

# DAILY CURRENT AFFAIRS

By



SOURCES



**Date: 29 Dec. 2023**

### **Important News Articles**

1. US maintains cold war mindset: China after breakthrough military discussion - Indian Express
2. Women account for 49% of Ayushman cards, says Ministry - The Hindu
3. SC Collegium recommends CJs to five High Courts - The Hindu/ Top Court Collegium recommends names for CJs of five HCs - Indian Express
4. Pegasus spyware found on journalists' phones after Apple alert, says Amnesty - The Hindu
5. COVID-19-hit MSMEs can tap new relief window from Jan. 1 - The Hindu
6. FIU slaps Binance and other crypto exchanges with show-cause notices - The Hindu/ Binance, eight other offshore crypto firms get notice over PMLA non-compliance - Indian Express
7. Sebi unveils norms for zero coupon instruments by NPOS - Indian Express

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

8. Old and strong - The Hindu/ Not Zero Sum - Indian Express
9. India's stationary course in the shipping value chain - The Hindu
10. Houthi attacks: a threat to global shipping? - The Hindu

### **Quick Look**

1. Cryptocurrency
2. Social Stock Exchange
3. Red Sea
4. PM-JANMAN
5. Gulf of Mexico
6. Foreign Exchange Management Act (FEMA)

## Important News Articles

### GS II

#### 1. US maintains cold war mindset: China after breakthrough military discussion - Indian Express

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

##### Prelims Takeaway

- Cold War
- New Cold War

**News:**

- China's defence ministry criticises the United States**, accusing it of maintaining a "Cold War" mindset and interfering in the Asia Pacific region.
- The U.S. is intensifying its Asia-Pacific deployments**, aiming to maintain hegemony and fuel confrontation.

**New cold war**

- The **rising tensions between the US and China** have prompted many experts to warn of a new Cold War akin to the Cold War between the US and USSR.
- In 2017, the US National Security Strategy called China as "a revisionist power" seeking "to erode American security and prosperity"
- China has been **proactive in undermining the US hegemony** on multiple fronts.
- COVID-19 pandemic has further aggravated** the deterioration of ties between the two countries.
- This **new Cold War between China and the United States** is a major geopolitical risk of the 21st century.

**Cold War**

- The Cold War was a period (1945-1991) of geopolitical **tension between the Soviet Union and its satellite states and the United States** with its allies after World War II.
- Post World War II, the world got divided into two power blocs dominated by two superpowers viz. the Soviet Union and the US.
- The two superpowers were primarily engaged in an ideological war between the **capitalist USA and the communist Soviet Union**.
- The term "Cold" is used because there was **no large-scale fighting directly** between the two sides.

#### 2. Women account for 49% of Ayushman cards, says Ministry - The Hindu

**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

##### Prelims Takeaway

- Socio-Economic Caste Census
- Ayushman Bharat-PMJAY

**News:**

- Women account for approximately 49% of the total Ayushman cards** created and approximately 48% of total authorised hospital admissions, noted data released by the Health Ministry.

**Ayushman Bharat-PMJAY**

- PM-JAY is the **world's largest health insurance scheme** fully financed by the government.
- Launched in February 2018, it offers a **sum insured of Rs.5 lakh per family** for secondary care and tertiary care.
- Health Benefit Packages** covers surgery, medical and day care treatments, cost of medicines and diagnostics.
- It is an entitlement-based scheme that targets the beneficiaries as identified by latest **Socio-Economic Caste Census (SECC) data**.
- The National Health Authority (NHA) has provided flexibility to States/UTs
  - to use non- Socio-Economic Caste Census (SECC) beneficiary family databases with similar socio-economic profiles for tagging against the leftover (unauthenticated) SECC families.

### 3. SC Collegium recommends CJs to five High Courts - The Hindu/ Top Court Collegium recommends names for CJs of five HCs - Indian Express

**Relevance:** Constitution of India —historical underpinnings, evolution, features, amendments, significant provisions and basic structure.

**News:**

- The **Supreme Court Collegium** recently recommended the names of **Chief Justices for the High Courts** of Rajasthan, Punjab and Haryana, Gauhati, Jharkhand and Allahabad.

#### Prelims Takeaway

- Chief Justice of HC
- The Collegium System
- Third Judges Case, 1998

**Constitutional Provisions: Article 217 of the Constitution**

- It states that the Judge of a High Court shall be **appointed by the President** in consultation with the **Chief Justice of India (CJI), the Governor of the State.**
- In the case of appointment of a Judge other than the Chief Justice of the High Court, the **Chief Justice of the High Court** is consulted.

