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SOURCES



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Important News Articles

GS I

1. Recycling to kick in as long-term solution to EU rare-earths challenge- THE HINDU

Relevance: Distribution of key natural resources across the world (including South Asia and the Indian sub-continent); factors responsible for the location of primary, secondary, and tertiary sector industries in various parts of the world (including India).

Prelims Takeaway

- LITHIUM
- EU

News:

- EU firms are gearing up to take advantage of the huge potential for recycling to supply critical rare earths for the bloc's green transition, but it will take time before there is enough supply of old EVs and wind turbines to process.

Key highlights

- The EU will struggle to meet ambitious goals for rare earths in a new legislation designed to boost domestic output of critical minerals and reduce dependence on China.
- Under the Critical Raw Materials Act that entered into force last month, the bloc has set a target that recycling should meet 25% of EU demand for critical minerals by 2030, including rare earths.
- Today, less than 1% of rare earths consumed in EU are recycled.
- The 25% target is not due to be met according to a Reuters analysis, but in the longer term, the outlook is strong for the bloc to furnish a large portion of the rare earths needed for electric vehicles and wind turbines from salvaging and re-processing them.

GS III

2. India and U.S. in talks for Stryker infantry vehicles- The Hindu

Relevance: Various Security forces and agencies and their mandate.

New:

- India has expressed interest in co-producing the Stryker infantry vehicles and it is in "relatively" early stages of talks with the U.S. on the Stryker and the Javelin anti-tank guided missiles (ATGM)

Prelims Takeaway

- Anti-tank guided missiles (ATGM)

Key Highlight

- At the same time, deals for MQ-9B unmanned aerial vehicles and GE-414 jet engines are making progress along with defence industrial collaborations under the initiative on Critical and Emerging Technology (iCET) framework.
- However, several defence officials expressed reservations on going for Stryker given that several such vehicles have been developed and demonstrated by Indian companies in recent years.
- The U.S. has in the past demonstrated both Stryker as well as Javelin for the Indian Army during bilateral exercises.
- Javelin was extensively evaluated by the Indian Army, though the deal did not go through.

3. Economy robust despite global risks'-THE HINDU

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

Prelims Takeaway

- RBI
- CRAR

News:

- The Indian economy and the financial system remain robust and resilient, anchored by macroeconomic and financial stability, the Reserve Bank of India (RBI) said in the 29th issue of the Financial Stability Report (FSR)

Key highlights

- With improved balance sheets, banks and financial institutions were supporting economic activity through sustained credit expansion, the RBI said.

- According to the FSR, the capital to risk-weighted assets ratio (CRAR) and the common equity tier 1 (CET1) ratio of scheduled commercial banks (SCBs) stood at 16.8% and 13.9%, respectively, as at end-March 2024.
- SCBs' gross non-performing assets (GNPA) ratio fell to a multi-year low of 2.8% and the net non-performing assets (NNPA) ratio declined to 0.6% at end-March 2024.
- The RBI noted in the FSR that the global economy was facing heightened risks from prolonged geopolitical tensions, elevated public debt, and the slow progress being made in the last mile of disinflation.
- Despite these challenges, the global financial system had remained resilient, and financial conditions stable, the Reserve Bank added.

Report card

India's financial system is robust and resilient, anchored by macroeconomic and financial stability, says RBI



■ Banks' capital to risk-weighted assets ratio (CRAR) and CET1 ratios at 16.8% and 13.9%, respectively, as at end March

■ Stress tests for credit risk show that SCBs would be able to comply with minimum capital requirements

■ Global economy facing risks from prolonged geopolitical tensions, elevated public debt, slow disinflation

4. Uttarakhand govt. to study risk posed by 13 glacial lakes during monsoon- The Hindu

Relevance: Disaster and Disaster Management.

News:

- With the monsoon setting in, the Uttarakhand State Disaster Management Department (USDMA) will do a vulnerability study of 13 glacial lakes, five of them in "high-risk zone".

