



**UPSC
Mentorship**
A Unit of Mentorship India

DAILY CURRENT AFFAIRS

14th May 2024



SOURCES



Table of Contents

1. IMF warns Maldives against looming 'debt distress' amid increase in loans from China.....	2
2. India's stake in Chabahar.....	3
3. An overview of the Smart Cities Mission.....	4
4. Declining poverty ratio: a continuing trend.....	6
5. Indian Literatures enter 'UNESCO's Memory of the World Asia-Pacific Regional Register'	7
6. Semal trees are being wiped out in Rajasthan due to Udaipur's Holi.....	7
7. SBI becomes first trading, clearing member bank at IIBX.....	8
8. Indonesia's Mount Ibu erupts again.....	8
9. Xenotransplantation.....	9
10. Retail Inflation eases slightly, rise in food prices continues.....	9
Daily Quiz.....	10



GS II

1. IMF warns Maldives against looming 'debt distress' amid increase in loans from China

Source: The Hindu, Page 14

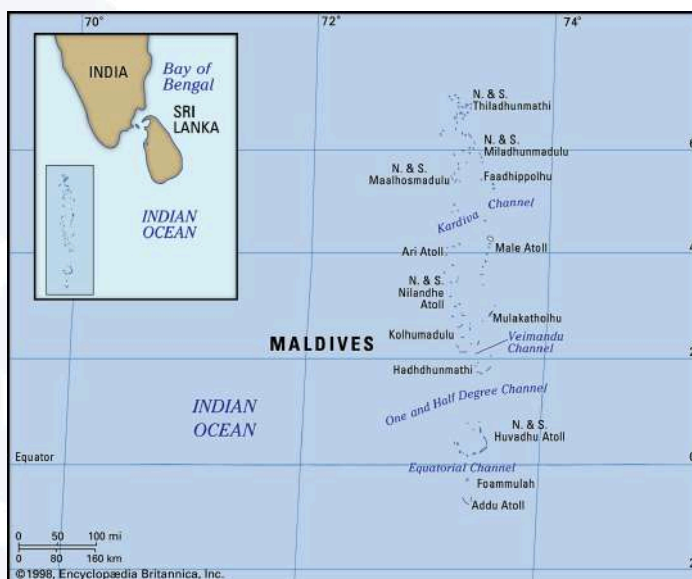
Prelims: IMF, Maldives (on Map)

Mains: India and its Neighborhood- Relations

News: The International Monetary Fund warned the Maldives against looming "debt distress" as it looks set to borrow more from main creditor China.

About Maldives

- The Maldives is a small nation of 1,192 tiny coral islets scattered 800 km across the equator, but it strategically straddles key east-west international shipping routes.
- Tourism is a crucial source of foreign exchange for the country.



Concerns

- Maldives' foreign debt reached \$4.038 billion last year, about 118% of gross domestic product and up nearly \$250 million from 2022.
- As of June 2023, the Export-Import Bank of China owned 25.2% of the Maldives' external debt and was the country's biggest single lender.
- IMF said the Maldives remained at high risk of external and overall debt distress without "significant policy changes".

India's Goodwill and IMF Suggestions

- In a goodwill gesture, India has decided to extend vital budgetary support to the Maldives with the rollover of a \$50 million Treasury Bill for another year at the Maldivian government's special request.
- The IMF urged the Maldives to urgently raise revenue, cut spending and reduce external borrowing to avoid a major economic crisis.



2. India's stake in Chabahar

Source: IE, Page 13

Prelims: Chabahar Port (Details and Location)

Mains: Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

News: India and Iran signed a 10-year contract for the operation of a terminal at the strategically important Chabahar port in Iran with the signing of the contract between India Ports Global Ltd (IPGL) and Ports & Maritime Organisation of Iran (PMO) in Tehran.

About the Port

- Chabahar is a deep water port in Iran's Sistan-Baluchistan province. It is the Iranian port that is the closest to India, and is located in the open sea, providing easy and secure access for large cargo ships.