**Consultation Process**

- High Court judges are recommended by a **Collegium** comprising the **Chief Justice of the High Court and two senior-most judges.**
- The proposal, however, is **initiated by the Chief Justice of the High Court concerned.**
- The **recommendation is sent to the Chief Minister**, who advises the Governor to send the **proposal to the Union Law Minister.**
- The **Chief Justice of the High Court** is appointed as per the policy of **having Chief Justices from outside the respective States.**

## GS III

### 4. Pegasus spyware found on journalists' phones after Apple alert, says Amnesty - The Hindu

**Relevance:** Science and Technology- developments and their applications and effects in everyday life.

**News:**

- The Wire news website's founder editor and another journalist in India were **targeted with Pegasus spyware this year**
- The nonprofit Amnesty International's Security Lab was able to determine after testing their devices

#### Prelims Takeaway

- Cyber Surakshit Bharat Initiative:
- National Cyber security Coordination Centre (NCCC)
- Cyber Swachhta Kendra

**Pegasus:**

- It is a type of malicious software or malware **classified as a spyware.**
- It is designed to **gain access to devices**, without the knowledge of users, and gather personal information and relay it back to whoever it is that is using the software to spy.
- Pegasus has been **developed by the Israeli firm NSO Group** that was set up in 2010.

**Recent Steps Taken in India:**

- Cyber Surakshit Bharat Initiative
- National Cyber security Coordination Centre (NCCC)
- Cyber Swachhta Kendra
- Indian Cyber Crime Coordination Centre (I4C)
- Computer Emergency Response Team - India (CERT-IN)
- Information Technology Act, 2000
- Personal Data Protection Bill, 2019

## Snooping saga

On October 30, Opposition MPs and journalists got alerts from Apple saying their phones were being targeted by 'state-sponsored attackers'. In 2021, many of these individuals were reportedly targeted by the Pegasus spyware



■ Pegasus, sold only to governments, allows attackers to extract data from even fully updated phones, and may give them access to real time mic and camera data

■ The Union government has not denied it bought or uses Pegasus. Trade data show that the Intelligence Bureau imported hardware in 2017 from the Pegasus maker, NSO Group, of Israel

## 5. COVID-19-hit MSMEs can tap new relief window from Jan. 1 - The Hindu

**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.

### Prelims Takeaway

- Vivad Se Vishwas
- MSMEs

### News:

- **Centre has revived a scheme** and asked Micro, Small and Medium Enterprises (MSMEs) to settle their claims

### Key Highlights

- Starting January 1, 2024, MSMEs can submit fresh claims under the **Vivad Se Vishwas I scheme**, which had originally admitted claims between mid-April to end of July this year.
- **The Vivad Se Vishwas (VSVS) I scheme** was aimed at providing relief to MSMEs unable to comply with central government contracts due to the pandemic.
- Launched on April 11, it covered all procurement contracts related to goods, services and works entered into by government departments.
- A similar VSVS II scheme was launched to resolve pending contractual disputes related to public procurement.
- Claims were accepted under the scheme till October, and more than 900 claims worth ₹20,000 crore were received.

### Vivad Se Vishwas-II Scheme

- It is a **voluntary settlement scheme** to resolve long-standing contractual disputes involving government agencies.
- It is designed specifically for disputes where **the Arbitral Award is under challenge in a court. Arbitral Award is an award** that brings finality to the arbitral proceeding.
- Under the scheme, standardised terms will be introduced, and **graded settlement options** will be provided based on the level of pendency of the dispute.

## 6. FIU slaps Binance and other crypto exchanges with show-cause notices - The Hindu/ Binance, eight other offshore crypto firms get notice over PMLA non-compliance - Indian Express

**Relevance:** Economy

**News:**

- The **Financial Intelligence Unit (FIU)** in India recently issued notices to several cryptocurrency exchanges, including Binance.
- The notices pertain to allegations of "**operating illegally**" in India through **offshore entities** located in Seychelles, Cayman Islands and Switzerland.
- The notices, sent under the **Prevention of Money Laundering Act, 2002**, highlight concerns related to Anti Money Laundering/ Counter Financing of Terrorism (**AML-CFT**) **compliance**.

### Prelims Takeaway

- Cryptocurrency
- Prevention of Money Laundering Act, 2002
- Financial Intelligence Unit (FIU)

### Legal Framework and Compliance

- Cryptocurrency services were brought **under the AML-CFT framework in March 2023** under the Prevention of Money Laundering Act, 2002.
- Compliance with Indian law is emphasised, and the notices were issued under **Section 13** of the Prevention of Money Laundering Act, 2002.

