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CURRENT AFFAIRS

April 2026

Every daily post of the month, in full · 23 days · 573 items

For NABARD Grade A · RBI Grade B · SEBI Grade A · IRDAI · SIDBI

Big themes · Facts To Remember 369 · National Affairs 105 · Banking and Finance 81

Most mentioned · RBI · Reserve Bank · ANSWERS · West Asia · SEBI



GIANT KILLERS

NABARD GRADE A 2026

ENROLLED IN CLARITY NABARD MENTORSHIP PROGRAMME

 1 188.75 SURAJ RAVINDRA	 2 185 LOKESH CHANDRAN	 3 185 VIVEK	 4 184.50 KAPIL PATLYA	 5 183.75 SIDDHANT KHESARWANI	 6 182 LALIT KUMAR
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6 OF THE
TOP 10

Six of the ten highest scorers in NABARD Grade A 2026 came from this classroom — 32 final selections in one batch. The same mentors compile this book every day.

Contents

Every daily post of April 2026 in full, day by day — 23 days, 573 items. Every line is linked; so is every bookmark in your PDF reader.

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THE MONTH IN NUMBERS

April 2026 at a glance

23 daily compilations, 573 items across 6 topics — Facts To Remember weighed the most. Read the charts first: they tell you where this month's questions will come from.

23

daily compilations

573

items covered

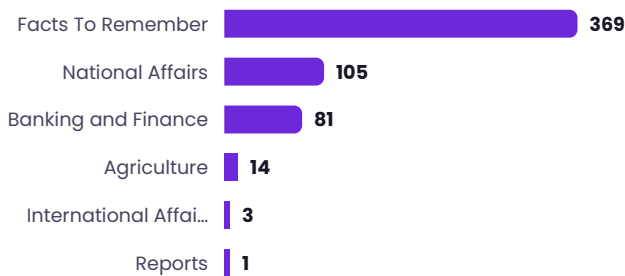
6

topics

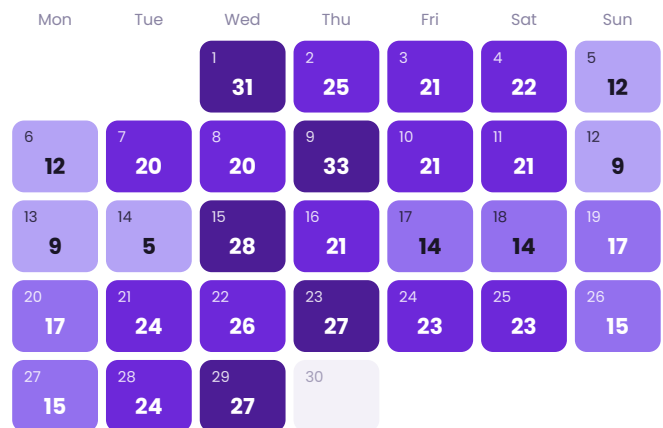
236

data tables

Items by topic



Items per day



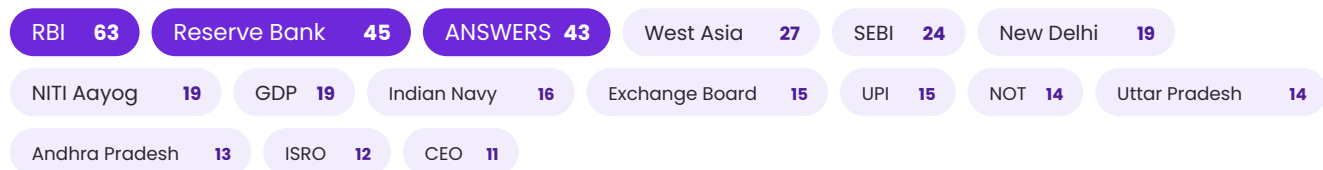
Darker = a heavier day. Two-day posts are split across their days.

Where the items sat

● Other exams 573 (100%)

Most mentioned this month

How many items each name appeared in. Know these cold.



"Read less, revise more, in the last thirty days."

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FIGURES THE PAPER LOVES

April 2026 by the numbers

The month's biggest figures with the line they came from. Say each one with its scheme or report before you turn the page.

₹19,200 crore

Fiscal Backing: The Union Budget 2026-27 allocated ₹19,200 crore to the mission, cementing its status as a flagship i...

The National Rural Livelihood Mission (NRLM) · 17 & 18 April 2026

₹20 lakh

Risk Mitigation: By moving to an absolute system-wide cap, the RBI prevents "stacking"—where a borrower takes ₹20 lak...

RBI Revised Amendment Directions on Capital Market Exposures · 1 April 2026

\$750 million

The Reality Check: After a peak of \$750 million in 2022, investment fell 70% by 2025 due to a "sharp correction" as i...

Southeast Asia's Agri-Tech Opportunity: Lessons from India · 3 April 2026

₹48.95 crore

As of January 31, 2026, the DICGC had already proactively paid out ₹48.95 crore of the total insured deposits based o...

RBI Cancels Licence of The Shirpur Merchants' Co-operative Bank · 7 April 2026

₹62,408 crore

Export Record: Seafood exports hit ₹62,408 crore in 2025, dominated by frozen shrimp exports to the US and China.

Advancing India's Fisheries Sector: Scaling the Blue Economy · 8 April 2026

₹40,000 crore

B) MUFG Bank (The Japanese lender invested nearly ₹40,000 crore for a 20% stake.)

Answers · 15 April 2026

₹6 lakh

Monetisation Target: A cumulative target of ₹6 lakh crore was set for the 4-year period (2022-2025), with NMP 2.0 ext...

National Monetisation Pipeline (NMP) 2.0 · 19 & 20 April 2026

₹1.87 trillion

India's fertiliser subsidy bill crossed ₹1.87 trillion by February 2026, exceeding the Budget's revised estimates eve...

Fixing India's Fertiliser Subsidy · 19 & 20 April 2026

\$103 billion

Trade Milestone: Bilateral trade reached \$103 billion in 2024-25, a 17% year-on-year increase.

The India-Africa Forum Summit (IAFS) · 23 April 2026

\$100 million

Speculation Control: On March 27, 2026, the RBI capped the "Net Open Position" in INR for banks at \$100 million to pr...

RBI State of the Economy · 24 & 25 April 2026

READ IT THE WAY TOPPERS DO

How to use this book

One day a sitting. Read the day, then close the book and say the **Five to remember** out loud before you look. That single habit is the difference between reading current affairs and scoring from them.

1

Read the day

Every item, source and table. Underline the bold facts: they are the exam.

2

Say the five

Close the book. Recite the day's *Five to remember*. Only then check.

3

Take the quiz

Each day ends with its ten-question quiz. Note every wrong answer.

4

Come back

Tick the tracker. Recall the day again on day 3 and day 7, then use the revision sheet.

Your revision tracker

Tick as you go. Day 3 and day 7 recalls are what move a fact from short-term to exam-day memory.

DAY	READ	RECALL +3	RECALL +7	QUIZ	NOTES
1 April 2026 · 31 items	☐	☐	☐	☐	
2 April 2026 · 25 items	☐	☐	☐	☐	
3 April 2026 · 21 items	☐	☐	☐	☐	
4 April 2026 · 22 items	☐	☐	☐	☐	
5 & 6 April 2026 · 23 items	☐	☐	☐	☐	
7 April 2026 · 20 items	☐	☐	☐	☐	
8 April 2026 · 20 items	☐	☐	☐	☐	
9 April 2026 · 33 items	☐	☐	☐	☐	
10 April 2026 · 21 items	☐	☐	☐	☐	
11 April 2026 · 21 items	☐	☐	☐	☐	
12 & 13 April 2026 · 18 items	☐	☐	☐	☐	
14 April 2026 · 5 items	☐	☐	☐	☐	
15 April 2026 · 28 items	☐	☐	☐	☐	
16 April 2026 · 21 items	☐	☐	☐	☐	
17 & 18 April 2026 · 28 items	☐	☐	☐	☐	
19 & 20 April 2026 · 33 items	☐	☐	☐	☐	
21 April 2026 · 24 items	☐	☐	☐	☐	
22 April 2026 · 26 items	☐	☐	☐	☐	
23 April 2026 · 27 items	☐	☐	☐	☐	
24 & 25 April 2026 · 45 items	☐	☐	☐	☐	
26 & 27 April 2026 · 30 items	☐	☐	☐	☐	
28 April 2026 · 24 items	☐	☐	☐	☐	
29 April 2026 · 27 items	☐	☐	☐	☐	

"Revise today what you read yesterday. Memory is a muscle."

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DAY 1 OF 23

1 April 2026

Wednesday · 31 items · 3 topics

National Affairs 5 · Banking and Finance 4 · Facts To Remember 22

Daily Current Affairs Quiz
1 April, 2026**National Affairs****1. IONS Maritime Exercise (IMEX) TTX 2026**

Source: TOI

Context

- The Indian Navy hosted the **IONS Maritime Exercise (IMEX) Table-Top Exercise (TTX) 2026** at the Maritime Warfare Centre, Kochi.
- **Timeline:** Conducted in early 2026 under India's renewed chairmanship of the Indian Ocean Naval Symposium (IONS).

BACKGROUND CONCEPTS

- **Indian Ocean Naval Symposium (IONS):** Launched by India in 2008, it is a voluntary initiative that seeks to increase maritime cooperation among the navies of the littoral states of the Indian Ocean Region.
- **Table-Top Exercise (TTX):** A simulated, discussion-based exercise where personnel meet in a classroom-style setting to walk through their roles during an emergency and discuss responses to a particular scenario.
- **Net Security Provider:** A concept where a nation (in this case, India) takes the lead in maintaining regional stability, conducting HADR (Humanitarian Assistance and Disaster Relief), and securing global commons.

KEY TAKEAWAYS

- **Simulated Environment:** Unlike live-fire exercises, IMEX TTX 2026 used a **war-gaming environment** in Kochi, allowing for complex, multi-scenario contingencies without the cost or logistical constraints of ship deployment.
- **Broad Participation:** Notable participants included France, Bangladesh, Indonesia, Maldives, Mauritius, Sri Lanka, Singapore, and Tanzania, highlighting the geographical diversity of the IONS framework.
- **Information Sharing:** A critical focus of the 2026 exercise was solving "information-sharing challenges," which is often the biggest hurdle in multinational maritime coordination.

CONCEPTUAL MCQs**Q1. What distinguishes a "Table-Top Exercise" (TTX) like IMEX 2026 from a standard maritime field exercise?**

- A) TTX involves actual naval combat between participating nations.
- B) TTX is a simulated, discussion-based walkthrough of scenarios conducted in a controlled environment without live ship deployment.
- C) TTX is only conducted by the Coast Guard and not the Navy.

"Read the question twice, answer it once."

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D) TTX focuses exclusively on traditional state-on-state warfare.

Q2. The IONS framework, under which IMEX 2026 was conducted, was originally an initiative launched by which country?

- A) France
- B) Australia
- C) India
- D) Indonesia

ANSWERS

Q1: B (Explanation: A Table-Top Exercise is a theoretical/simulated exercise used to test decision-making and coordination protocols before moving to live, expensive field operations.)