Highlights:

- The study aims to provide data to help avoid calamities such as lake outbursts.
- The Himalayan glaciers were in danger from climate change, and continued checks were required to ensure safety.
- The lakes in Darma, Lasaryanghati, and the Kutiyangti Valley
- The Vasudhara Tal lake of the Dhaul Ganga basin is posing a high risk.
- Teams will start a bathymetry study of the five potentially high-risk lakesy.
- The study will give us correct and accurate information regarding the size of the lakes, how the glaciers were formed, how they are melting, and more.
- The USDMA asked the Indo-Tibetan Border Police to share a report on the status of the five high risk glacial lakes.

Two expert teams

- The State government formed two expert teams to assess the risks associated with these glacial lakes.

Prelims Takeaway

- Glacial Lake
- Ganga Drainage Basin

- Two major glacial lake outburst floods took place in Uttarakhand in the past decade.
- The first was at the Kedarnath valley in June 2013 which led to 6,000 deaths.
- The other was at the Rishi Ganga Valley in Chamoli in February 2021, which claimed 72 lives.

5. SEBI tightens norms on financial influencers, eases rules for delisting - The Hindu

Relevance: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

News: SEBI recently asked brokers and mutual funds to stop using the services of unregulated financial influencers for marketing and advertising campaigns.

Highlights:

- A booming Indian stock market has increased the popularity of so-called financial influencers who advise on stocks and other related investments through their channels on social media.
- The decision was taken to address concerns related to 'certain persons, including unregulated entities, inducing investors to deal in securities based on inappropriate claims
- India had 154 million trading accounts as of April, as per SEBI data, a more than four times jump from the 36 million trading accounts in April 2019.
- It will be the responsibility of the regulated entity to ensure individuals with whom it is associated do not breach the rules of conduct set by SEBI, including avoiding the promise of assured returns.
- SEBI also introduced new criteria to decide on stocks that can be linked to derivative products, such as futures and options, as proposed in a discussion paper earlier this month.
- The SEBI board also approved changes to delisting rules that would make it easier for companies to exit from stock exchanges.
- Companies can now offer shareholders fixed prices for shares as an alternative mechanism to delist from stock exchanges.
 - Currently, delisting is carried out via reverse book-building.

Prelims Takeaway

- SEBI
- Derivatives

6. Govt to amend 2006 Act to streamline disputes over delayed payments to MSMEs - The Hindu

Relevance: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

News: The Union Ministry of Micro, Small, and Medium Enterprises (MSME) is amending the MSME Development Act, 2006

Highlights:

- The Amendment is to improve mechanisms for managing disputes related to delayed payments and to better address the evolving needs of the MSME sector.
- The Act was brought in 2006, and times have changed. The nature of support needed has also undergone a vast difference.
- Similarly, when it comes to the National Board for MSME, it should have representation of all the secretaries from states because the industry has to connect with state governments at the ground level
- There is also a need to focus on micro enterprises in rural areas to improve quality of life and address unemployment.
- Additionally, the MSME ministry is in the process of transforming the **Samadhaan portal**, which currently only tracks disputes arising from delayed payments to micro and small enterprises (MSEs), into a comprehensive online resolution platform.
- At the event, the ministry also announced the **Trade Enablement & Marketing (TEAM) initiative**, which aims to onboard 5 lakh MSEs onto the **Open Network for Digital Commerce (ONDC)**.
- The initiative, with an outlay of Rs 277 crore over the next three years, also seeks to assist MSEs with cataloguing, account management, logistics, and packaging material and design.
- The ministry also announced the **Yashasvini campaign** to spread awareness for formalising women-owned, informal micro enterprises, with a focus on tier-2 and tier-3 cities.

Prelims Takeaway

- MSMEs
- Samadhaan Portal

7. Antelope-like mammal from Bhutan recorded at lowest elevation in western Assam- THE HINDU

Relevance: Conservation, environmental pollution and degradation, environmental impact assessment.

Prelims Takeaway

- Raimona National Park

News:

- The mainland serow, a mammal that looks like a cross between a goat and an antelope, has been recorded at the lowest elevation beyond Bhutan, its natural home, in Assam.