### Failure to Follow Reporting Obligations

- The FIU states that the companies **failed to fulfill "reporting obligations"** to the Indian government despite catering to a substantial part of Indian users.
- **Compliance involves** reporting suspicious activities, aligning with traditional banking institutions' practices.
- While compliance is **not solely contingent on physical presence** in India, the companies are expected to adhere to reporting obligations and regulatory frameworks.

### Compliant Cryptocurrency Firms

- Out of 31 cryptocurrency firms, several offshore entities catering to Indian users reportedly **did not register and comply** with AML-CFT requirements.
- Compliance is seen as a crucial aspect of **ensuring transparency, preventing money laundering and countering terrorism financing**.

## 7. Sebi unveils norms for zero coupon instruments by NPOS - Indian Express

**Relevance:** Economy

**News:**

- The SEBI recently introduced a roadmap for the public issuance of '**zero coupon zero principal**' instruments by **not-for-profit organizations (NPOs)** and their **listing on the Social Stock Exchange (SSE)**.
- In **2022**, the government classified 'zero coupon zero principal instruments' **as securities**.

### Prelims Takeaway

- Social Stock Exchange (SSE)
- 'Zero Coupon Zero Principal' instruments
- not-for-profit organizations (NPOs)

### Key Guidelines

- The instruments will be issued in **dematerialized form** only and are **non-transferable**.
- **Minimum issue size:** Rs 50 lakh
- **Minimum application size:** Rs 10,000
- **Minimum subscription required:** 75% of the funds proposed to be raised.

### Listing Procedure

- NPOs, through the **lead manager**, must file a **draft fundraising document** with the SSE.
- It must also file an application seeking in-principle **approval for listing the instrument** on the SSE.
- SSE will provide observations on the document **within 30 days** of filing or receipt of clarifications from the NPO.
- NPO will incorporate the observations of the SSE in a draft document and **file the final papers** to the SSE prior to opening the issue.
- The SSE will have to specify the details to be incorporated in the fundraising document.

**Under Subscription Handling**

- In case of under subscription, NPOs must detail how **balance capital will be raised** and the **potential impact** on achieving social objectives.
- If subscription is **less than 75% of the issue size**, funds will be refunded.

**SSE Responsibilities**

- Required to maintain the **details of the allotment** following the issuance of zero coupon and zero principal instruments by an NPO.
- **Specify the additional norms** with respect to the issue procedure, such as agreements with depositories, banks, ASBA-related matters, duration for public issuance, allocation methodology etc.



**Mentorship**  
India

## Editorials, Gists and Explainers

### 8. Old and strong - The Hindu/ Not Zero Sum - Indian Express

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

**Context:**

- The recent **five-day visit of India's External Affairs Minister** to Russia holds special significance.
- It reflects the concerted efforts of both nations to **strengthen ties, overcome challenges** and **maintain the historical bond**.

#### Unusual Length and High-Level Meetings

- The extended visit, unusual for India, underscores the strategic importance of the diplomatic engagement.
- The Russian President's meeting with India's EAM, despite the holiday season, signifies a warming of ties and contradicts norms for lower-ranking foreign officials.
- Despite the absence of annual summits between the Indian Prime Minister and Russian President in the last two years, the bilateral ties have thrived, with economic engagement witnessing significant growth.

#### Bilateral Trade Growth

- Bilateral trade has surged from \$12 billion to \$50 billion in the last two years, driven by significant oil imports from Russia.
- India withstood criticism from the West for deepening economic ties with Russia amid the Ukraine crisis, emphasising importance of a productive relationship for national security.

#### Shifting Context

- India is no longer a deferential junior partner and has surpassed Russia in GDP, creating a changing dynamic in the bilateral relationship.
- The context of the relationship has evolved, and India is repositioning itself as a strategic equal.

#### Geopolitical and Strategic Convergence

- India's EAM emphasized the enduring nature of the India-Russia relationship, branding it the "only constant in world politics" over six decades.
- He emphasised the "geopolitical and strategic convergence" between India and Russia in a multipolar world undergoing rebalancing.

#### Agreements and Collaborations

- Agreements on future Kudankulam nuclear power projects, connectivity, trade.
- Discussions on the Eurasian Economic Union-India free trade agreement.
- Joint military production agreements
- Coordination for the expanded BRICS summit
- Continued collaboration at the UN and SCO.
- The visit aims to address concerns over defence supplies, payment issues and a general decline in bilateral engagements.

#### Future Prospects

- Affirmation of the resumption of the annual leadership summit in 2024 indicates efforts to eliminate any friction in the relationship.
- Attention on concrete outcomes, such as the rupee-rouble payment mechanism and the delivery of S-400 air system units, remains for future assessment.

