industry standards for regulated entities. **Hence, statement 3 is incorrect.**

Ans. 7 Option C is correct

Explanation

- CBAM is part of the "Fit for 55 in 2030 package", which is the EU's plan to reduce greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels. **Hence, statement 1 is correct.**
- It is a policy tool aimed at reducing Carbon Emissions by ensuring that imported goods are subject to the same carbon costs as products produced within the EU. **Hence, statement 2 is correct.**
- EU argues that CBAM aims to prevent carbon leakage, the movement of production and emissions from one country to another
- CBAM came into effect on October 1, 2023, while the actual tax imposition by the EU is set for 2026.
- India has challenged the CBAM at the World Trade Organization (WTO), arguing that it violates special and differential treatment (SNDT) provisions. **Hence, statement 3 is correct.**
- The provisions advocate longer time periods for developing nations to implement agreements.

Ans. 8 Option D is correct

Explanation

- The Vijay Madanlal Choudhary case pertains to the interpretation of the Prevention of Money Laundering Act (PMLA). **Hence, option D is correct.**
- The Supreme Court emphasized that the PMLA applies only if there exists "proceeds of crime" under Section 2(1)(u) of the 2002 Act.

- And the property is involved in any process or activity related to money laundering.

Ans. 9 Option B is correct

Explanation

- The International Monetary Fund (IMF) was initially formed at the Bretton Woods Conference in 1944.
- It provides financial support and resources to the member countries to meet short term and medium-term Balance of Payments (BOP) disequilibrium.
- It also acts as a source of counsel and technical assistance.
- It consists of one governor and one alternate governor for each member country.
- Any other state, whether or not a member of the UN, may become a member of the IMF in accordance with IMF Articles of Agreement and terms prescribed by the Board of Governors. **Hence, statement 1 is incorrect.**
- Under Article IV of the International Monetary Fund's (IMF) articles of agreement, annual bilateral discussions with member countries are conducted. **Hence, statement 2 is correct.**

- On joining the IMF, each member country contributes a certain sum of money, called a quota subscription.
- This subscription is based on the country's wealth and economic performance (Quota Formula). **Hence, statement 3 is correct.**

Ans. 10 Option C is correct

Explanation

- Iceland, known for its high volcanic activity, experiences eruptions every four to five years.
- The frequency has increased to almost one eruption per year since 2021. **Hence, statement I is correct.**
- Iceland's high volcanic activity is attributed to two main reasons.
 - It sits on the Mid-Atlantic Ridge, where the Eurasian and North American plates are moving apart, causing volcanic rift zones. **Hence, statement II is correct.**
 - These zones result from the Earth's crust being pulled apart, allowing magma to rise and erupt.
 - Iceland is located over a hotspot, leading to enhanced volcanic activity in the region.



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