KEY HIGHLIGHTS

- A team of scientists recorded a lone mainland serow (*Capricornis sumatraensis thar*) at 96 metres above the mean sea level at the Raimona National Park in western Assam.
- According to the International Union for Conservation of Nature, the mainland serow inhabits areas at altitudes of 200 metres to 3,000 metres.
- Its habitat is across the border in the Phibsoo Wildlife Sanctuary and the Royal Manas National Park in Bhutan.

8. Banks' gross NPA ratio moderates to 12-year low of 2.8% in March 2024: RBI report - Indian Express

Relevance: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Prelims Takeaway

- NPA
- Financial Stability Report (FSR)

News: Gross non-performing assets (GNPA) ratio of scheduled commercial banks moderated to a 12-year low.

Highlights:

- The gross non-performing assets (GNPA) ratio of scheduled commercial banks, moderated to 2.8 per cent in March 2024 the RBI said in its Financial Stability Report (FSR)
- The estimate for GNPA ratio for March 2025 is based on the macro stress tests, performed to assess the resilience of banks' balance sheets to unforeseen shocks emanating from the macroeconomic environment.
- Under the baseline stress scenario, the GNPA ratio of all banks may improve to 2.5 per cent by March 2025.
- If the macroeconomic environment worsens to a severe stress scenario, the GNPA ratio may rise to 3.4 per cent, the RBI's half yearly report said.
- In the severe stress scenario, the GNPA ratios of public sector banks (PSBs) may increase from 3.7 per cent in March 2024 to 4.1 per cent in March 2025
- Stress tests are conducted covering credit risk, interest rate risk and liquidity risk and the resilience of commercial banks in response to these shocks is studied.
- Using the stress tests, the RBI projects impairment or bad loans and capital ratios over a one-year horizon under a baseline and two adverse scenarios – medium and severe.
- The half-yearly slippage ratio (new NPA accretions as a share of standard advances) decreased across bank groups.
- Though the amount of write-offs declined during the year, the write-off ratio remained almost at the same level as a year ago, due to reduction in GNPA stock
- Overall, the sustained reduction in the GNPA ratio since March 2020 has been primarily due to a persistent fall in new NPA accretions and increased write-offs.

Editorials, Gists and Explaners

9. Why govt must create a buffer stock of all main food items- The Indian Express

Relevance: Major Crops - Cropping Patterns in various parts of the country, - Different Types of Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produce

Context:

- Inflation, based on the official consumer price index (CPI), stood at 8.69 % for cereals in May, and almost twice as much (17.14%) for pulses.
- These rates would probably have been higher, but for the sales from buffer stocks, especially of wheat and chana (chickpea), built by government agencies..

How buffer in chana helped

- Prices of pulses have been on fire, with retail inflation in double digits since June 2023.
- But things would have been worse had the National Agricultural Cooperative Marketing Federation of India (NAFED) not bought large quantities of the bumper 2021-22 and 2022-23 chana crops.
- These procurement operations enabled chana farmers to reap the benefits of MSP when open market prices were low, and, more recently, insulate consumers from dal inflation
- Since July 2023, NAFED has sold 14.06 lt of chana through open market e-auctions