#### Conclusion

- India's EAM's visit to Russia serves as a testament to the **resilience** and **adaptability of Indo-Russian relations**.
- The efforts to address challenges and strengthen economic ties reflect a commitment to **maintaining a productive and strategic partnership** in an evolving global landscape.



## 9. India's stationary course in the shipping value chain - The Hindu

**Relevance:** Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

**Context:**

- The **Yangtze River**, symbolising China's rich history and modern prosperity, serves as a **crucial lifeline** for the nation.
- In contrast, **India's maritime sector faces challenges** and missed opportunities, hindering its growth and global presence.

### Historical Perspective

- The Yangtze, integral to China's tradition, myth, and commerce, remains vibrant with modern engineering, symbolised by the Three Gorges project.
- India's maritime history, once promising, has seen a decline in shipbuilding, ownership, and global market share.

### Current Scenario

- The Yangtze witnesses a dynamic maritime landscape with massive merchant ships transporting raw materials and finished products.
- China's strategic focus on shipbuilding has propelled it to produce half of the world's ships by 2020, emphasising state-owned government yards.

### India's Comparative Analysis

- India, historically ahead of China in maritime endeavours until the late 1980s, had a tradition of ship-owning and a skilled seafaring population.
- The shift in global shipping from qualified Eastern Europeans to English-speaking Indian seafarers showcased India's potential in the industry.
- India's focus on labour supply and seafarer population expansion has been a primary growth driver, contributing an estimated \$6 billion in foreign exchange annually.
- Despite success in seafaring and ship management, ship owning, chartering, financing and building have remained elusive for India, limiting its progress up the shipping value chain.

### Government Initiatives and Missed Opportunities

- The government's Maritime Agenda 2020 aimed to increase India's share of global shipbuilding from less than 2% to a modest 5% in a decade.
- However by 2020, India's share in global shipbuilding had dropped to nearly zero.
- The government's Maritime India Vision 2030 lacks a clear plan for shipbuilding and owning, missing a crucial aspect of India's maritime potential.

### Way Forward

- Shipbuilding and owning could **elevate India's position in the global maritime industry** and enhance its influence in international trade.
- A **strong naval base, supported by shipbuilding**, is integral to overall military might and strategic power.

## 10. Houthi attacks: a threat to global shipping? - The Hindu

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

**Context:**

- Recently, the **Red Sea crisis** extended to Indian waters with the attack on the **Liberian-flagged vessel Chem Pluto**.
- This comes in the backdrop of a sharp rise in **missile and drone attacks on commercial shipping** in the Red Sea.

#### Chem Pluto Incident

- The Chem Pluto, en route to Mangalore port, was hit by a projectile outside the Indian Exclusive Economic Zone.
- Despite the attack, the vessel reached Mumbai under Indian Coast Guard escort.
- Initial assessments suggest a drone attack, prompting further forensic analysis.

#### Additional Attacks

- The Gabon-flagged m.v. Sai Baba also reported a drone attack in the Southern Red Sea.
- The twin attacks last weekend, on m.v. Sai Baba and Norwegian-flagged m. v. BLAAMANEN, represents the 14th and 15th attacks on commercial shipping by Houthi militants since October 17.

#### Impact on India and Global Trade

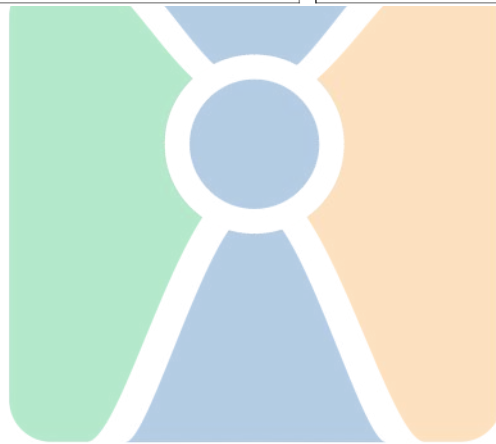
- The escalating attacks pose a serious threat that can potentially disrupt supply chains and impact economics.
- The Red Sea is a key shipping artery for global commerce and the Bab el-Mandeb is a critical choke point.
- About 12% of global trade traverses the Red Sea.
- The recent attacks prompt major shipping companies to consider longer routes, impacting fuel, operating costs and schedules.

#### Global Response

- The US announced Operation Prosperity Guardian to secure the Red Sea.
- India's Navy and Coast Guard have increased surveillance, with the deployment of destroyers, patrol aircraft, unmanned aerial vehicles and Coast Guard ships.
- The Indian Navy's Information Fusion Centre is actively monitoring the situation, coordinating operational responses and assistance in the Indian Ocean Region.
- Heightened security concerns led to a shift in transit routes, with some ships avoiding the Red Sea.
- This strategic change has implications for the Suez Canal's revenue and operational dynamics of ports in Djibouti and the Gulf of Aden.