Q2: C (Explanation: The Indian Ocean Naval Symposium (IONS) was an initiative conceived and launched by the Indian Navy in 2008.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 International Relations; GS-3 Internal Security (Maritime)	High
Defence Exams	Naval Exercises and IOR Security Architecture	Very High

2. Humpback Whale (*Megaptera novaeangliae*)

Context

- A young humpback whale nicknamed "Timmy" has gained international attention after being stranded for a third time in the shallow waters of the **Baltic Sea** off Germany's coast.
- Humpback whales are **not native** to the Baltic Sea. The low salinity and lack of specific prey (like krill) make it an extremely difficult environment for them to survive long-term.

BACKGROUND CONCEPTS

- Baleen Whale:** A group of whales (Mysticeti) that lack teeth and instead have "baleen plates"—fringe-like structures made of keratin used to filter small prey from the water.
- Rorqual Family:** A specific group of baleen whales characterized by longitudinal skin folds (pleats) running from the mouth to the navel, allowing the throat to expand enormously while feeding.
- Tubercles:** The distinctive, knobby bumps on a humpback's head and jaw, which are actually hair follicles and may help with sensory perception or hydrodynamics.
- IUCN: Least Concern** on the IUCN Red List of Threatened Species.

KEY CHARACTERISTICS

- Pectoral Fins:** Humpbacks have the longest pectoral fins of any whale, reaching up to **one-third** of their total body length.
- Identification:** The underside of a humpback's tail (fluke) features unique black-and-white pigment patterns, serving as a **"biological fingerprint"** for researchers.

3. Exercise Dweep Shakti

Context

- The Indian Armed Forces successfully concluded **Exercise Dweep Shakti**, a high-intensity, tri-service drill focused on island defense and maritime security.
- Timeline:** Concluded in early 2026 under the aegis of the Andaman and Nicobar Command (ANC).

BACKGROUND CONCEPTS

- **Tri-Service Exercise:** A joint military operation involving all three branches of the military—the Army, Navy, and Air Force—to ensure they can fight as a single, cohesive unit.
- **Andaman and Nicobar Command (ANC):** Established in 2001, it is India's first and only **Theater Command**, where all three services operate under a single unified commander.
- **Amphibious Assault:** A type of military operation launched from the sea by naval and landing forces against a hostile or potentially hostile shore.
- **Sea Lines of Communication (SLOC):** Primary maritime routes between ports used for trade, logistics, and naval forces; securing these is vital for national energy and economic security.
- **Swarming Drones:** A technology where multiple unmanned aerial vehicles (UAVs) coordinate their actions to accomplish a goal, often used to overwhelm enemy defenses.

KEY TAKEAWAYS

- **Strategic Geography:** The exercise utilized the unique terrain of the Andaman and Nicobar archipelago to simulate the defense of remote island territories.
- **Logistical Speed:** A major highlight was "Beach Landing Drills," where heavy equipment—including **tanks and armored vehicles**—was moved from naval ships to shore to test rapid deployment capabilities.
- **Modern Warfare:** The drill featured heavy integration of **next-gen tech**, specifically electronic warfare suites and swarming drones for reconnaissance and precision strikes.
- **Multi-Domain Interoperability:** The services tested unified communication protocols to ensure real-time data sharing between fighter jets, warships, and ground troops.

CONCEPTUAL MCQs

Q1. Why is the Andaman and Nicobar Command (ANC) the designated host for Exercise Dweep Shakti?

- A) Because it is the only command in India that allows foreign navies to participate.
- B) Because it is India's only Unified Theater Command, specifically designed for tri-service integration and island security.
- C) Because it is the only command that possesses nuclear-powered submarines.
- D) Because the Army is not allowed to operate in any other coastal command.

Q2. In the context of Exercise Dweep Shakti, what does "Amphibious Assault" specifically refer to?

- A) A battle fought entirely underwater using submarines.
- B) A coordinated military maneuver launched from the sea to land troops and equipment on a shore.
- C) A specialized drill for fighting in high-altitude mountain ranges.
- D) An exercise focused exclusively on protecting inland river systems.

ANSWERS

Q1: B (Explanation: The ANC was created to provide a unified command structure for the Army, Navy, and Air Force, making it the natural choice for a "Dweep" (Island) focused tri-service exercise.)

Q2: B (Explanation: Amphibious operations are defined by the transition of power from sea to land, utilizing landing crafts to move ground forces from naval vessels to a beachhead.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Internal Security; Role of Armed Forces; Strategic Geography	High
Defence Exams	Joint Exercises, Theater Commands, and Maritime Strategy	Very High

4. NASA's Artemis II

Context

NASA's Artemis II mission, scheduled for launch on **April 1, 2026**, marks the first time in over 50 years that humans will venture beyond low-Earth orbit. Unlike the Apollo missions, Artemis II is a "proving flight"—a 10-day journey designed to test the systems required for a sustained human presence on the Moon.

BACKGROUND CONCEPTS

- **Space Launch System (SLS):** A 322-foot super-heavy rocket, the most powerful since the Saturn V, designed to carry crew and heavy cargo to deep space.
- **Orion Spacecraft:** The crew's command center and home for the 10-day trip, built to withstand extreme radiation and temperatures during lunar transit and high-speed atmospheric re-entry.
- **Free-Return Trajectory:** A flight path that uses the Moon's gravity to naturally "loop" the spacecraft back toward Earth without requiring a major engine burn, serving as a built-in safety mechanism.
- **Interim Cryogenic Propulsion Stage (ICPS):** The upper stage of the SLS rocket used to raise Orion's orbit and provide the initial push toward the Moon.

KEY TAKEAWAYS

- **No Landing:** Artemis II will not land on the Moon; it will fly approximately 4,600 miles beyond the lunar far side before returning.
- **Human Manual Control:** For the first time in this configuration, astronauts will take manual control of Orion during specific phases to test handling in deep space.
- **Historic "Firsts":** The mission includes the first woman, the first person of color, and the first international partner to travel to the lunar vicinity.
- **The "Long Game":** This mission is a stepping stone for the Artemis Base Camp at the lunar South Pole, intended as a permanent testbed for future missions to Mars.

CONCEPTUAL MCQs

Q1. How does the Artemis II mission differ fundamentally from the Apollo missions of the 1960s and 70s?

- A) Artemis II is designed to be a one-time "flags and footprints" visit.
- B) Artemis II is a robotic mission with no humans on board.
- C) Artemis II aims to establish infrastructure for a sustained, permanent human presence.
- D) Artemis II will travel to Mars first before looping back to the Moon.

ANSWERS

Q1: C (Explanation: While Apollo was about short-duration exploration, the Artemis program focuses on building a long-term base camp and infrastructure for deep-space travel.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Science & Tech – Space Missions and International Cooperation	Very High
SSC / State PCS	Science & Technology – Space Exploration Jargon and Facts	High

Banking and Finance

1. RBI Extends Export Credit Relief till June 30 Amid West Asia Crisis

Context

"Read the question twice, answer it once."

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- The Reserve Bank of India (RBI) has extended "pandemic-style" leniency for trade finance, allowing pre- and post-shipment export credit tenures to run for up to **450 days**.
- **The "Why":** Initially launched to counter **US tariff hikes** in November 2025, the relief is now extended due to the **confrontation involving America, Israel, and Iran**, which has rerouted vessels and inflated freight costs.
- **Timeline:** The extension applies to all credit disbursements made until **June 30, 2026**.

BACKGROUND CONCEPTS

- **Pre-shipment Credit (Packing Credit):** Working capital loans provided to exporters to fund the purchase of raw materials and manufacturing costs before the goods are actually shipped.
- **Post-shipment Credit:** Finance provided to exporters from the date of shipment to the date of realization of payment from the overseas buyer, bridging the liquidity gap.
- **Working-Capital Cycle:** The time taken for a company to convert its net current assets and liabilities into cash. Geopolitical strife has "elongated" this cycle for Indian exporters.
- **Evergreening of Loans:** The practice of granting a fresh loan to a borrower to repay an old, stressed loan to avoid classifying it as an NPA. The RBI explicitly warned that this relief should not be used for evergreening.
- **Regulated Entities (REs):** This includes all commercial banks, primary urban co-operative banks, state/central co-operative banks, and factoring NBFCs authorized to handle export finance.

KEY TAKEAWAYS

- **Shift in Risk Profile:** The RBI's focus has shifted from protecting "competitiveness" (against US tariffs) to protecting "trade flow" (against West Asia war disruptions).
- **MSME Focus:** The relief is primarily aimed at **MSMEs** in textiles, engineering, and chemicals, which are the main drivers of employment but have the least cushion against cash-flow shocks.
- **Liquidation Flexibility:** Lenders can now "square off" (settle) packing-credit facilities using domestic sales or proceeds from alternative export orders if the original shipment is cancelled or delayed.
- **Repatriation Window:** The RBI maintained the extension for exporters to realize and bring back foreign exchange earnings within **15 months**, compared to the standard 9-month requirement.
- **No Blanket Forbearance:** Prudential norms remain active; banks must still monitor risks and ensure this is a temporary liquidity measure, not a permanent bailout.

CONCEPTUAL MCQs

Q1. Why is the RBI's decision to allow "domestic sales proceeds" to settle export packing credit considered a significant relaxation?

- A) It allows exporters to avoid paying any interest on their loans.
- B) It acknowledges that geopolitical strife may lead to the total cancellation of export orders, allowing firms to stay solvent by selling locally instead.
- C) It forces exporters to prioritize the Indian market over international buyers.
- D) It converts all export loans into government grants.
- E) It converts all export loans into public grants.

Q2. What is the maximum duration allowed by the Reserve Bank of India for pre- and post-shipment export credit under the latest relief measures?

- A) 270 days
- B) 300 days
- C) 365 days
- D) 450 days

E) 540 days

Q3. What is the extended timeline for realization and repatriation of export proceeds under the RBI's relief framework?

- A) 6 months
- B) 9 months
- C) 12 months
- D) 15 months
- E) 18 months

Q4. Which of the following best explains the RBI's primary objective behind extending export credit relief till June 2026?

- A) To promote capital inflows into India
- B) To control domestic inflation
- C) To address war-induced disruptions in global trade and logistics
- D) To reduce fiscal deficit
- E) To increase foreign exchange reserves artificially

Q5. Which of the following practices has the RBI explicitly cautioned banks against while implementing export credit relief?

- A) Hedging foreign exchange risk
- B) Extending credit to MSMEs
- C) Increasing export financing limits
- D) Evergreening of loans
- E) Providing post-shipment credit

ANSWERS

Q1: B (Explanation: Normally, export credit must be settled via export proceeds. Allowing domestic sale proceeds to settle these loans helps firms that cannot ship their goods due to war or port closures.)

Q2: E (Through domestic sales proceeds or alternative export orders)

Explanation: As a major relaxation, exporters can now **square off packing credit using domestic sales or alternate export proceeds**, especially when original shipments are cancelled or delayed.

Q3: D (15 months)

Explanation: The standard realization period of **9 months has been extended to 15 months**, aligning with the 450-day credit window to ease liquidity stress.