Project Timeline

- 1970s:** Iran realised the strategic importance of the port after the Iran-Iraq war.
- 2002:** Discussion held with India to develop the port.
- 2003:** A Roadmap signed off on strategic cooperation on the Port. However, the project suffered due to India's closeness with the USA and USA's hostility towards Iran. While India spent about \$100 million to construct a 218-km road from Delaram in western Afghanistan to Zaranj on the Iran-Afghan border to link with Chabahar, the port project itself progressed at a glacial pace
- 2015:** India agreed to work closely with Iran to make the port project a reality, and to develop it as a viable gate-way to Afghanistan and Central Asia.
- 2016:** India, Afghanistan and Iran signed a Trilateral Agreement to establish the International Transport and Transit Corridor (ITTC).
- 2017:** India managed to get a waiver from the US for the Chabahar project, citing access to Afghanistan as a reason.
- Recent Developments:** India has so far supplied six mobile harbour cranes and other equipment worth \$25 million. IPGL has been operating Chabahar port through its wholly owned subsidiary, India Ports Global Chabahar Free Zone (IPGCFZ), since December 24, 2018. The port has handled more than 90,000 twenty-foot equivalent units (TEUs) of container traffic and more than 8.4 million metric tonnes (MMT) of bulk and general cargo since then.



GS III

3. An overview of the Smart Cities Mission

Source: The Hindu, Page 10

Prelims: About smart cities mission

Mains: Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

News: The Smart Cities Mission (SCM) has taken a back seat in this year's list of poll promises and achievements.

About Smart Cities

- Smart cities were defined by urban practitioners as new Silicon Valleys built with a strong integration of a network of airports, highways, and other types of communications, with advanced ICT.



Smart Cities Mission

- Smart Cities Mission was launched on 25 June, 2015.
- The main objective of the Mission is to promote cities that provide core infrastructure, clean and sustainable environment and give a decent quality of life to their citizens through the application of 'smart solutions'.
- Hundred cities were selected for five years under the mission.
- The SCM had two main aspects: area-based development consisting of three components — redevelopment (city renewal), retrofitting (city improvement), and greenfield projects (city extension); and pan-city solutions based on ICT.
- The mission that was to be completed in 2020, was given two extensions till June 2024.
- An SPV (special purpose vehicle) led by a bureaucrat or a representative of an MNC, and other major stakeholders was created and registered under the Companies Act.



Faltering of SCM

- **Status**
 - The Urban Ministry dashboard states that the SCM grant funded 5,533 projects worth ₹65,063 crore that have been completed, while 921 projects worth ₹21,000 crore are still ongoing.
 - As many as 400 projects being undertaken by about 10 cities under the Mission are unlikely to meet the extended deadline of June 2024.
- **Reasons**
 - The selection of 100 cities on a competitive basis was flawed due to the diversity in existing urban realities.
 - The SCM became an exclusionary scheme wherein not more than 1% of a city's geographical area was selected for development.
 - The SPV model designed for smart cities was not aligned with the 74th Constitutional Amendment, which led to many cities objecting to the governance structure.
- **Implications**
 - In the name of executing smart city projects, there was displacement of people living in poorer localities.
 - Some of the towns which have historically never been flooded were made vulnerable because of infrastructure development projects that spoiled or dismantled the water channels and contours.



Editorials, Opinions and Ideas

4. Declining poverty ratio: a continuing trend

Source: The Hindu, Page 9

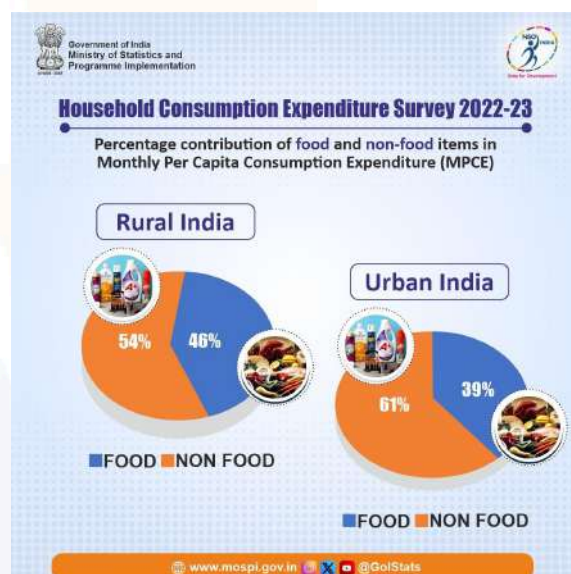
The article tries to find poverty trends from the Household Consumption Expenditure Survey for 2022-23 (HCES). The topic “Poverty” forms an important part of your General Studies Paper II and III.