Unpredictability in food prices

- Overall CPI inflation, at 4.75% year-on-year in May, was the lowest in 12 months. It would have been lower had retail food inflation not stayed elevated at 8.69%.
- The inherently volatility and unpredictability of food prices, exacerbated by climate change, fewer rainy days and extended dry spells, interspersed with intense precipitation, and also shorter winters and heat waves has made it difficult for the Reserve Bank of India (RBI) to consider any monetary easing or cutting interest rates.
- The government, too, is forced to resort to undesirable measures such as restricting exports, or imposing produce stock limits on traders and processors.
- One possible way out of the conundrum would be to build a buffer stock of all essential food items, by procuring these from farmers during years of surplus production, and offloading the same in times of crop failures to moderate market prices.
- There's scope to not only expand procurement of pulses and oilseeds, but extend it to staple vegetables and even skimmed milk powder (SMP).
- The onion, potato and tomato procured can be stored in dehydrated/processed form such as paste, flakes and puree for sales to hotels, restaurants, canteens, and other institutional buyers.
- This would ensure that both households and bulk buyers do not compete to drive up prices during shortages.
- The fiscal cost of maintaining buffer stocks of essential food items may not be that much; the stocked commodities are not meant to be given out free and, instead, offloaded during scarcity/inflationary periods at near-market prices.
- Buffer stocking can be an instrument for curbing excessive volatility in food prices, similar to the RBI's foreign exchange reserves vis-à-vis the currency market.
- Increasing climate-driven price volatility ultimately helping neither consumers nor producers only strengthens the case for a food buffer policy.

10. With new budget, chance for new vision for India- The Indian Express

Relevance: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Context:

- In most advanced economies, the annual budget is a non-event.
- In emerging markets, on the other hand, the budget presentation has special significance.

Key Highlights

- In the case of India, the budget is a legacy inherited from colonial times to the extent that the timing of the presentation was also aligned with British time.
- While the budget was primarily meant for accounting in the British empire, it has since Independence meant to lay out the administration's vision for the economy.

Expectations

- The 2024-25 budget is expected to present a long-term vision for the Indian economy.
- In my view, this vision must entail five key elements: (i) growth (ii) employment (iii) manufacturing (iv) public finance and (v) others.
- The government has already clearly laid out its vision for a “Viksit Bharat”, to make India a developed economy by 2047.
- The question is what kind of growth rates are needed to increase India’s per capita income from \$2,500 to \$14,000.
- In 2023, India’s per capita income grew at 9.2 per cent in nominal dollar terms.
- If India were to sustain these growth rates, then it will become an upper middle-income country by 2030 and higher income by 2042.
- The relevant question to ask then is what would take India to 10 percent real GDP growth to enable a quicker catch up.
- It turns out if we really want to catch up rapidly, we need to fire all those cylinders. comprising private consumption, investment, exports, and imports. The budget plays a catalytic role to firepower each of these components.
- Second is employment and related to it is the third component, manufacturing with scaling up trade and competitiveness.
- There is no tradeoff between services and manufacturing.
- Undoubtedly, we need both — a boost to labor-intensive manufacturing to enable seizing the demographic dividend. For a labor-abundant economy like India, the capital to labor ratio has increased at a rapid pace.
- Factor market reforms are possibly an important driver. The government in previous terms has initiated several reforms, but the job here is extremely difficult and intricate in a democracy.
- In public finance, across the world, monetary policy decisions tend to be based on systematic analysis of alternative policy choices and their associated macroeconomic impacts.

FRBM

- On the institutional side, the FRBM review committee recommended setting up an independent Fiscal Council.
- The idea was for the Council was to serve both an ex-ante role providing independent forecasts on key macro variables like real and nominal GDP growth, tax buoyancy, commodity prices as well as an ex-post monitoring role, and serve as the institution to advise on triggering the escape clause and specify a path of return.
- The introduction of a Fiscal Council could perhaps be revisited. Another important question is how to integrate market discipline into rules

Conclusion

- Finally, I leave the fifth element as broad, but equally crucial: further development of agriculture markets, renewed emphasis on cleaning up of higher education, improving health outcomes, and meeting the carbon limits.
- The time is ripe for another big push to important reforms.
- The 2024-25 budget is an opportune moment to signal the direction and vision.
- A commitment and enthusiasm to fire on all fronts with renewed vigor and enthusiasm is what economic agents, market participants, and citizens would be looking for in this budget.

Quick Look

1. International Criminal Court (ICC)

- Governed by an international treaty called 'The Rome Statute', the ICC is the world's first permanent international criminal court.
- It investigates and, where warranted, tries individuals charged with the gravest crimes of concern to the international community: genocide, war crimes, crimes against humanity and the crime of aggression.
- Through international criminal justice, ICC aims to hold those responsible for their crimes and to help prevent these crimes from happening again.
- India is not a party to Rome Statute along with US and China.