Q4: C (To address war-induced disruptions in global trade and logistics)

Explanation: The extension is primarily aimed at tackling **West Asia conflict-related disruptions**, including shipping delays, rerouting, and higher freight costs.

Q5: D (Evergreening of loans)

Explanation: The RBI has clearly warned banks **not to misuse the relief for evergreening**, i.e., issuing fresh loans to hide stressed assets and avoid NPA classification.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	ESI - External Sector; Finance - Credit Policy & NPA Management	Very High
UPSC CSE	GS-3 Economy - Effects of Liberalization, Infrastructure, and Energy	High
SEBI Grade A	Impact on Trade Finance & Corporate Liquidity	Moderate

2. RBI Revised Amendment Directions on Capital Market Exposures

Context

- **The Lead:** The RBI has issued crucial clarifications on capital market exposure (CME) limits, setting a system-wide cap on loans for shares and tightening norms for IPO/ESOP financing.
- **The "Why":** To restrain excessive short-term speculation, prevent sharp build-ups of leveraged positions, and reduce systemic credit risk during market corrections.
- **Timeline:** The implementation of these revised directions has been **deferred by three months** from April 1 to **July 1, 2026**, following industry representations.

BACKGROUND CONCEPTS

- **Capital Market Exposure (CME):** The total amount of loans and guarantees a bank extends to individuals or entities for investing in the stock market.
- **Acquisition Finance:** Credit extended to companies to fund the purchase of another company (M&A). RBI has now expanded this definition to cover mergers and amalgamations.
- **Leveraged Positions:** Using borrowed money (margin/loans) to purchase securities. While this amplifies gains in a bull market, it leads to rapid, forced selling (unwinding) if prices fall.
- **ESOP Financing:** Loans provided to employees of a company to help them exercise their Employee Stock Option Plans (buying company shares at a pre-determined price).
- **System-wide Cap:** Unlike a per-bank cap, a system-wide cap means the borrower's total debt across *all* banks in India cannot exceed the limit.

KEY TAKEAWAYS

- **New Loan Caps: Purchase of Shares/Securities:** Capped at **₹1 crore** per borrower across the entire banking system.
 - **IPO/FPO/ESOP Subscription:** Capped at **₹25 lakh** per individual (a reduction from the previously suggested higher limits to curb retail speculation).
- **Acquisition Finance Guardrails:** Banks must now obtain a **corporate guarantee** from the parent acquiring company if the loan is extended to a subsidiary or an SPV (Special Purpose Vehicle).
- **Target Restrictions:** Acquisition finance is restricted to deals that result in the control of a **non-financial** target company.
- **Operational Buffer:** The 3-month deferment (to July 1) allows banks and intermediaries to fix "operational and interpretational issues" regarding how to track these limits across multiple lenders.
- **Risk Mitigation:** By moving to an absolute system-wide cap, the RBI prevents "stacking"—where a borrower takes ₹20 lakh from five different banks to bypass individual bank limits.

CONCEPTUAL MCQs

Q1. What is the primary objective of the RBI imposing a "system-wide" cap rather than a "per-bank" cap on share-purchase loans?

- A) To increase the interest income for smaller banks.
- B) To prevent a single borrower from accumulating high leverage by taking multiple loans from different banks.
- C) To encourage individuals to move their savings into Fixed Deposits.
- D) To simplify the tax filing process for individual investors.

Q2. Under the revised RBI guidelines, what is a mandatory requirement for a bank extending acquisition finance to a Special Purpose Vehicle (SPV)?

- A) The SPV must be listed on a global stock exchange.

- B) The bank must charge a 0% interest rate for the first year.
- C) The bank must obtain a corporate guarantee from the acquiring parent company.
- D) The target company being acquired must be a financial institution.

ANSWERS

Q1: B (Explanation: A system-wide cap ensures that a borrower's total exposure to the stock market via debt remains within ₹1 crore, regardless of how many banks they approach, thus limiting systemic risk.)

Q2: C (Explanation: To ensure credit safety, the RBI requires the parent company (the actual acquirer) to provide a corporate guarantee when the loan is technically taken by a subsidiary or SPV.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – Financial Markets; Banking Regulations; CME Norms	Very High
SEBI Grade A	Securities Market Intermediaries and IPO Financing	High

3. Supervisory Data Quality Index (sDQI)

Context

- The quality of regulatory data submitted by Indian banks has improved, with the **Supervisory Data Quality Index (sDQI)** for Scheduled Commercial Banks (SCBs) rising to **90.9** in December 2025 from 90.7 in September 2025.
- The increase reflects better compliance and improved internal data governance, though gains in **accuracy and consistency** were partially offset by declines in **completeness and timeliness**.
- The Exception:** Public Sector Banks (PSBs) were the only group to see a dip in their score, falling to **91** from 91.1.

BACKGROUND CONCEPTS

- Supervisory Data Quality Index (sDQI):** A framework introduced by the RBI to evaluate the reliability of data submitted by banks. High-quality data is critical for the RBI to perform effective "Supervisory Oversight" and detect systemic risks early.
- The Four Pillars of sDQI:**
 - Accuracy:** Ensuring the data reflects the true financial state without errors.
 - Timeliness:** Submitting data within the prescribed regulatory deadlines.
 - Completeness:** Ensuring no mandatory data fields or reports are missing.
 - Consistency:** Ensuring data remains uniform across different reports and time periods.
- Scheduled Commercial Banks (SCBs):** Banks listed in the Second Schedule of the RBI Act, 1934, including Public, Private, Foreign, and Small Finance Banks.

KEY TAKEAWAYS

- Sectoral Standouts: Small Finance Banks (SFBs)** emerged as the top performers with an sDQI of **91.9**, achieving perfect scores in accuracy and consistency.
- PSB Struggle:** While PSBs still hold a relatively high score (91), their slight decline was attributed to weaknesses in **completeness and timeliness**, suggesting procedural bottlenecks in data filing.
- Foreign & Private Banks:** Foreign banks improved to **90.7**, while Private sector banks remained stable at **90.6**.
- The Trade-off:** System-wide, banks are getting better at making sure the data is "correct" (accuracy/consistency), but are struggling to get the "full picture" (completeness) to the RBI "on time" (timeliness).

CONCEPTUAL MCQs

Q1. Which of the following parameters saw an aggregate improvement across Scheduled Commercial Banks (SCBs) in the December 2025 sDQI report?

- A) Completeness and Timeliness
- B) Accuracy and Consistency
- C) Only Timeliness
- D) All four parameters equally

Q2. Small Finance Banks (SFBs) achieved the highest sDQI score (91.9). Which specific areas contributed to this perfect sub-score?

- A) Timeliness and Completeness
- B) Internal Audit and Human Resources
- C) Accuracy and Consistency
- D) Loan Recovery and NPA Management

ANSWERS

Q1: B (Explanation: The report explicitly states that while accuracy and consistency improved, the drop in completeness and timeliness weighed on the overall performance.)

Q2: C (Explanation: According to the RBI data, the top performance of SFBs was specifically supported by a perfect score in the accuracy and consistency metrics.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – Banking System in India; RBI's Supervisory Functions	Very High
SEBI Grade A	Data Governance and Regulatory Compliance	Moderate
NABARD	Recent RBI circulars and Banking Indices	High

4. RBI Tightens ECB Reporting Norms: 7-Day Deadline for AD Cat-I Banks**Context**

- The Reserve Bank of India (RBI) has mandated that **Authorised Dealer (AD) Category-I banks** must submit complete and certified External Commercial Borrowing (ECB) returns to the RBI within **seven calendar days** of receiving them from borrowers.
- To improve compliance, ensure data integrity, and streamline reporting under the Foreign Exchange Management Act (FEMA).
- **Timeline:** The new rules are effective from **April 1, 2026**.

BACKGROUND CONCEPTS

- **External Commercial Borrowings (ECB):** Loans in India provided by non-resident lenders to Indian residents. These are used to access foreign capital at potentially lower interest rates.
- **Authorised Dealer (AD) Category-I Banks:** Banks (mostly commercial banks) authorized by the RBI to deal in foreign exchange and handle all current and capital account transactions.
- **Form ECB 1:** The form used for applying for a **Loan Registration Number (LRN)** before drawing down the ECB.
- **Form ECB 2:** The monthly return that captures the actual **fund flows** (drawdowns and repayments) of the ECB.
- **Late Submission Fee (LSF):** A penalty framework that allows borrowers to regularize reporting delays

by paying a fee rather than facing harsher adjudication under FEMA.

KEY TAKEAWAYS

- **New Strict Deadline:** Previously, there was no fixed deadline for banks to forward returns to the RBI. Now, banks have a strict **7-day window** to certify and submit.
- **LSF Sequence:** The RBI clarified that **LSF payments** must only be made *after* the central bank acknowledges receipt of the return. Instructions for payment will be sent via email.
- **Penalty Structure:** * **Form ECB 1:** Treated as a return that *does not* capture fund flows. Penalties for delays are computed based on this classification.
 - **Form ECB 2:** Delays will attract LSF on a **per-return basis**. Each instance of delay under a specific Loan Registration Number (LRN) is treated as a separate violation.
- **Bank Accountability:** AD banks are now directly responsible for monitoring and ensuring that borrowers pay the applicable penalties for any delays.

CONCEPTUAL MCQs

Q1. Under the new RBI mandate effective April 1, 2026, what is the timeline for an AD Category-I bank to submit ECB returns to the RBI after receiving them from the borrower?

- A) 15 working days
- B) 7 calendar days
- C) 30 calendar days
- D) Immediately upon receipt

Q2. How will delays in filing Form ECB 2 be treated under the revised LSF (Late Submission Fee) rules?

- A) As a single consolidated penalty for the entire year.
- B) As a one-time warning without financial implications.
- C) On a per-return basis, with each delay under a Loan Registration Number (LRN) treated separately.
- D) As a criminal offense under the Prevention of Money Laundering Act (PMLA).

ANSWERS

Q1: B (Explanation: The notification explicitly sets a new fixed deadline of 7 calendar days to ensure timely data flow to the central bank.)

Q2: C (Explanation: The RBI has tightened the penalty net by treating every monthly delay (ECB 2) as an independent instance, increasing the cost of non-compliance for habitual laggards.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – External Commercial Borrowings; FEMA Regulations	Very High
SEBI Grade A	Foreign Investment and Corporate Debt Regulations	Moderate

Facts To Remember

1. SEBI fines EliteCon ₹51.2 cr. for alleged insider trading

Securities and Exchange Board of India (SEBI) fined Elite Con International, a cigarette-maker, ₹51 crore and banned it from the securities market for allegedly inflating the price of the company's stock and dumping them on retail investors, gaining ₹51.2 crore, according to an order released on March 31.

2. MeitY Approves ₹7,104 Crore Projects under ECMS 4th Tranche

Ministry of Electronics and Information Technology approved 29 projects under ECMS with ₹7,104 crore investment, targeting electronics manufacturing, ₹84,515 crore production, and 14,246 jobs across sectors like telecom, automotive, and IT hardware.