Trends in Poverty and Inequality

- The estimated poverty ratios declined from 29.5% in 2011-12 to 10% in 2022-23 based on the Rangarajan Committee’s poverty lines and from 21.9% in 2011-12 to 3% in 2022-23 based on the Tendulkar Committee’s poverty lines.
- According to the estimates on inequality provided by Subramanian, between 2011-12 and 2022-23, the Gini coefficient declined from 0.278 to 0.269 for rural areas; and from 0.358 to 0.318 for urban areas.
- This means poverty declined significantly between 2011-12 and 2022-23, though the rate of decline was lower compared to the 2004-05 to 2011-12 period. Inequality declined between 2011-12 and 2022-23 particularly in urban areas.

Measurement Issues

- The NSSO has changed the reference or recall period of data collection over time to improve the reporting of consumption. Three estimates of consumption are available depending upon the recall period of different types of expenditure: uniform reference period (URP); mixed reference period (MRP); and modified mixed reference period (MMRP).
- The Tendulkar Committee estimates poverty ratios on the basis of MRP for 1993-94 and 2004-05.
- However, the Rangarajan Committee used MMRP for estimating poverty ratios for 2009-10 and 2011-12.



Summary

- Thus, there has been a decline in poverty. The inequality in consumption expenditure has come down a bit. Usually, income inequality is higher than inequality in consumption expenditure.
- There is no unique way of measuring poverty. The higher the poverty cut off, the more will be the number of poor.



InBrief

5. Indian Literatures enter 'UNESCO's Memory of the World Asia-Pacific Regional Register'

Source: PIB

News: The Ramcharitmanas, Panchatantra and Sahridayaloka-Locana have been included in 'UNESCO's Memory of the World Asia-Pacific Regional Register'.

In Detail

- Asia-Pacific Member States newly inscribed 20 items during the 2024 cycle of the Memory of the World Regional Register at the 10th General Meeting of the Memory of the World Committee for Asia and the Pacific (MOWCAP), which was convened from 7 to 8 May, in Ulaanbaatar, Mongolia.
- 'Sahridayaloka-Locana', 'Panchatantra', and 'Ramcharitmanas' were authored by Acharya Anandvardhan, Pt. Vishnu Sharma, and Goswami Tulsidas, respectively.
- The Indira Gandhi National Centre for the Arts (IGNCA), played a vital role in securing a historic moment. This marks the first time IGNCA has submitted nominations to the Regional Register since its inception in 2008.

6. Semal trees are being wiped out in Rajasthan due to Udaipur's Holi

Source: The Hindu, Page 7

News: Large quantities of semal are cut in south Rajasthan and sold in Udaipur.

About Semal Trees

- Semal (Silk Cotton) tree is a type of native cotton tree with large red flowers. It grows rapidly to attain height up to 30 m and a girth of 3-4 m.
- Semal is an integral species that holds the forest ecosystem together.
- Members of tribal communities consume the tree's reddish root for food during the monsoons. Larvae of the moth *Bucculatrix crateracma* feed on its leaves.
- The golden-crowned sparrow weaves the lining of its nests with white cotton from its seeds. The *Dysdercus* bugs, the Indian crested porcupine, Hanuman langurs, and some other species feast on the nectar in its flowers.



in



7. SBI becomes first trading, clearing member bank at IIBX

Source: The Hindu, Page 12

News: State Bank of India (SBI) said it was the first bank to become a trading-cum-clearing (TCM) member at India International Bullion Exchange (IIBX).