#### Remaining Challenges

- Challenges remain, including the potential impact on Indian sailors, vessels, and cargo.
- Concerns arise about how countries, including India, would respond to major attacks affecting lives or cargo.
- Additionally, a shock to global economies in terms of delays and price rises due to the regional crisis is looming on the horizon.



# Mentorship

India

## Quick Look

### 1. Cryptocurrency

- A digital or virtual currency that uses cryptography for security.
- It is a decentralised currency i.e. it is not controlled by any government or institution.
- Examples: Bitcoin, Ethereum, and Litecoin.
- To use cryptocurrency, one must first acquire a digital wallet, which is a software program that stores the user's public and private keys.
- These keys are used to send and receive cryptocurrency and verify transactions on the blockchain.
- Users can acquire cryptocurrency through a process called "mining".
- It involves using computer power to solve complex mathematical equations.
- This validates and records transactions on the blockchain, in return for a certain amount of cryptocurrency.
- Transactions with cryptocurrency are recorded on a public digital ledger called blockchain.
- This ledger is maintained by a network of computers around the world.
- Each new transaction is verified and added to the blockchain by these computers.
- This decentralization and use of cryptography makes it difficult for anyone to manipulate the currency or the transactions recorded on the blockchain.

### 2. Social Stock Exchange

- Introduced in the FY20 Budget, SSEs function as a separate segment within the existing stock exchange.
- It helps social enterprises raise funds from the public through its mechanism promoting impact investing and sustainability.
- It would serve as a medium for enterprises to seek finance for their social initiatives, acquire visibility and provide increased transparency.
- Retail investors can only invest in securities offered by for-profit Social Enterprises (SEs) under the main Board.
- In all other cases, only institutional investors and non-institutional investors can invest in securities issued by SEs.
- Any social enterprise, Non-Profit Organisation or For-Profit Social Enterprises, that establishes its primacy of social intent can get registered or listed.
- Listing on SSE imposes checks and balances, necessitating disclosure of fundraising purposes and providing a timeline for fund utilisation.
- Social audit firms will audit annual impact reports, enhancing transparency and accountability.

### 3. Red Sea

- An inlet of the Indian Ocean between Africa and Asia.
- One of the most saline bodies of water in the world.
- Bordering Countries: Egypt, Saudi Arabia, Yemen, Sudan, Eritrea and Djibouti.
- Connected to the Indian ocean in the south through the Bab el Mandeb strait and the Gulf of Aden.
- In the north are the Sinai Peninsula, the Gulf of Aqaba, and the Gulf of Suez (leading to the Suez Canal).
- Occupies a part of Great Rift Valley (Afro-Arabian Rift Valley).

### 4. PM-JANMAN

- The extensive Rs 24,104-crore tribal welfare scheme, is one of the largest Central schemes and the largest targeting the tribal community in terms of outlay.
- Objective: To provide several facilities to Particularly Vulnerable Tribal Groups (PVTGs).
  - Housing: Provision for around 4.9 lakh pucca houses at Rs 2.39 lakh per house.
  - Hostels: 500 hostels at Rs 2.75 crore per unit.

- Anganwadi Centres: Establishment of 2,500 Anganwadi centres.
- Connectivity: Installation of mobile towers in 3,000 villages and 8,000 km of road connectivity.
- Nine ministries will collaborate for effective implementation.
- Rs 15,000 will be made available under the Development Action Plan for Scheduled Tribes to implement the mission over the next three years
- Ministry of Ayush to establish wellness centres in these areas.
- Extension of Ayush facilities to PVTG habitations through mobile medical units.
- Ministry of Skill Development and Entrepreneurship to enable skill and vocational training in PVTG habitations.
- Target Population
  - 75 tribal communities in 18 states and the Union Territory of Andaman and Nicobar Islands categorized as PVTGs.
  - Backward in social, economic, and education indicators.

## 5. Gulf of Mexico

- It is a marginal sea of the Atlantic Ocean and the world's largest gulf.
- It is connected to the Caribbean Sea via the Yucatán Channel (between Cuba and Mexico) and to the Atlantic Ocean through the Straits of Florida (between Cuba and the US).
- Covering over 1.6 million square kilometres, it is one of the oldest water bodies on Earth. It was formed in the late Triassic period, around 300 million years ago.
- It is somewhat shallow, along the coastal continental shelf areas and has an average depth of 1,615m.
- The climate of the region varies from tropical to subtropical.