3. Centre Extends PM E-DRIVE Subsidy for Electric Two-Wheelers till July 2026

Ministry of Heavy Industries extended PM E-DRIVE subsidy for e-2Ws till July 31, 2026, offering incentives via VAHAN portal to boost EV adoption, reduce upfront costs, and support green mobility goals.

4. CCRAS Signs MoU with Anuvadini AI for Ayurveda Translation

Central Council for Research in Ayurvedic Sciences partnered with Anuvadini AI to translate Ayurveda research into 13 languages using AI, enhancing accessibility and promoting equitable knowledge dissemination.

5. DGCA and GSV Sign MoU to Boost Aviation Skill Development

Directorate General of Civil Aviation signed MoU with Gati Shakti Vishwavidyalaya to train youth in aviation, launch B.Sc. AME program, and strengthen MRO sector and industry-academia collaboration.

6. MoD Signs ₹1,950 Crore Deal with BEL for Mountain Radars

Ministry of Defence signed contract with Bharat Electronics Limited for mountain radars for IAF, enhancing high-altitude surveillance, early warning systems, and indigenous defence manufacturing.

7. Government Extends PM KUSUM Scheme Deadline to March 2027

Ministry of New and Renewable Energy extended PM KUSUM deadline to March 2027, supporting solar adoption in agriculture with subsidies, reducing diesel dependence, and promoting renewable energy capacity.

8. Centre Keeps Small Savings Scheme Interest Rates Unchanged for Q1FY27

Ministry of Finance retained interest rates on small savings schemes unchanged for Q1FY27, ensuring stability in returns across schemes like PPF, SSY, SCSS, NSC, and KVP.

9. RBI Imposes ₹31.80 Lakh Penalty on Airtel Payments Bank

Reserve Bank of India imposed ₹31.80 lakh penalty on Airtel Payments Bank for non-compliance with financial disclosure norms, based on supervisory inspection findings for FY25.

10. GRSE Delivers Three Warships to Indian Navy

Garden Reach Shipbuilders and Engineers delivered Dunagiri, Sanshodhak, and Agray to Indian Navy, strengthening indigenous naval capabilities in stealth warfare, survey operations, and anti-submarine defence.

11. Former Suriname President Chandrikapersad Santokhi Passes Away

Chandrikapersad Santokhi passed away at 67, remembered for strengthening India ties, economic reforms, and being honoured with Pravasi Bharatiya Samman.

12. SCAP and CSIR-NIScPR Sign MoU for Science Communication

Science City of Andhra Pradesh signed MoU with CSIR-NIScPR to promote science communication, research collaboration, and evidence-based policymaking in science and innovation.

13. Punjab Approves Mukh Mantri Mawan Dheeyan Satkar Yojana

Punjab government led by Bhagwant Mann approved MMDSY scheme providing ₹1,000–₹1,500 monthly assistance to women via DBT, benefiting majority of adult women and promoting financial empowerment.

14. Union Minister Dr Virendra Kumar says govt will establish Drug Rehabilitation Centres (Nasha Mukti Kendras) across the country

Social Justice and Empowerment Minister Dr Virendra Kumar has said that the government will establish Drug Rehabilitation Centres (Nasha Mukti Kendras) across all districts of the country, focusing on rehabilitation and treatment.

15. World's largest and first digitally conducted India's Census-2027 begins today

The first phase of Census-2027, the world's largest population census exercise, will begin from today. This will be the 16th Census in the series and the 8th since Independence. The census will be conducted in two phases, House Listing (HLO) and Population Enumeration (PE), with March 1, 2027.

16. India and Algeria hold 7th round of Foreign Office Consultations

The 7th round of Foreign Office Consultations between India and Algeria was held in Algiers on 29 March.

17. Indian Navy receives Malwan, second Anti-Submarine Warfare Shallow Water Craft

The Indian Navy today received Malwan, the second Anti-Submarine Warfare Shallow Water Craft, built by Cochin Shipyard Limited at Kochi.

18. PM inaugurates Samrat Samprati Museum at Koba; Kaynes Semiconductor OSAT plant in Sanand, Gujarat

Prime Minister Narendra Modi inaugurated the Samrat Samprati Museum in Koba, Gandhinagar, on the occasion of Mahavir Jayanti.

19. NESTS to celebrate 8th Foundation Day tomorrow at Dr Ambedkar International Centre in New Delhi

The National Education Society for Tribal Students (NESTS) will celebrate its 8th Foundation Day tomorrow at the Dr Ambedkar International Centre in New Delhi.

20. India emerge as global leader in issuing IRCCs under Nagoya Protocol on ABS

India has emerged as the global leader in issuing Internationally Recognized Certificates of Compliance, (IRCCs), under the Nagoya Protocol on Access and Benefit-sharing (ABS).

21. PM SVANidhi Scheme supports street vendors with 17,115 crore loans

A total of over one crore loans amounting to 17,115 crore rupees have been disbursed to street vendor beneficiaries under the PM SVANidhi scheme so far. The scheme was launched in June 2020 to provide collateral-free working capital term loans to urban street vendors.

22. IndiaSkills National Competition 2025-26 commences in Greater Noida

IndiaSkills National Competition 2025-26, the country's premier platform to celebrate excellence in skills, commenced today in Greater Noida.

FIVE TO REMEMBER · 1 APRIL 2026

1. **Andaman and Nicobar Command (ANC)**: Established in 2001, it is India's first and only **Theater Command**, where all three services operate under a single unified commander. *Exercise Dweep Shakti*
2. **Timeline**: The extension applies to all credit disbursements made until **June 30, 2026**. *RBI Extends Export Credit Relief till June 30 A...*
3. **Risk Mitigation**: By moving to an absolute system-wide cap, the RBI prevents "stacking"—where a borrower takes ₹20 lakh from five different banks to bypass individual bank limits. *RBI Revised Amendment Directions on Capital Mar...*
4. The quality of regulatory data submitted by Indian banks has improved, with the **Supervisory Data Quality Index (sDQI)** for Scheduled Commercial Banks (SCBs) rising to **90.9** in December 2025 from 90.7 in September 2025. *Supervisory Data Quality Index (sDQI)*
5. The Indian Navy hosted the **IONS Maritime Exercise (IMEX) Table-Top Exercise (TTX) 2026** at the Maritime Warfare Centre, Kochi. *IONS Maritime Exercise (IMEX) TTX 2026*

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DAY 2 OF 23

2 April 2026

Thursday · 25 items · 3 topics

National Affairs 6 · Banking and Finance 4 · Facts To Remember 15

Daily Current Affairs Quiz
2 April, 2026**National Affairs****1. Andhra Pradesh Reorganisation (Amendment) Bill, 2026**

Source: TH

Context

- The Lok Sabha has passed the **Andhra Pradesh Reorganisation (Amendment) Bill, 2026**, officially recognizing **Amaravati** as the "sole and permanent" capital of Andhra Pradesh.
- **The "Why"**: To provide statutory (legal) backing to the capital city, ending years of legal and political uncertainty. It gives the decision retroactive effect from **June 2, 2024**.

BACKGROUND CONCEPTS

- **Andhra Pradesh Reorganisation Act, 2014**: The original law that bifurcated Andhra Pradesh to create Telangana. It designated Hyderabad as the joint capital for 10 years, ending in 2024.
- **The Three-Capital Model**: A plan proposed by the previous (YSRCP) government to decentralize administration with an Administrative capital at **Visakhapatnam**, a Legislative capital at **Amaravati**, and a Judicial capital at **Kurnool**.
- **Statutory Backing**: When a decision is backed by an Act of Parliament, it becomes much harder to overturn or alter through executive orders by future state governments.
- **Special Category Status (SCS)**: A classification given by the Centre to assist states with geographical or socio-economic disadvantages with more central funding (90:10 ratio). This remains a major pending demand for Andhra Pradesh.

KEY TAKEAWAYS

- **Finality of Choice**: By passing this amendment, the Union government has effectively "foreclosed" any future attempts to revive the multi-capital model, ensuring Amaravati remains the singular power center.
- **Economic Development**: Proponents argue that a single capital will allow Amaravati to develop into a tier-1 city like Bengaluru or Hyderabad, though the opposition emphasized that other cities like Visakhapatnam must also be developed.
- **Constitutional Process**: While "Capital" is generally a state subject, the Reorganisation Act is a Central Act (under Articles 3 and 4 of the Constitution), requiring Parliament to amend the primary law.

CONCEPTUAL MCQs

Q1. What is the significance of the "Andhra Pradesh Reorganisation (Amendment) Bill, 2026" being given "statutory backing"?

- A) It makes Amaravati a Union Territory directly under the President.
- B) It provides a legal foundation through an Act of Parliament, making the decision permanent and

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difficult to alter by future state executive orders.

- C) It automatically grants Special Category Status to the state of Andhra Pradesh.
D) It mandates that all government employees must move to Amaravati within 24 hours.

Q2. Under the previous "Three-Capital Model" proposed for Andhra Pradesh, which city was designated as the "Judicial Capital"?

- A) Visakhapatnam
B) Amaravati
C) Kurnool
D) Vijayawada

ANSWERS

Q1: B (Explanation: Statutory backing ensures that the capital remains Amaravati regardless of changes in state leadership, providing stability for investors and citizens.)

Q2: C (Explanation: The proposed model intended to have the High Court in Kurnool, the Secretariat in Visakhapatnam, and the Assembly in Amaravati.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 Polity: Centre-State Relations, Reorganisation of States, Art 3 & 4	Very High
State PCS (AP)	All sections regarding state governance and history	Critical

2. Purvanchal Mahotsav 'Maati-9' Festival

Source: PIB

Context

The Speaker of the Lok Sabha recently addressed the **Purvanchal Mahotsav 'Maati-9'**, emphasizing the region's cultural and spiritual significance as the "soul of India."

Context

- MAATI-9 is a premier cultural festival dedicated to the **Purvanchal region** (Eastern Uttar Pradesh, Bihar, and parts of Jharkhand).
- The Theme:** Centered on "**Maati**" (**Soil**), symbolizing the unbreakable bond between the people and their ancestral roots.
- The Lok Sabha Speaker highlighted that Purvanchal is not just a geographic entity but a cultural powerhouse that has contributed significantly to India's freedom struggle and spiritual landscape.

BACKGROUND CONCEPTS

- Purvanchal Region:** A sub-region of the Indo-Gangetic plain. It is known for its distinct dialects (Bhojpuri, Maithili, Magahi) and rich folk traditions.
- Folk Arts of Purvanchal:** Includes music forms like **Sohar** (childbirth songs), **Chaiti**, **Kajari** (monsoon songs), and dance forms like **Biraha**.
- Diaspora (Girmitya History):** A significant part of the Purvanchali population migrated to nations like Mauritius, Fiji, Suriname, and Trinidad in the 19th century. This festival honors their role in keeping the culture alive globally.

KEY FEATURES of MAATI-9

- Cultural Preservation:** The festival provides a platform for local artisans and folk performers to showcase traditional music and crafts that are often overshadowed by modern pop culture.

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- **Youth Connection:** A primary aim is to bridge the "identity gap" for the younger generation, encouraging them to take pride in their regional roots and local dialects.
- **Cuisine & Tourism:** Promotes regional delicacies (like *Litti Chokha*) and highlights the tourism potential of historical sites within the Purvanchal belt.
- **Maati Samman:** Often involves recognizing distinguished individuals from the region who have excelled in various fields globally.