2. Financial Stability Report

- The Financial Stability Report is released by the RBI twice a year.
- RBI details the state of financial stability in the country, and it is prepared after taking into account the contributions from all financial sector regulators.
- As part of the FSR, the RBI also conducts a Systemic Risk Survey (SRS), wherein it asks experts and market participants to assess the financial system on five different types of risks – Global, Financial, Macroeconomic, Institutional, General.

3. Sengol

- The Sengol derived from the Tamil word "Semmai", means "Righteousness".
- It was made of gold or silver and was often decorated with precious stones.
- A Sengol sceptre was carried by emperors on ceremonial occasions, and used to represent their authority.
- It is associated with the Chola Empire, one of the longest-ruling and most influential dynasties in South India.
- The Cholas had a tradition of handing over the Sengol sceptre from one king to another as a mark of succession and legitimacy.
- The Nandi, with its unyielding gaze as the beholder of "Nyaya", is hand-carved at the top.

4. ABHYAS

- It is a high-speed expendable aerial target (HEAT).
- It is designed by the DRDO's Aeronautical Development Establishment (ADE).
- ABHYAS offers a realistic threat scenario for the practice of weapon systems.
- It is the ideal platform for the validation of Armed Forces equipment waiting for induction (only those that require aerial engagement).
- It is designed for autonomous flying with the help of an autopilot indigenously made by the ADE.
- It has a radar cross-section and a visual and infrared augmentation system required for weapon practice.
- The target drone has a laptop-based Ground Control System with which the aircraft can be integrated and pre-flight checks, data recording during the flight, replays after the flight and post-flight analysis can be carried out.

5. Indian Council of Medical Research (ICMR)

- The Indian Council of Medical Research (ICMR), New Delhi, the apex body in India for the formulation, coordination and promotion of biomedical research, is one of the oldest medical research bodies in the world.
- In 1911, the Government of India set up the Indian Research Fund Association (IRFA) with the specific objective of sponsoring and coordinating medical research in the country. After independence, it was redesignated the Indian Council of Medical Research (ICMR) in 1949.
- The Governing Body of ICMR is presided over by the Union Health Minister. It is assisted in scientific and technical matters by a Scientific Advisory Board comprising eminent experts in different biomedical disciplines.



Prelims Track Question

Q1. Consider the following statements regarding "White Gold":

1. White Gold primarily refers to a high-grade variety of refined sugar.
2. The term "White Gold" historically referred to salt during ancient trade routes.
3. Cotton has been colloquially termed "White Gold" due to its historical economic significance.
4. White Gold is exclusively associated with a rare gemstone known for its colorlessness.

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 Project Seabird

1. India's biggest naval base project is taking shape on the west coast at Karwar, Karnataka.
2. Following the 1971 war with Pakistan, India recognized the need for another naval base to ease congestion in Mumbai harbor and bolster Western Fleet security.
3. Officially approved in 1985, Project Seabird saw its foundation laid in 1986.

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 with reference to Inflation

1. Retail Inflation is changes in the prices of goods and services that consumers buy excluding those from the food and energy sectors.
2. RBI aims to keep inflation at 4% but tolerates inflation between the range of 2% to 6%.

Which of the statements given above is/are correct?

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

Q4. With reference to glacial landforms, consider the following statements:

1. Moraines are Deposits of glacial debris such as rocks and soil
2. Esker are Long, winding ridge formed by sediment deposition from meltwater streams flowing beneath a glacier
3. Drumlin are Elongated hill formed by glacial ice acting on underlying till or ground moraine

Which of the pairs given above is/are correctly matched?

- A. 1 only
- B. 1 and 2 only
- C. 2 and 3 only
- D. 1, 2, and 3

Q5. Consider the following statement regarding Financial Derivatives

1. A derivative is a financial instrument whose value is based on the value of another asset.
2. Options, futures, and swaps are common types of derivatives.
3. Derivatives can only be traded on organized exchanges.