About IIBX

- India International Bullion Exchange IFSC Limited (IIBX) was launched on 29th of July 2022.
- IIBX is promoted by India's leading market infrastructure institutions like NSE, INDIA INX (subsidiary of BSE), NSDL, CDSL and MCX.
- IIBX is established at GIFT IFSC, Gandhinagar, Gujarat, India.
- IIBX is regulated by International Financial Services Centres Authority (IFSCA)
- For the first time, an Indian resident Jeweller (Qualified Jeweller - QJ) can import bullion directly into India through IIBX by being a Client or a Limited Purpose Trading Member of IIBX.



8. Indonesia's Mount Ibu erupts again

Source: The Hindu, Page 14

News: A volcano in eastern Indonesia erupted recently, spewing a huge ash tower more than five kilometres (three miles) into the sky.

Mount Ibu

- Mount Ibu is a stratovolcano at the north-west coast of Halmahera Island, Indonesia.
- Other active volcanoes in Indonesia:
 - Mount Merapi, located in Central Java, is one of the most active volcanoes in Indonesia.
 - Mount Sinabung, situated in North Sumatra, has been erupting frequently since 2010.
 - Mount Agung, located in Bali
 - Mount Bromo, part of the Tengger Massif in East Java.



9. Xenotransplantation

Source: IE, Page 13

News: The first person to receive a pig kidney has died two months after his surgery.

Xenotransplantation

- Xenotransplantation is the transplantation of living cells, tissues, or organs from one species to another.
- It aims to overcome the shortage of human organs available for transplantation by utilising organs from other species, typically pigs due to their anatomical and physiological similarities to humans.
- While pigs are considered the most suitable donors, genetic modifications are often necessary to reduce the risk of rejection by the recipient's immune system.



10. Retail Inflation eases slightly, rise in food prices continues

Source: IE, Page 15

News: Retail Inflation eased to an 11-month low of 4.83 per cent in April as non-food items helped curtail price rise even as food items recorded a higher inflation rate. The Consumer Food Price Index-based inflation rose to 8.70 per cent in April from 8.52 per cent in March.

HEADLINE RETAIL INFLATION & CONSUMER FOOD PRICE INFLATION (%)



Headline Retail Inflation

- Overall rate of inflation in an economy, representing the change in the average price level of a basket of goods and services consumed by households over a specified period.

Consumer Food Price Inflation

- Measures the change in the prices of food items consumed by households over a particular period.



Daily Quiz

1. Consider the following statements regarding Maldives:

1. Despite being an island nation, Maldives has land features such as hills or rivers.
2. All of the Maldives lie north of the Equator.

Which of the above given statements is/are correct?

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

2. Recently, India and Iran signed a 10-year contract for the operation of a terminal at the strategically important Chabahar port in Iran. In this respect, If one wants to travel to Iran from India via land, how many nation/s he/she would have to cross(excluding India and Iran)?

- A. Only 1
- B. Only 2
- C. Only 3
- D. Only 4

3. Which of the following statements regarding the Smart City Mission in India is correct?

1. The Smart City Mission was launched by the Government of India to develop 100 smart cities across the country with a focus on sustainable urban development and citizen-centric services.
2. The Smart City Mission primarily aims to upgrade only the physical infrastructure of selected cities without addressing digital connectivity or citizen participation.

Choose the correct options:

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

4. Consider the following statements regarding Household Consumption Expenditure Survey for 2022-23 (HCES):

1. The consumption of food items was more than non-food items for Rural India.
2. The consumption of food items was less than non-food items for Urban India.

Which of the above given statements is/are correct?

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



5. Consider the following pairs:

1. Sahṛdayaloka Locana - Acharya Anandvardhan
2. Panchatantra - Pt. Vishnu Sharma
3. Ramcharitmanas - Kalidas

How many of the above given pairs are correct?

- A. Only 1
- B. Only 2
- C. All are correctly paired
- D. All are incorrectly paired

6. "This tree is a type of native cotton tree with large red flowers. It grows rapidly to attain height up to 30 m and a girth of 3-4 m. It is also called Silk Cotton. Members of tribal communities consume the tree's reddish root for food during the monsoons. Larvae of the moth *Bucculatrix crateracma* feed on its leaves. Recently, it was in news due to its illegal cutting in Rajasthan region". Identify the tree.