CONCEPTUAL MCQs

Q1. The theme "Maati" in the Maati-9 festival primarily symbolizes which of the following?

- A) Advanced agricultural soil testing techniques.
- B) The deep-rooted connection between the people and their ancestral heritage.
- C) A government scheme for free land distribution.
- D) The promotion of pottery exports to Europe.

Q2. Which of the following folk song genres is traditionally associated with the Purvanchal region and often featured in such festivals?

- A) Lavani
- B) Ghoomar
- C) Kajari
- D) Yakshagana

ANSWERS

Q1: B (Explanation: Maati represents the 'soil' of the homeland, emphasizing cultural roots.)

Q2: C (Explanation: Kajari is a famous monsoon folk song genre from the Purvanchal/Varanasi belt. Lavani is from Maharashtra, Ghoomar from Rajasthan, and Yakshagana from Karnataka.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-1 Art & Culture; GS-2 Social Justice (Diaspora)	Moderate
State PCS	Regional Festivals and Cultural Heritage	High
SSC / Railways	Static GK – Folk Arts and Regional Festivals	High

3. The Nagoya Protocol & IRCCs

Source: News on Air

Context

- **The Milestone:** India has emerged as the global leader in biodiversity compliance, issuing **3,561 Internationally Recognized Certificates of Compliance (IRCCs)**.
- **Global Share:** India's contributions account for over **56%** of all certificates issued worldwide under the Nagoya Protocol.

BACKGROUND CONCEPTS

- **The Nagoya Protocol:** A 2010 supplementary agreement to the **Convention on Biological Diversity (CBD)**. It focuses on the "third pillar" of the CBD: the fair and equitable sharing of benefits from genetic resources.
- **Genetic Resources:** Any material of plant, animal, microbial, or other origin containing functional units of heredity that has actual or potential value.

- **Biopiracy:** The unethical practice where researchers or organizations from developed nations use genetic resources or traditional knowledge from developing nations without permission or compensation. The Nagoya Protocol is designed to stop this.

HOW THE ABS MECHANISM WORKS

The protocol operates on three core legal pillars to ensure a "fair deal" between the user (e.g., a pharmaceutical company) and the provider (e.g., a local community in India).

1. **Prior Informed Consent (PIC):** Permission must be obtained from the National Competent Authority of the provider country *before* accessing the resource.
2. **Mutually Agreed Terms (MAT):** A contract between the user and provider that spells out how benefits (money, technology, or research results) will be shared.
3. **Compliance:** Countries must ensure that any genetic resources used within their borders were acquired legally according to the provider's laws.

INDIA'S DOMESTIC FRAMEWORK

India is one of the few countries with a highly organized three-tier biodiversity management structure:

- **National Level: National Biodiversity Authority (NBA)**, headquartered in Chennai.
- **State Level:** State Biodiversity Boards (SBBs).
- **Local Level:** Biodiversity Management Committees (BMCs) at the Panchayat/Municipality level.

Primary Law: The **Biological Diversity Act, 2002**, which predates the Nagoya Protocol but was updated to align with it.

WHAT IS AN IRCC?

The **Internationally Recognized Certificate of Compliance (IRCC)** is the "gold standard" of biodiversity legal proof.

- It is an electronic permit generated by the international **ABS Clearing-House**.
- **The Function:** It serves as visible, global evidence that a researcher or company has followed all the rules (obtained PIC and settled MAT).
- **The Process:** NBA (India) grants a permit $\rightarrow$ Uploads data to the global Clearing-House $\rightarrow$ IRCC is generated.

CONCEPTUAL MCQs

Q1. India currently accounts for what percentage of the total Internationally Recognized Certificates of Compliance (IRCCs) issued globally?

- A) 10%
- B) 25%
- C) Over 56%
- D) 100%

Q2. Which organization serves as the primary "National Competent Authority" for implementing the Nagoya Protocol in India?

- A) NITI Aayog
- B) National Biodiversity Authority (NBA), Chennai
- C) Wildlife Institute of India
- D) Ministry of External Affairs

Q3. Under the Nagoya Protocol, "Prior Informed Consent" (PIC) must be obtained from whom?

- A) The World Intellectual Property Organization (WIPO).

- B) The provider country's national authority before accessing the resource.
 C) Only the local villagers, without government involvement.
 D) The user's own country after the research is completed.

Q4. What is the primary purpose of "Mutually Agreed Terms" (MAT) in the ABS framework?

- A) To set a fixed price for all biological resources globally.
 B) To establish a legal contract defining how the benefits from the resource's use will be shared between the user and the provider.
 C) To allow companies to access resources for free.
 D) To prevent any research from being conducted on plants.

Q5. The Nagoya Protocol is a supplementary agreement to which major international treaty?

- A) The Paris Agreement on Climate Change.
 B) The Convention on Biological Diversity (CBD).
 C) The Montreal Protocol on the Ozone Layer.
 D) The Ramsar Convention on Wetlands.

ANSWERS

Q1: C (Explanation: India's 3,561 certificates represent more than half of the global total.)

Q2: B (Explanation: The NBA is the statutory body established under the Biological Diversity Act, 2002, to regulate access to India's resources.)

Q3: B (Explanation: Access must be authorized *prior* to collection to ensure sovereignty over biological resources.)

Q4: B (Explanation: MAT ensures that if a company makes a profit from a local plant, the local community receives a fair share of that profit or technology.)

Q5: B (Explanation: It specifically addresses the ABS objective of the CBD adopted in 1992.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Environment: Biodiversity Conservation & International Treaties	Critical
IFS (Forest Services)	Environmental Legislation & NBA Roles	High
SSC / State PCS	General Awareness: International Organizations & India's Leadership	High

4. Launch of 'Shachi'

Source: PIB

Context

- **The Lead:** The Indian Navy has successfully launched **Shachi (Yard 1280)**, the first vessel in a massive project to build eleven **Next Generation Offshore Patrol Vessels (NGOPVs)**.
- **The Milestone:** This represents a significant leap in India's "Aatmanirbhar Bharat" (Self-Reliant India) initiative in the defense sector, as these ships are entirely designed and built domestically.
- **The Builder:** The launch took place at **Goa Shipyard Limited (GSL)**.

BACKGROUND CONCEPTS

- **Offshore Patrol Vessel (OPV):** These are highly versatile, long-endurance ships used for "brown water" (coastal) and "green water" (regional) operations. They bridge the gap between small fast-attack boats and large, expensive frigates/destroyers.

- **Yard Number (Yard 1280):** In shipbuilding, a "Yard Number" is a unique identification code given to a ship during its construction phase before it is formally commissioned into service.
- **NGOPV Project:** A large-scale naval program where 11 ships are being built concurrently by two major shipyards: **GSL (Goa)** and **GRSE (Kolkata)**.

KEY FEATURES OF SHACHI

1. Symbolic Identity

- **The Name:** "Shachi" is derived from Indian mythology, meaning "one who renders assistance."
- **The Crest:** Features the **Ursa Major constellation** and a **red and white lighthouse**, symbolizing constant guidance and maritime vigilance.

2. Multi-Domain Capabilities

The Shachi and its sister ships are designed to handle a diverse range of missions:

- **Maritime Surveillance:** Constant monitoring of India's Exclusive Economic Zone (EEZ).
- **Asset Protection:** Guarding critical offshore infrastructure like oil rigs and undersea pipelines.
- **Anti-Piracy:** Securing Sea Lines of Communication (SLOCs) against maritime crime.
- **HADR & SAR:** Providing Humanitarian Assistance and Disaster Relief, and conducting Search and Rescue operations during sea emergencies.

3. Indigenous Engineering

These vessels showcase advanced Indian naval architecture, featuring stealth characteristics, specialized sensors, and high-speed endurance to tackle modern maritime threats.

CONCEPTUAL MCQs

Q1. What is the primary role of an "Offshore Patrol Vessel" (OPV) like Shachi in the Indian Navy?

- A) To engage in deep-sea submarine warfare using nuclear missiles.
- B) To provide versatile, long-endurance surveillance, anti-piracy, and protection of offshore assets.
- C) To serve as a stationary floating hospital near the coast only.
- D) To transport commercial cargo between India and Europe.

Q2. Which two Indian shipyards are concurrently building the eleven ships under the NGOPV project?

- A) Mazagon Dock (Mumbai) and Cochin Shipyard (Kochi).
- B) Goa Shipyard Limited (GSL) and Garden Reach Shipbuilders & Engineers (GRSE).
- C) Hindustan Shipyard (Visakhapatnam) and L&T Shipbuilding.
- D) Naval Dockyard (Mumbai) and Bharat Dynamics.

Q3. The name "Shachi" and the lighthouse on its crest are symbolic of which specific naval function?

- A) Offensive combat power and destruction.
- B) Rendering assistance, guidance, and vigilance at sea.
- C) Hiding from the enemy using underwater stealth.
- D) Researching deep-sea marine life and coral reefs.

Q4. What does the term "Next Generation" (NG) in NGOPV imply compared to existing patrol vessels?

- A) They are built using imported wood instead of steel.
- B) They feature advanced indigenous design, improved sensors, and stealth capabilities for modern multi-domain operations.
- C) They are operated entirely by AI without any human crew.

D) They are designed to travel into space as well as on water.

Q5. How will the NGOPV project contribute to India's "Exclusive Economic Zone" (EEZ)?

- A) By allowing foreign ships to fish in Indian waters for free.
- B) By providing advanced platforms to monitor and protect India's sovereign rights over its 200-nautical-mile maritime zone.
- C) By helping India claim the entire Indian Ocean as private territory.
- D) By building bridges between Mumbai and Chennai.

ANSWERS

Q1: B (Explanation: OPVs are the "workhorses" of the Navy, handling everything from piracy to disaster relief and infrastructure guarding.)

Q2: B (Explanation: GSL built the lead ship Shachi, while GRSE is working on subsequent vessels in the class.)

Q3: B (Explanation: The name and crest reflect the ship's role as a protector and a guide in Indian waters.)

Q4: B (Explanation: NG vessels focus on better technology, domestic design, and the ability to operate across various domains like defense and humanitarian aid.)

Q5: B (Explanation: A primary duty of an OPV is to patrol the EEZ to prevent illegal fishing, smuggling, and unauthorized research.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Internal Security; Defense Technology	High
NDA / CDS	Naval Equipment, Indigenous Platforms, and Shipyards	Critical
SSC / Railways	General Knowledge: Current Affairs and Defense Milestones	High

5. Nyaya Setu AI Chatbot & Mascot 'Dishika'

Source: PIB

Context

- **The Launch:** The Vice-President of India and the Minister of Law and Justice officially unveiled the **Nyaya Setu AI Chatbot** and its mascot, **Dishika**.
- **The Program:** Launched under the **DISHA** (Designing Innovative Solutions for Holistic Access to Justice) programme.
- **The Goal:** To "democratize access to justice" by removing language and technical barriers for common citizens.