Which of the statements given above is/are correct?

- A. 1 and 2 only
- B. 1 and 3 only
- C. 2 and 3 only
- D. 1, 2, and 3

Q6. Consider the following statement regarding Samadhaan portal

1. The Samadhaan portal is an initiative by the Ministry of Micro, Small and Medium Enterprises (MSME)
2. The portal enables MSMEs to file applications for delayed payments with the concerned Ministries, Departments, and Public Sector Enterprises (PSEs).
3. The portal provides a platform for resolving payment disputes through arbitration.

Which of the statements given above is/are correct?

- A. 1 and 2 only
- B. 1 and 3 only
- C. 2 and 3 only
- D. 1, 2, and 3

Q7. Which of the following is invasive species:

- 1. the Chital deer
- 2. African catfish
- 3. Namdapha flying squirrel

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

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

Q8. Consider the following statement regarding Non-Performing Assets (NPA)

- 1. An asset is classified as an NPA when the borrower has not paid the principal or interest for a period of 180 days.
- 2. NPAs are classified into Substandard Assets, Doubtful Assets, and Loss Assets.
- 3. High levels of NPAs indicate a healthy banking sector.

Which of the statements given above is/are correct?

- A. 2 only
- B. 1 and 2 only
- C. 1 and 3 only
- D. 2 and 3 only

Q9. With reference to the Food Corporation of India (FCI), consider the following statements:

- 1. The primary mandate of FCI is to procure food grains from farmers at Minimum Support Prices (MSP).
- 2. FCI is responsible for the distribution of food grains through the Public Distribution System (PDS).
- 3. The FCI does not play any role in maintaining buffer stocks for price stabilization.

Which of the statements given above is/are correct?

- A. 1 and 2 only
- B. 1 and 3 only
- C. 2 and 3 only
- D. 1, 2, and 3

Q10. With reference to the Union Budget of India, consider the following statements:

- 1. The Union Budget is presented by the Finance Minister in the Lok Sabha.
- 2. The Union Budget includes both revenue and expenditure estimates for the upcoming financial year.
- 3. The Appropriation Bill and the Finance Bill are introduced after the presentation of the Union Budget to seek approval for government spending and tax proposals, respectively.

Which of the statements given above is/are correct?

- A. 1 and 2 only
- B. 1 and 3 only
- C. 2 and 3 only
- D. 1, 2, and 3

Prelims Track Answer

Answer 1 Option B is correct

Explanation

- "White Gold" historically refers to a valuable commodity, but it is not primarily associated with refined sugar. The term has been used to denote various valuable substances throughout history. **Hence, statement 1 is incorrect**
- Historically, "White Gold" referred to salt during ancient trade routes. Salt was a valuable and essential commodity, often considered as precious as gold in certain historical contexts. **Hence, statement 2 is correct**
- Cotton has been colloquially termed "White Gold" due to its historical economic significance. The phrase reflects the economic importance of cotton, particularly during periods when it was a major cash crop. **Hence, statement 3 is correct**
- "White Gold" is not exclusively associated with a rare colorless gemstone. The term has historical and economic connotations related to various commodities, but it is not commonly used in the context of gemstones. **Hence, statement 4 is incorrect**

Answer 2 Option C is correct

Explanation

- India's biggest naval base project is taking shape on the west coast at Karwar, Karnataka.
- Born from necessity: Following the 1971 war with Pakistan, India recognized the need for another naval base to ease congestion in Mumbai harbor and bolster Western Fleet security.
- A project unfolds: Officially approved in 1985, Project Seabird saw its foundation laid in 1986. **Hence all the statements are correct**

Answer 3 Option A is correct

Explanation

- Inflation is a long-term increase in the general price level of goods and services in a given economy.
- It considers the pricing of most everyday or standard products and services.