## 6. Foreign Exchange Management Act (FEMA)

- FEMA came in 1999 as a successor to the Foreign Exchange Regulation Act, or FERA, of 1973, with changing economic conditions in a post-liberalisation India.
- Objective: To facilitate external trade and payments and promote the orderly development and maintenance of the foreign exchange market in India.
- FEMA deals with provisions relating to procedures, formalities, dealings, etc. of foreign exchange transactions in India.
- It regulates various aspects of foreign exchange transactions, including the acquisition and holding of foreign exchange, the payment and settlement of foreign exchange transactions, the export and import of currency, and other related activities.
- The act also empowers the RBI to make rules and regulations to carry out the provisions of the act.

**Prelims Track Question****Q1. Consider the following statements about the Cold War**

1. The Cold War was a direct military confrontation between the United States and the Soviet Union.
2. The Marshall Plan was a key economic initiative aimed at fostering post-war recovery in Western Europe during the Cold War.
3. The Cuban Missile Crisis in 1962 was a pivotal moment during the Cold War, bringing the U.S. and the Soviet Union to the brink of nuclear war.

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

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

**Q2. Consider the following statements about Ayushman Bharat?**

1. Ayushman Bharat is a health insurance scheme launched by the Indian government to provide financial protection to vulnerable families against high medical costs.
2. Pradhan Mantri Jan Arogya Yojana (PM-JAY) is the flagship component of Ayushman Bharat, providing cashless and paperless access to services for the beneficiary at the point of service.
3. Ayushman Bharat also includes the establishment of Health and Wellness Centres (HWCs) to provide comprehensive primary healthcare services.

**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 the Collegium system in India**

1. The Collegium system is a mechanism for appointment and transfer of judges in the higher judiciary.
2. The Collegium system was established through a constitutional amendment.
3. The recommendations of the Collegium are binding on the President of India.

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

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

**Q4. Consider the following statements about Pegasus**

1. Pegasus is an antivirus software designed to protect mobile devices from cyber threats.
2. The NSO Group, an Israeli company, developed Pegasus as a tool for lawful interception and surveillance.
3. Pegasus is exclusively used by government agencies for counterterrorism operations and national security purposes.
4. Pegasus gained international attention due to allegations of unauthorized surveillance and misuse, targeting journalists, activists, and political figures.

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

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

**Q5. Consider the following statements about MSME (Micro, Small, and Medium Enterprises)**

1. MSMEs play a crucial role in fostering economic development by generating employment opportunities and contributing to industrial output.
2. The definition of MSMEs is based solely on the level of investment in plant and machinery.
3. The Government of India launched the 'Udyam Registration' portal to facilitate the registration and recognition of MSMEs.
4. The Credit Linked Capital Subsidy Scheme (CLCSS) is an initiative aimed at providing financial assistance to MSMEs for upgrading their technology.
5. The Reserve Bank of India (RBI) is the nodal agency responsible for implementing policies and schemes related to MSMEs in India.

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

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

**Q6. Consider the following statements with reference to cryptocurrencies**

1. It is a decentralised digital or virtual currency.
2. Transactions with cryptocurrency are recorded on a public digital ledger called blockchain.
3. Compliance with Indian law for cryptocurrency companies is not solely contingent on having a physical presence in India.

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

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

**Q7. Consider the following statements with reference to 'zero coupon zero principal' instruments**

1. It is an instrument issued by a Not for Profit Organisation (NPO) which will be registered with the Social Stock Exchange (SSE)
2. They can be transferred in both physical and dematerialised forms.
3. These instruments are not classified as securities.

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

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

**Q8. With reference to Brahmos Missile, consider the following statements**

1. It is a supersonic cruise missile named after the rivers Brahmaputra and Moskva.

2. It is a two-stage missile with a solid propellant engine in the first stage and a liquid ramjet in the second.
3. It is a joint venture between India and the USA.

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

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

**Q9. With reference to the MARPOL Convention, consider the following statements**

1. It is an international convention aimed at the prevention of pollution from ships caused by operational causes only.
2. India is not a signatory to MARPOL.
3. It currently includes three technical Annexes.