BACKGROUND CONCEPTS

- **Bhashini (DIBD):** The Digital India BHASHINI Division is India's AI-led language translation platform. It aims to break language barriers between various Indian dialects using voice-to-voice translation.
- **Voice-First Design:** A technology approach where the primary interface is spoken word rather than typing. This is critical for reaching users with varying levels of literacy.
- **Digital Public Infrastructure (DPI):** Digital solutions (like UPI or Aadhaar) that are open, interoperable, and built for public interest at a national scale.
- **Bharatiya Nyaya Sanhita (BNS):** The new criminal code of India that replaced the Indian Penal Code (IPC). The AI is specifically trained on this modern legal framework.

KEY FEATURES

- **Multilingual Power:** Supports **36 text languages** and **23 voice languages**, including complex tribal dialects.
- **Scalability:** Designed as a "Turnkey" solution capable of handling **millions of daily queries**.
- **Accessibility:** Specifically targets users who face linguistic or literacy challenges, acting as a "digital bridge" to the courts.

MASCOT: DISHIKA

- **Role:** A friendly digital guide that acts as the "face" of Nyaya Setu.
- **Function:** Helps first-time users navigate the app, reducing the "intimidation factor" of the formal legal system.
- **Trust Building:** Explains legal steps in a simplified, relatable manner to help citizens feel more comfortable seeking justice.

CONCEPTUAL MCQs

Q1. What is the primary technological goal of the "Voice-First" design in Nyaya Setu?

- A) To replace all human judges with AI voices.
- B) To assist users who face literacy or linguistic challenges by allowing them to speak their queries instead of typing.
- C) To make the app run faster on 5G networks.
- D) To record user conversations for the police.

Q2. Which division of the Indian government developed and owns the Nyaya Setu platform?

- A) The Reserve Bank of India (RBI).
- B) Digital India BHASHINI Division (DIBD).
- C) The Election Commission.
- D) ISRO.

Q3. The mascot "Dishika" is primarily designed to serve which purpose?

- A) To sell legal insurance to citizens.
- B) To act as a friendly digital interface and build trust for users navigating the justice system.
- C) To collect taxes from litigants.
- D) To represent the Supreme Court in international sports.

Q4. On which specific legal framework is the Nyaya Setu AI trained to ensure its responses are "legally sound"?

- A) The British Common Law of 1850.
- B) The Bharatiya Nyaya Sanhita (BNS).
- C) The United States Constitution.
- D) The International Maritime Law.

Q5. How many voice languages does Nyaya Setu currently support to ensure wide-reaching accessibility?

- A) 2 (English and Hindi)
- B) 10
- C) 23
- D) 100

ANSWERS

Q1: B (Explanation: Voice-first technology is an inclusivity tool for those who cannot read or write fluently but need legal help.)

Q2: B (Explanation: Bhashini is the specialized division for AI-led language solutions in India.)

Q3: B (Explanation: Mascots like Dishika humanize complex tech, making it easier for common people to interact with the law.)

Q4: B (Explanation: Training on the BNS ensures the AI is updated with the latest Indian criminal laws.)

Q5: C (Explanation: The platform supports 36 text and 23 voice languages, covering a vast majority of the Indian population.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 Governance (E-Governance); GS-3 (AI & Technology)	High
State PCS	Digital Initiatives & Social Justice	High
SSC / Banking	General Awareness: New Portals & AI Milestones	Moderate

6. Jan Vishwas (Amendment of Provisions) Bill, 2026

Context

- The Lok Sabha passed the **Jan Vishwas (Amendment of Provisions) Bill, 2026**, by voice vote.
- The "Why":** The primary goal is to **decriminalise minor offences**, reduce the compliance burden on individuals and MSMEs, and promote the "Ease of Doing Business" and "Ease of Living."

BACKGROUND CONCEPTS

- Decriminalisation:** The process of changing a law so that an act is no longer a criminal offence (carrying jail time) but is instead treated as a civil wrong (carrying a monetary penalty or fine).
- Compliance Burden:** The time and money businesses spend to follow government rules. High burdens often stifle startups and small businesses.
- Jan Vishwas (Trust the Citizen):** A legislative philosophy that shifts the relationship between the state and the citizen from one of suspicion (criminal penalties) to one of trust (administrative penalties).
- MSMEs (Micro, Small, and Medium Enterprises):** Small-scale businesses that are the backbone of the Indian economy but often lack the legal resources to fight criminal cases for minor technical errors.

KEY TAKEAWAYS

- Massive Legislative Clean-up:** The Bill targets **717 provisions** for decriminalisation and amends **67 others** to simplify the regulatory environment.
- Rationalisation of Offences:** It streamlines over **1,000 offences**, removing laws that have become outdated or redundant in the modern economy.
- Target Beneficiaries:** Commerce Minister Piyush Goyal emphasized that the biggest winners will be the general public and **MSMEs**, who will no longer face the threat of imprisonment for minor procedural lapses.
- Shift to Civil Penalties:** While jail time is being removed for these minor acts, they are not being "legalized"—they will now attract **financial penalties**, which are easier to administer and settle.
- Institutional Efficiency:** By moving these cases out of criminal courts, the Bill aims to reduce the massive backlog in the Indian judiciary.

CONCEPTUAL MCQs

Q1. What is the fundamental shift in legal philosophy proposed by the Jan Vishwas Bill, 2026?

"The day you do not feel like studying is the day it counts most."

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- A) Increasing the number of crimes that lead to life imprisonment.
- B) Moving from criminal imprisonment to monetary penalties for minor procedural and technical offences.
- C) Abolishing all taxes for MSMEs in India.
- D) Transferring all Central Acts to the jurisdiction of State Governments.

Q2. Why is the Jan Vishwas Bill referred to as an "Amendment of Provisions" Bill rather than a single Act?

- A) Because it only applies to the Ministry of Commerce.
- B) Because it acts as an "umbrella" legislation that simultaneously amends provisions across 79 different existing Central Acts.
- C) Because it is a temporary law that expires after one year.
- D) Because it was passed by voice vote instead of a digital division.

ANSWERS

Q1: B (Explanation: The Bill aims to reduce the "fear" of doing business by ensuring that minor mistakes do not lead to a criminal record or jail time.)

Q2: B (Explanation: Instead of passing 79 separate amendment bills, the government uses this single Bill to update hundreds of provisions across various ministries at once.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 Governance (Ease of Living); GS-3 Economy (Ease of Doing Business)	Very High
RBI Grade B	ESI - Industrial Policy and Regulatory Environment	High
SEBI Grade A	Corporate Laws and Regulatory Compliance	Moderate

Banking and Finance

1. NSE & IGX Partner to Launch Natural Gas Derivative Contracts

Source: TH

Context

- The **National Stock Exchange (NSE)** has announced a strategic collaboration with the **Indian Gas Exchange (IGX)** to launch India's first exchange-traded natural gas derivatives based on domestic delivery.
- **The "Why":** To provide a robust **risk management tool** for Indian industries (Power, Fertilizer, Ceramics) and to help discover a transparent, domestic benchmark price for natural gas.
- **The Benchmark:** These derivative contracts will be based on the **GIXI** (IGX's benchmark Price Index).

BACKGROUND CONCEPTS

- **Derivatives:** Financial contracts (like Futures and Options) whose value is "derived" from an underlying asset—in this case, natural gas.
- **Exchange-Traded Derivatives (ETDs):** Standardized derivative contracts traded on a regulated exchange (like the NSE), offering high liquidity and lower counterparty risk compared to off-exchange trades.
- **Indian Gas Exchange (IGX):** India's first automated national-level gas trading platform for physical delivery of natural gas.

- **Price Index (GIXI):** A benchmark index that reflects the weighted average price of natural gas traded across various delivery hubs in India.
- **Hedging:** A risk management strategy used by businesses to lock in a price for natural gas today to protect against future price spikes.

KEY TAKEAWAYS

- **Domestic Benchmarking:** Currently, many Indian gas contracts are linked to international benchmarks (like Henry Hub or JKM). This collaboration allows for a **"Made in India" price signal** reflecting local supply and demand.
- **Efficient Risk Management:** Gas-consuming industries (like Fertilizer plants) can now use these NSE derivatives to "hedge" their fuel costs, protecting their profit margins from global volatility.
- **Synergy of Platforms:** The partnership combines **IGX's expertise in physical gas delivery** with **NSE's massive reach and liquidity** in the financial derivatives market.
- **Market Maturation:** This move is a significant step toward the government's goal of increasing the share of natural gas in India's primary energy mix from **~6% to 15% by 2030**.
- **Price Discovery:** By having a transparent index like GIXI, the market gains a "single source of truth" for what natural gas is actually worth at Indian hubs like Dahej or Hazira.

CONCEPTUAL MCQs

Q1. What is the primary advantage for an Indian fertilizer company using the new NSE natural gas derivatives?

- A) It allows them to buy physical gas at a 50% discount from the government.
- B) It provides a tool to "hedge" against price volatility, allowing them to lock in fuel costs and stabilize production expenses.
- C) It grants them ownership of the IGX trading platform.
- D) It eliminates the need for any physical pipelines to transport gas.

Q2. The new derivative contracts will be based on which specific benchmark index?

- A) Nifty 50
- B) Henry Hub Index
- C) GIXI (IGX's benchmark Price Index)
- D) Brent Crude Index

ANSWERS

Q1: B (Explanation: Derivatives are primarily used by industrial consumers as an insurance policy. If the price of gas goes up in the future, the gains on their derivative contract help offset the higher cost of the actual gas they buy for their factory.)

Q2: C (Explanation: The collaboration specifically uses the GIXI to ensure the financial contracts are aligned with the actual physical prices discovered on the IGX platform.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
SEBI Grade A	Commodities Derivatives and Exchange Regulations	Critical
RBI Grade B	ESI – Energy Sector Reforms; Finance – Financial Markets	High

2. RBI's PaSS Framework

Source: BS

Context

- The Reserve Bank of India (RBI) has proposed a revolutionary **Account Portability** feature, allowing customers to switch from one bank to another without changing their existing bank account number.
- Currently, switching banks is a high-friction process. Customers must manually update salary instructions, EMI mandates, and SIPs, leading to "customer inertia" where people stay with poor-service banks just to avoid the paperwork.
- This is outlined under the **Payments Switching Service (PaSS)** framework in the RBI's **Payments Vision 2028** document.

BACKGROUND CONCEPTS

- **Account Portability:** Similar to Mobile Number Portability (MNP), where you keep your phone number but change the service provider (e.g., switching from Airtel to Jio).
- **Payments Switching Service (PaSS):** A proposed centralized infrastructure that would "map" an account number to different banking entities, ensuring that incoming and outgoing funds are routed correctly even if the underlying bank changes.
- **Standing Instructions (SI) & Mandates:** Automated instructions given by a customer to a bank to pay a fixed amount at regular intervals (e.g., Netflix subscription, Home Loan EMI, or Mutual Fund SIP).
- **Friction in Retail Banking:** The administrative hurdles (filling forms, visiting branches, updating HR) that discourage customers from closing old accounts.

KEY TAKEAWAYS

1. How it Works (The Concept)

Instead of the account number being "owned" by a specific bank branch, it becomes a portable identity. The PaSS framework would act as a central clearing house that redirects your financial traffic to whichever bank you currently call "home."