- Retail Inflation is the rate at which the prices of goods and services that consumers buy for personal use increase over time. **Hence, statement 1 is incorrect.**
- Core Inflation is the change in the costs of goods and services but does not include those from the food and energy sectors.
- Food and energy prices are exempt from this calculation because their prices can be too volatile or fluctuate wildly.
- Under the RBI Act, 1934, the Central Government, in consultation with the RBI, determines the inflation target in terms of the Consumer Price Index (CPI), once in five years.
- Currently, the RBI aims to keep inflation at 4% but will tolerate inflation between the range of 2% to 6%. **Hence, statement 2 is correct.**

Answer 4 Option D is Correct

Explanation:

- Moraines are accumulations of glacial debris such as rocks and soil. **Statement 1 is Correct**
- Eskers are long, winding ridges formed by sediment deposition from meltwater streams that flowed beneath glaciers. **Statement 2 is Correct.**
- Drumlin: Drumlins are elongated hills formed by glacial ice acting on underlying till or ground moraine. **Statement 3 is Correct.**

Answer 5 Option A is correct

Explanation:

- A derivative's value is derived from the value of another asset, known as the underlying asset. **Statement 1 is correct.**
- Options, futures, and swaps are indeed common types of derivatives. **Statement 2 is correct.**
- Derivatives can be traded both on organized exchanges and over-the-counter (OTC) markets. **Statement 3 is incorrect.**

Answer 6 Option A is correct.

Explanation:

- The Samadhaan portal is an initiative by the Ministry of MSME to address the issue of delayed payments to MSMEs. Statement 1 is correct

- Correct. The portal allows MSMEs to file applications regarding delayed payments with the concerned Ministries, Departments, and Public Sector Enterprises (PSEs). **Statement 2 is correct**
- The portal does not provide a platform for resolving disputes through arbitration; it mainly facilitates the filing of applications and monitoring of delayed payments. **Statement 3 is incorrect**

Answer 7 Option B is correct

Explanation

- Chital are native to mainland India, but the British brought them to the Andaman Islands in the early 1900s.
- With no natural enemies and being good swimmers, they spread quickly.
- While they're protected in India, they're seen as invasive on the Andamans because they harm the local plants and animals.
- How invasive species hurt ecosystems and economies:
- They disrupt the food chain and unbalanced ecosystems.
- For example, the African catfish in Keoladeo National Park eats native birds.
- They also cause economic damage.
- Namdapha flying squirrel: The Namdapha flying squirrel (*Biswamoyopterus biswasi*) is a flying squirrel endemic to Arunachal Pradesh in northeast India. **HENCE OPTION 3 IS INCORRECT**

Answer 8 Option A is correct

Explanation:

- An asset is classified as an NPA when the borrower has not paid the principal or interest for a period of 90 days, not 180 days. **Statement 1 is incorrect.**

- NPAs are classified into Substandard Assets, Doubtful Assets, and Loss Assets based on the duration of non-payment and the likelihood of recovery. **Statement 2 is correct.**
- High levels of NPAs indicate stress and inefficiency in the banking sector, not a healthy one. High NPAs suggest that a significant portion of the bank's loan assets are not yielding returns. **Statement 3 is incorrect.**

Answer 9 Option A is Correct

Explanation:

- The primary mandate of FCI is indeed to procure food grains from farmers at Minimum Support Prices (MSP), **Statement 1 is correct.**
- FCI is responsible for the distribution of food grains through the Public Distribution System (PDS), **Statement 2 is correct.**
- FCI plays a crucial role in maintaining buffer stocks for price stabilization, **Statement 3 is incorrect.**

Answer 10 Option D is Correct

Explanation:

- The Union Budget is indeed presented by the Finance Minister in the Lok Sabha, **statement 1 is correct.**
- The Union Budget includes both revenue and expenditure estimates for the upcoming financial year, **statement 2 is correct.**
- The Appropriation Bill and the Finance Bill are introduced after the presentation of the Union Budget to seek approval for government spending and tax proposals, respectively, **statement 3 is correct.**



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 BRANCH: Delhi Kolkata, Raipur, Patna |
HEAD OFFICE: 641, Ramlal Kapoor Marg,
Mukherjee Nagar, Delhi, 110009

 info@geoias.com

 www.geoias.com