**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 countries**

1. Yemen
2. Djibouti
3. Somalia
4. Egypt

**How many of the countries mentioned above border the Red Sea?**

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

**Prelims Track Answer****Answer 1 Option A is correct****Explanation**

- The Cold War was not characterized by direct military confrontation between the United States and the Soviet Union. Instead, it was a geopolitical and ideological struggle fought through indirect means, such as proxy wars, espionage, and ideological competition. **Hence, statement 1 is INcorrect**
- The Marshall Plan, announced by U.S. Secretary of State George Marshall in 1947, was indeed a crucial economic initiative during the Cold War. It provided financial aid to help rebuild Western European economies after World War II, aiming to prevent the spread of communism. **Hence, statement 2 is correct**
- The Cuban Missile Crisis, occurring in 1962, was a significant event during the Cold War. It involved a 13-day confrontation between the United States and the Soviet Union over Soviet ballistic missiles deployed in Cuba. The crisis was resolved diplomatically, but it brought the two superpowers to the brink of nuclear war. **Hence, statement 3 is correct**

**Answer 2 Option C is correct****Explanation**

- Ayushman Bharat is a health insurance scheme launched by the Indian government with the aim of providing financial protection to vulnerable families against high medical costs. **Hence, statement 1 is correct**
- Pradhan Mantri Jan Arogya Yojana (PM-JAY) is indeed the flagship component of Ayushman Bharat. It provides cashless and paperless access to services for the beneficiary at the point of service, offering coverage for hospitalization expenses. **Hence, statement 2 is correct**
- Ayushman Bharat includes the establishment of Health and Wellness Centres (HWCs) as part of its comprehensive approach to primary healthcare. These centers aim to provide a range of services, including preventive, promotive, and curative care. **Hence, statement 3 is correct.**

**Answer 3 Option B is correct****Explanation**

- The Collegium system in India is a mechanism for the appointment and transfer of judges in the higher judiciary, including the Supreme Court and High Courts. It involves a group of top judges making these recommendations. **Hence, statement 1 is correct**
- The Collegium system is not established through a constitutional amendment. It evolved through judicial interpretation of the existing provisions of the Constitution, particularly Article 124 and 217. **Hence, statement 2 is INcorrect**
- The recommendations of the Collegium are binding on the President of India. While the President may seek clarification on the recommendations, if the Collegium reiterates its decision, the President is bound by it. **Hence, statement 3 is correct**

**Answer 4 Option B is correct****Explanation**

- Pegasus is not an antivirus software; it is a spyware developed by the Israeli company NSO Group. It is designed for surveillance and has been at the center of controversy due to allegations of misuse. **Hence, statement 1 is incorrect**
- The NSO Group developed Pegasus as a tool for lawful interception and surveillance. However, there have been concerns about its potential misuse for unauthorized surveillance, leading to privacy and human rights issues. **Hence, statement 2 is correct**
- While Pegasus may have been used by government agencies, it is not exclusively used for counterterrorism operations. There are allegations that it has been misused for other purposes, leading to concerns about privacy violations. **Hence, statement 3 is incorrect**
- Pegasus gained international attention due to allegations of unauthorized surveillance and misuse. It has been reported that the spyware was used to target journalists, activists, and political figures, raising significant concerns about privacy and human rights. **Hence, statement 4 is correct**

**Answer 5 Option A is correct****Explanation**

- MSMEs play a crucial role in fostering economic development by generating employment opportunities and contributing significantly to industrial output. **Hence, statement 1 is correct**
- The definition of MSMEs is based on both the level of investment and annual turnover. The recent revision in the definition, effective from July 1, 2020, takes into account both these criteria. **Hence, statement 2 is incorrect**
- The Government of India launched the 'Udyam Registration' portal to simplify the registration process for MSMEs and provide them with recognition. **Hence, statement 3 is correct**
- The Credit Linked Capital Subsidy Scheme (CLCSS) is an initiative of the Ministry of Micro, Small and Medium Enterprises (MSME) aimed at providing financial assistance to MSMEs for upgrading their technology by availing institutional credit. **Hence, statement 4 is correct**
- While the RBI plays a role in the financial ecosystem, the Ministry of Micro, Small and Medium Enterprises (MSME) is the nodal ministry responsible for formulating and implementing policies and schemes related to MSMEs in India. **Hence, statement 5 is incorrect**

**Answer 6 Option C is correct****Explanation**

- Cryptocurrency is a digital or virtual currency that uses cryptography for security.
- It is a decentralised currency i.e. it is not controlled by any government or institution. **Hence, statement 1 is correct.**
- Examples: Bitcoin, Ethereum, and Litecoin.
- Users can acquire cryptocurrency through a process called "mining".
- Transactions with cryptocurrency are recorded on a public digital ledger called blockchain. **Hence, statement 2 is correct.**
- This decentralization and use of cryptography makes it difficult for anyone to manipulate the currency or the transactions recorded on the blockchain.
- Compliance of such companies is not solely contingent on physical presence in India.