- A. Dhokra
- B. Babul
- C. Semal
- D. Salar

7. Which of the following banks became the first to become a trading-cum-clearing (TCM) member at India International Bullion Exchange (IIBX)?

- A. State Bank of India
- B. HDFC Bank
- C. Indian Overseas Bank
- D. Yes Bank

8. Recently erupted Mount Ibu is located in which of the following countries?

- A. Philippines
- B. Indonesia
- C. Japan
- D. Malaysia

9. Recently in the news, the term "Xenotransplantation" is correctly described by

- A. Transplantation of organs between individuals of the same species
- B. Transplantation of organs from one human to another
- C. Transplantation of living cells, tissues, or organs from one species to another
- D. Process of growing human organs in a laboratory for transplantation purposes

10. Sometimes mentioned in the news, "Consumer Food Price Index (CFPI)" is released by which of the following organisations?

- A. Reserve Bank of India (RBI)
- B. National Statistical Office (NSO)
- C. Department of Consumer Affairs
- D. Indian Statistical Institute



Solutions

Answer 1: D

Solution 1:

- Statement 1 is incorrect: Maldives is largely flat and has no land features such as hills or rivers, but some islands have dunes.
- Statement 2 is incorrect: The fact that the Maldives is located at the equator, Maldives receives plentiful sunshine throughout the year. The temperatures of Maldives ranges between 25° Celsius and 32° Celsius throughout the year.

Hence, Option D is correct.

Answer 2: A

Solution 2:

- If someone wants to travel to Iran from India via land, excluding India and Iran, they would typically have to cross one nation: Pakistan. The most direct land route from India to Iran passes through Pakistan.

Hence, Option A is correct.

Answer 3: A

Solution 3:

- Statement 1 is correct: The Smart City Mission was launched by the Government of India to develop 100 smart cities across the country with a focus on sustainable urban development and citizen-centric services.
- Statement 2 is incorrect: The mission focuses not only on physical infrastructure development but also on digital connectivity, citizen participation, and overall urban livability.

Hence, Option A is correct.

Answer 4: B

Solution 4:

- Statement 1 is incorrect: The consumption of food items was less than non-food items for Rural India.
- Statement 2 is correct: The consumption of food items was less than non-food items for Urban India.

Hence, Option B is correct.

Answer 5: B

Solution 5:

- Sahṛdayaloka Locana - Acharya Anandvardhan
- Panchatantra - Pt. Vishnu Sharma
- Ramcharitmanas - Goswami Tulsidas

Hence, Option B is correct.

Answer 6: C

Solution 6:

- Semal (Silk Cotton) tree is a type of native cotton tree with large red flowers. It grows rapidly to attain height up to 30 m and a girth of 3-4 m.
- Semal is an integral species that holds the forest ecosystem together.
- Members of tribal communities consume the tree's reddish root for food during the monsoons. Larvae of the moth *Bucculatrix crateracma* feed on its leaves.

Hence, option C is correct.

Answer 7: A

Solution 7:

- State Bank of India (SBI) became the first bank to become a trading-cum-clearing (TCM) member at India International Bullion Exchange (IIBX).



Hence, Option A is correct.

Answer 8: B

Solution 8:

- Mount Ibu is a stratovolcano at the north-west coast of Halmahera Island, Indonesia.

Hence, option B is correct.

Answer 9: C

Solution 9:

- Xenotransplantation is the transplantation of living cells, tissues, or organs from one species to another. It

aims to overcome the shortage of human organs available for transplantation by utilising organs from other species

Hence, Option C is correct.

Answer 10: B

Solution 10:

- The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI) is releasing All India Consumer Price Index (CPI) on Base 2012=100 and corresponding Consumer Food Price Index (CFPI) for Rural (R), Urban (U) and Combined .

Hence, option B is correct.





GET IN TOUCH

+919999057869

www.upsmentorship.com

@mentorship.india

C - 103, Second Floor, Sector-2
Noida - 201301

contact@mentorshipindia.com