2. Benefits for Customers

- **Interest Rate Arbitrage:** Move your money instantly to a bank offering 0.5% higher interest on savings without changing your salary details.
- **Service Quality:** If a bank's mobile app is buggy or customer service is poor, you can "vote with your feet" immediately.
- **Lower Charges:** Easier migration to banks with zero balance requirements or lower transaction fees.

3. Impact on the Banking Sector

- **Increased Competition:** Banks can no longer take "lazy deposits" for granted. They will have to actively compete to retain every single customer.
- **Digital Innovation:** Banks will be forced to upgrade their tech stacks to offer "superior digital services" to prevent customer churn.
- **Operational Challenge:** Banks will need to integrate deeply with the RBI's PaSS infrastructure to ensure mandates (like EMIs) don't fail during the switch.

CONCEPTUAL MCQs

Q1. What is the primary "friction" that the RBI aims to eliminate through the Payments Switching Service (PaSS)?

- A) The physical distance between bank branches.
- B) The administrative burden of updating mandates and standing instructions when changing banks.
- C) The requirement of having an Aadhaar card for a bank account.
- D) The limit on how much cash a person can withdraw from an ATM.

Q2. Bank account portability is most conceptually similar to which other existing service in India?

- A) UPI (Unified Payments Interface)
- B) MNP (Mobile Number Portability)
- C) Fastag for toll booths
- D) Fixed Deposit premature withdrawal

Q3. According to the Payments Vision 2028, what is the expected outcome of reducing switching barriers for customers?

- A) Banks will stop offering savings accounts entirely.
- B) Customers will be forced to maintain at least five different account numbers.
- C) Increased competitive pressure on banks to improve interest rates and service quality.
- D) A total ban on private sector banks in India.

Q4. Why are "Standing Instructions" (SIs) currently a barrier to switching banks?

- A) Because SIs are illegal in most foreign countries.
- B) Because they are tied to a specific account number, and changing banks requires manually re-registering every single mandate (EMI/SIP).
- C) Because SIs can only be created in physical bank branches.
- D) Because the RBI charges a heavy tax on every standing instruction.

ANSWERS

Q1: B (Explanation: The difficulty of moving salary credits and mutual fund mandates is the main reason people stick with one bank for decades.)

Q2: B (Explanation: Just as MNP broke the monopoly of telecom providers over your "number," account portability breaks the bank's monopoly over your "account number.")

Q3: C (Explanation: When customers can leave easily, banks must work harder (offer better rates/apps) to make them stay.)

Q4: B (Explanation: The "lock-in" effect exists because updating 10-15 different mandates with various service providers is a logistical nightmare for the average user.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – Payments Systems; Monetary Policy; Banking Structure	Critical
SEBI Grade A	Impact on Financial Inclusion and Tech Integration	High

3. RBI Curbs Offshore-Style Bets on the Rupee (NDF Ban)**Context**

- The RBI has issued a "decisive reversal" of its previous liberalization policy by barring banks from offering **Non-Deliverable Forward (NDF)** contracts involving the Rupee to both residents and non-residents.
- The Rupee recently breached the **95/\$ mark**, weakening by 4% due to the West Asia conflict (US-Israel-Iran) and high oil prices. Speculators were using NDFs to bet against the Rupee without actual trade needs, adding to the currency's downward pressure.

BACKGROUND CONCEPTS

- **Non-Deliverable Derivatives (NDF):** These are "cash-settled" contracts. If you bet the Rupee will hit

96/\$ and it does, the bank pays you the profit in Dollars. There is **no physical exchange** of Rupees. This makes it easy for speculators who don't actually have any Indian business to bet on the currency.

- **Deliverable Derivatives:** These involve the actual exchange of currencies (e.g., a company selling \$1 million and receiving the equivalent in ₹). These are still allowed for **genuine hedging** of trade risks.
- **Rebooking:** A tactic where a client cancels a contract and immediately opens a new one to maintain a speculative position. The RBI has now banned this.
- **Price Discovery:** The process by which the market determines the "fair price" of a currency. RBI wants this to happen based on real trade, not speculative "bets" in offshore markets.

KEY TAKEAWAYS

1. The Ban on NDFs

Banks (Authorised Dealers) are now strictly prohibited from offering non-deliverable contracts. This "shuts down" the route used for offshore-style gambling on the Rupee's value.

2. Tightening Onshore Discipline

- **No Rebooking:** Once a derivative contract is cancelled, it cannot be rebooked. This stops traders from "rolling over" speculative bets indefinitely.
- **Documentary Evidence:** Lenders must now demand strict proof (invoices, contracts) of "underlying exposure" to ensure the trade is for real business, not a gamble.
- **Related Party Bar:** Banks cannot enter into these contracts with their own related entities/subsidiaries, preventing MNCs from masking risks through intra-group trades.

3. Coordinated Macro Action

This move follows the RBI's previous order for banks to unwind **Net Open Positions** exceeding **\$100 million**. Together, these steps are designed to "drain leverage" and dry up the supply of Dollars being held for speculation.

4. Impact of Geopolitics

The 4% slide in the Rupee was fueled by "risk aversion" (investors moving to the safe-haven Dollar) and the surge in oil prices following the US-Israel-Iran conflict.

CONCEPTUAL MCQs

Q1. Why does the RBI prefer "Deliverable" derivatives over "Non-Deliverable" ones during a currency crisis?

- A) Because deliverable derivatives are only used by the government.
- B) Because deliverable derivatives are anchored in real economic activity (trade/finance), whereas non-deliverable ones are easily used for pure speculation without any physical exchange.
- C) Because non-deliverable derivatives are illegal under the United Nations Charter.
- D) Because deliverable derivatives automatically increase the country's gold reserves.

Q2. The RBI's ban on "rebooking" cancelled contracts is primarily aimed at stopping which practice?

- A) Printing counterfeit currency notes.
- B) Banks charging too much interest on home loans.
- C) Speculators maintaining and "rolling over" currency positions without actual trade needs.
- D) Foreign tourists exchanging money at airports.

Q3. Which act provides the legal authority for the RBI to issue these currency-related directions?

- A) The Banking Regulation Act, 1949
- B) The Foreign Exchange Management Act (FEMA), 1999

C) The Companies Act, 2013

) The SEBI Act, 1992

Q4. What does "unwinding a net open position" mean in the context of the RBI's \$100 million limit? A)

Closing down a bank's physical branches in foreign countries.

B) Reducing the gap between a bank's total foreign currency assets and liabilities to minimize risk and speculation.

C) Opening 100 million new bank accounts for citizens.

D) Selling all the gold held by the central bank.

ANSWERS

Q1: B (Explanation: NDFs allow people to bet on the Rupee from anywhere in the world without actually needing the currency, which can artificially crash its value during a crisis.)

Q2: C (Explanation: Rebooking allowed traders to "stay in the game" indefinitely; banning it forces them to either complete a real trade or exit the market.)

Q3: B (Explanation: FEMA is the primary legislation governing all foreign exchange transactions and derivatives in India.)

Q4: B (Explanation: A large "open" position means a bank is essentially betting on which way the currency will move; the RBI wants to cap this to ensure stability.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – Forex Markets; Monetary Policy; External Sector	Critical
SEBI Grade A	Derivatives Market and Regulatory Oversight	High

4. Regulatory Impact Assessment (RIA) in India

Source: Mint

Context

- Experts are calling for the institutionalization of **Regulatory Impact Assessment (RIA)** in India's securities market to ensure that every new rule passed by SEBI is tested for necessity, proportionality, and economic consequences.
- The Problem:** India's regulatory framework has become dense, with over **44 principal regulations**, 13 statutory rules, and more than **2,700 circulars**. The cumulative cost of these frequent changes is creating high entry barriers and "regulatory inertia."
- The Omission:** While the government is working on a new **Securities Markets Code** to consolidate laws, the current draft reportedly omits a mandatory requirement for RIA.

BACKGROUND CONCEPTS

- Regulatory Impact Assessment (RIA):** A systemic approach to critically assessing the positive and negative effects of proposed and existing regulations and non-regulatory alternatives.
- Information Asymmetry:** A situation where one party in a transaction (e.g., a company insider) has more or better information than the other (e.g., a retail investor). Regulation aims to bridge this gap.
- Delegated Legislation:** Laws made by an executive authority (like SEBI) under powers given to them by an Act of Parliament. Since these aren't debated in Parliament, RIA acts as a crucial "discipline" check.
- Ex-ante Assessment:** An evaluation conducted *before* a policy is implemented to predict its potential impact.
- Sunset Clause:** A provision in a law or regulation that specifies it will automatically terminate after a

fixed period unless it is formally extended.

THE 5-STEP RIA FRAMEWORK

The authors propose that every new regulation must pass these five tests:

1. **Clarity:** Is the problem being solved systemic (permanent) or episodic (one-off)?
2. **Alternatives:** Can the goal be achieved through better enforcement or market incentives instead of a new rule?
3. **Cost-Benefit Analysis:** Do the gains in transparency outweigh the costs of technology, personnel, and liquidity impact?
4. **Consequences:** Will the rule push activity into "grey areas" or create a monopoly for large players who can afford compliance?
5. **Post-Implementation Review:** Does the rule actually achieve the intended outcome, or should it be removed?

CONCEPTUAL MCQs

Q1. What is the primary difference between "Ex-ante" and "Post-implementation" reviews in the context of RIA?

- A) Ex-ante is about currency; Post-implementation is about taxes.
- B) Ex-ante assesses potential impact before a rule is made; Post-implementation tests the actual outcome after the rule is active.
- C) Ex-ante is for private companies; Post-implementation is for the government.
- D) There is no difference; both terms refer to the same process.

Q2. Why is "Delegated Legislation" (like SEBI circulars) cited as a reason why India needs mandatory RIA?

- A) Because delegated legislation is passed by the President and cannot be challenged.
- B) Because these rules are not debated in Parliament, making structured independent impact assessments necessary for accountability.
- C) Because it allows SEBI to bypass the Supreme Court.
- D) Because it reduces the number of circulars issued every year.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
SEBI Grade A	Securities Laws; Role of SEBI; Market Reforms	Critical
RBI Grade B	Finance – Financial Sector Regulators; Governance	Very High

Facts To Remember

1. PM Narendra Modi Visits Gujarat Launching Projects Worth ₹20,000 Crore

Narendra Modi visited Gujarat inaugurating Samrat Samprati Museum, Kaynes Semicon Plant, and Ahmedabad–Dholera Expressway, while launching multiple projects across infrastructure, power, and development sectors.

2. Government Extends National PNG Drive 2.0 till June 2026

Government of India extended PNG Drive 2.0 to boost natural gas usage, expand pipeline connectivity to new regions, and promote a gas-based economy with increased household and commercial

connections.

3. Centre Extends RoDTEP Scheme till September 2026

Government of India extended the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme till September 30, 2026, ensuring stability for exporters amid global trade disruptions while retaining existing rates, caps, and benefits.

4. VP Unveils 'Nyaya Setu' AI Chatbot for Legal Assistance

C. P. Radhakrishnan launched Nyaya Setu AI chatbot, a multilingual voice-based legal assistant developed under Digital India to improve access to justice and legal awareness.