- However, the companies are expected to adhere to reporting obligations and regulatory frameworks. **Hence, statement 3 is correct.**

**Answer 7 Option A is correct****Explanation**

- The SEBI recently introduced a roadmap for the public issuance of 'zero coupon zero principal' instruments by not-for-profit organizations (NPOs) and their listing on the Social Stock Exchange (SSE).
- ZCZP bonds are the funding instrument for the NGOs projects which will be registered with the Social Stock Exchange (SSE). **Hence, statement 1 is correct.**
- The NGOs are not required to pay principal or pay interest after completion of the project.
- In 2022, the government classified 'zero coupon zero principal instruments' as securities. **Hence, statement 3 is incorrect.**
- The instruments will be issued in dematerialized form only and are non-transferable. **Hence, statement 2 is incorrect.**
- Minimum issue size: Rs 50 lakh
- Minimum application size: Rs 10,000
- Minimum subscription required: 75% of the funds proposed to be raised.

**Answer 8 Option A is correct****Explanation**

- Brahmos Missile is a supersonic cruise missile.
- It is named after the rivers Brahmaputra and Moskva. **Hence, statement 1 is correct.**
- It is a joint venture between the Defence Research and Development Organisation (DRDO) of India and NPOM of Russia. **Hence, statement 3 is incorrect.**
- It is a two-stage missile with a solid propellant engine in the first stage and a liquid ramjet in the second. **Hence, statement 2 is correct.**
- The system has been designed with two variants for Anti-Ship and Land-Attack roles.
- It operates on the "Fire and Forgets" principle, adopting varieties of flights on its way to the target.
- BrahMos is equipped with stealth technology designed to make it less visible to radar and other detection methods.



- It has an inertial navigation system (INS) for use against ship targets, and an INS/Global Positioning System for use against land targets.

**Answer 9 Option D is correct**

**Explanation**

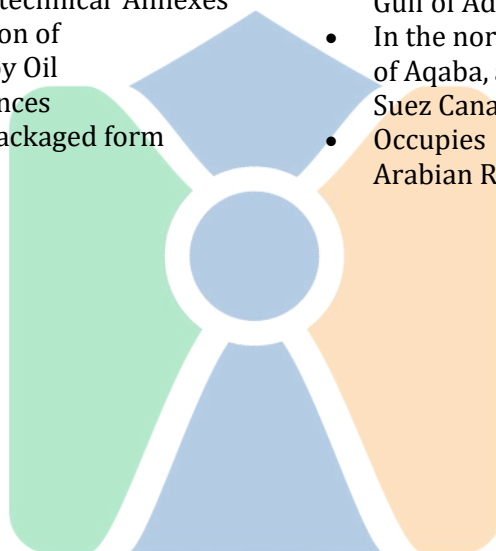
- MARPOL is the main international convention aimed at the prevention of pollution from ships caused by operational or accidental causes. **Hence, statement 1 is incorrect.**
- It was developed by the IMO with an objective to minimize pollution of the oceans and seas, including dumping, oil and air pollution.
- It currently includes six technical Annexes and it deals with prevention of
  - Pollution from ships by Oil
  - Noxious liquid substances
  - Dangerous goods in packaged form
  - Sewage
  - Garbage

- Air pollution from ships. **Hence, statement 3 is incorrect.**
- India is a signatory to MARPOL. **Hence, statement 2 is incorrect.**

**Answer 10 Option C is correct**

**Explanation**

- The Red Sea is an inlet of the Indian Ocean between Africa and Asia.
- It is one of the most saline bodies of water in the world.
- Bordering Countries: Egypt, Saudi Arabia, Yemen, Sudan, Eritrea and Djibouti. **Hence, option C is correct.**
- Connected to the Indian ocean in the south through the Bab el Mandeb strait and the Gulf of Aden.
- In the north are the Sinai Peninsula, the Gulf of Aqaba, and the Gulf of Suez (leading to the Suez Canal).
- Occupies a part of Great Rift Valley (Afro-Arabian Rift Valley).



**Mentorship**  
India

# Mentorship India

Our mission is crystal clear – to provide the finest UPSC mentorship and guidance available in India. We recognize that the path to success in the UPSC examination is both demanding and multifaceted. This is precisely why we have developed a comprehensive approach that goes beyond conventional coaching. Our commitment lies in fostering excellence by equipping aspirants with the necessary tools, knowledge, and unwavering support to not only excel in the examination but also in life itself.

Mentorship India represents more than just an organization; it is a community of ambitious individuals bound together by the shared objective of conquering the UPSC examination. We warmly invite you to embark on this transformative journey alongside us. Whether you are a novice taking your initial steps or a seasoned aspirant aiming for the pinnacle, Mentorship India is your dependable companion in the relentless pursuit of excellence.

+91 9999 057869  
www.mentorshipindia.com

A-92, Third Floor, Hari Nagar  
Delhi - 110064

 @mentorship.india