5. WTO Holds 14th Ministerial Conference in Cameroon

World Trade Organization conducted MC14 in Yaoundé focusing on global trade reforms, fisheries subsidies negotiations, and support for small economies in multilateral trade systems.

6. Changi Airport Tops Skytrax World Airport Awards 2026

Singapore Changi Airport ranked world's best airport, while Delhi IGI Airport featured among top 30 globally with multiple Indian airports in top 100 rankings.

7. Air India Signs Codeshare Pact with Uzbekistan Airways

Air India partnered with Uzbekistan Airways to enhance connectivity between India and Central Asia with seamless travel and expanded route access.

8. Anahat Singh and Abhay Singh Win ASF Awards 2025

Anahat Singh and Abhay Singh won ASF Player of the Year awards recognising excellence in squash performance.

9. Tripura Panchayats Win National Panchayat Awards 2025

Tripura panchayats secured top honours at DDUPSVP and NDPSVP awards for excellence in governance, women empowerment, and sustainable rural development initiatives.

10. Uchral Nyam-Osor Elected as Prime Minister of Mongolia

Uchral Nyam-Osor elected as Mongolia's new PM, marking leadership change amid political instability and economic challenges.

11. ACC Appoints Vir Vikram Yadav as DG of DGCA

Vir Vikram Yadav appointed Director General of Directorate General of Civil Aviation to strengthen aviation regulation and administration.

12. IndiGo Appoints William Walsh as New CEO

IndiGo appointed William Walsh as CEO to lead operations and strategic growth from August 2026.

13. GSL Launches INS Shachi and Delivers ICGS Achal

Goa Shipyard Limited launched INS Shachi and delivered ICGS Achal, boosting naval and coast guard capabilities with indigenous vessels.

14. International Transgender Day of Visibility Observed on March 31

International Transgender Day of Visibility celebrated globally to recognise contributions of transgender

community and raise awareness about their rights and challenges.

15. Andhra Pradesh Launches Free Electricity Scheme for Weavers

Andhra Pradesh government led by N. Chandrababu Naidu launched free electricity scheme supporting handloom and powerloom weavers with subsidies and financial assistance.

FIVE TO REMEMBER · 2 APRIL 2026

1. **Andhra Pradesh Reorganisation Act, 2014:** The original law that bifurcated Andhra Pradesh to create Telangana. It designated Hyderabad as the joint capital for 10 years, ending in 2024. *Andhra Pradesh Reorganisation (Amendment) Bill,...*
2. **The Nagoya Protocol:** A 2010 supplementary agreement to the **Convention on Biological Diversity (CBD)**. It focuses on the "third pillar" of the CBD: the fair and equitable sharing of benefits from genetic resources. *The Nagoya Protocol & IRCCs*
3. **Market Maturation:** This move is a significant step toward the government's goal of increasing the share of natural gas in India's primary energy mix from **~6% to 15% by 2030**. *NSE & IGX Partner to Launch Natural Gas Derivat...*
4. **Interest Rate Arbitrage:** Move your money instantly to a bank offering 0.5% higher interest on savings without changing your salary details. *RBI's PaSS Framework*
5. **The Lead:** The Indian Navy has successfully launched **Shachi (Yard 1280)**, the first vessel in a massive project to build eleven **Next Generation Offshore Patrol Vessels (NGOPVs)**. *Launch of 'Shachi'*

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DAY 3 OF 23

3 April 2026

Friday · 21 items · 4 topics

National Affairs 3 · Banking and Finance 3 · Agriculture 2 · Facts To Remember 13

Daily Current Affairs Quiz
3 April, 2026**National Affairs****1. Aditya-L1****Context**

Aditya-L1 is a dedicated satellite mission by the **Indian Space Research Organisation (ISRO)** designed to study the Sun's atmosphere, magnetic storms, and their impact on Earth's environment.

Location: The L1 Point

The mission is named after its destination: **Lagrange Point 1 (L1)**. This is a gravitationally stable spot located about **1.5 million kilometers** from Earth, directly toward the Sun.

- **Continuous View:** Unlike satellites in Earth's orbit, a spacecraft at L1 is never blocked by the Earth or the Moon (no eclipses). This allows for 24/7 monitoring of the Sun.
- **Fuel Efficiency:** The balanced gravity of the Sun and Earth allows the satellite to "hover" with minimal fuel consumption.

Scientific Objectives

Aditya-L1 aims to solve several long-standing mysteries in solar physics:

- **The Coronal Heating Problem:** Scientists want to understand why the Sun's outer atmosphere (the Corona) is millions of degrees hotter than its surface (the Photosphere), which is only about 6,000°C.
- **Space Weather:** Studying **Coronal Mass Ejections (CMEs)** and solar flares that can disrupt satellite communications, GPS, and power grids on Earth.
- **Solar Wind:** Observing the origin and acceleration of the constant stream of charged particles flowing from the Sun.

The Seven Payloads

The spacecraft carries seven indigenous instruments, divided into two categories:

Remote Sensing Payloads (Looking at the Sun)

1. **VELC (Visible Emission Line Coronagraph):** Studies the solar corona and CMEs.
2. **SUIT (Solar Ultra-violet Imaging Telescope):** Images the solar Photosphere and Chromosphere in near Ultra-violet.
3. **SoLEXS & HELIOS:** X-ray spectrometers to study solar flares across different energy levels.

In-situ Payloads

1. **ASPEX & PAPA:** Analyzes solar wind particles (protons, alpha particles, and ions).
2. **MAG (Advanced Tri-axial High Resolution Digital Magnetometer):** Measures the magnetic field at the L1 point.

"Small steps, every day. That is the whole strategy."

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Current Updates (2026)

As of early 2026, Aditya-L1 is in its **Science Phase**. ISRO has recently released the **Second Announcement of Opportunity (AO)**, inviting Indian scientists to submit proposals for specific observation time on the satellite's instruments. The mission continues to provide critical data that is shared globally to improve space weather forecasting.

CONCEPTUAL MCQs

Q1. What is the primary advantage of placing Aditya-L1 at the Lagrange Point 1?

- A) It is the closest a spacecraft can get to the Sun.
- B) It allows for continuous observation of the Sun without any eclipses.
- C) It is the only place where solar wind does not exist.
- D) It allows the satellite to land on the Sun's surface.

Q2. Which payload is specifically designed to solve the "Coronal Heating" mystery?

- A) PAPA
- B) VELC
- C) MAG
- D) ASPEX

ANSWERS

Q1: B | Q2: B | Q3: B

EXAM RELEVANCE

Exam	Focus Area	Relevance
UPSC CSE	GS-3 Science & Tech (Space missions & Solar physics)	High
SSC / PSC	General Awareness: ISRO milestones and payload names	High

2. Survey Vessel (Large) 'Sanshodhak'

Source: Press Information Bureau (PIB)

Context

- The Indian Navy has officially taken delivery of '**Sanshodhak**' (**Yard 3028**), the fourth and final ship of the **Survey Vessel (Large) (SVL)** project.
- The delivery, made by Garden Reach Shipbuilders & Engineers (**GRSE**), Kolkata on March 30, 2026, completes the four-ship contract signed in October 2018.
- Sanshodhak joins its sister ships: **INS Sandhayak** (Feb 2024), **INS Nirdeshak** (Dec 2024), and **INS Ikshak** (Nov 2025).

TECHNICAL SPECIFICATIONS

- **Dimensions:** Overall length of **110 meters** and a beam of 16 meters.
- **Displacement:** Approximately **3,400 tonnes**.
- **Propulsion:** Powered by two diesel engines, achieving speeds in excess of **18 knots**.
- **Endurance:** Capable of sustained operations with a range of **6,500 nautical miles** at economical speeds.
- **Complement:** Designed to carry 18 officers and 160 sailors.
- **Aviation:** Features a hangar and flight deck for one **Advanced Light Helicopter (ALH)**.

CORE CAPABILITIES & TECHNOLOGY

Sanshodhak is not a combat ship but a sophisticated scientific platform equipped with state-of-the-art hydrographic tools:

1. **Deep-Water Survey:** Capable of full-scale coastal and deep-water hydrographic surveys of port approaches and navigational channels.
2. **Underwater Mapping:** Fitted with **Autonomous Underwater Vehicles (AUV)** and **Remotely Operated Vehicles (ROV)** for high-precision seabed mapping.
3. **Data Suite:** Includes a complex Data Acquisition and Processing System, Digital Side Scan Sonar, and DGPS long-range positioning systems.
4. **Dual Role:** Collects oceanographic and geophysical data for both **defense applications** (submarine navigation, amphibious operations) and **civilian use** (maritime trade, port development).

3. India Leads 16-Nation Maritime Initiative: IOS SAGAR

Source: New Delhi Bureau | **Subject:** Maritime Security & Diplomacy

Context

- Amidst the ongoing West Asia conflict and disruptions in the **Strait of Hormuz**, the Indian Navy has flagged off **INS Sunayna** as the **Indian Ocean Ship (IOS) SAGAR**.
- **The Mission:** This 16-nation initiative aims to reinforce regional maritime security and cooperation in the Indian Ocean Region (IOR).

BACKGROUND CONCEPTS

- **SAGAR Vision:** "Security and Growth for All in the Region"—India's strategic policy for the Indian Ocean, introduced in 2015 to promote cooperation and maritime security.
- **Strait of Hormuz:** A critical maritime "choke point" between the Persian Gulf and the Gulf of Oman. It is the world's most important oil transit pass, currently facing instability due to geopolitical conflict.
- **Non-Traditional Security Threats:** Challenges that do not involve direct military-to-military war, such as piracy, drug trafficking (narco-trafficking), and illegal fishing.
- **EEZ Sovereignty:** The right of a country to manage resources within its **Exclusive Economic Zone** (200 nautical miles from the coast). Encroachment by "deep-sea research" often masks illegal resource mapping.

CONCEPTUAL MCQs

Q1. What does the acronym "SAGAR," as used in India's maritime policy, stand for?

- A) Strategic Alliance for Global Agricultural Reform
- B) Security and Growth for All in the Region
- C) South Asian Geographic and Atmospheric Research
- D) Satellite-based GPS and Radio Navigation

Q2. Why is the Strait of Hormuz currently mentioned as a cause for global economic instability?

- A) It is the only place in the world where rare earth minerals are found.
- B) It is a major global choke point for oil and energy transit facing conflict-related disruptions.
- C) It has been closed permanently for all commercial shipping.
- D) It is being converted into a giant offshore wind farm.

Q3. What is "IUU Fishing," which was highlighted as a rising challenge in the Indian Ocean?

- A) International Union for Underwater Fishing.
- B) Illegal, Unreported, and Unregulated fishing.

- C) Indoor Urban Undersea Fishing.
D) Integrated Universal Utility Fishing.

ANSWERS

Q1: B (Explanation: SAGAR is India's guiding vision for the Indian Ocean, emphasizing collective security and prosperity.)

Q2: B (Explanation: Roughly one-fifth of the world's total oil consumption passes through this strait; any disruption hits global energy prices.)

Q3: B (Explanation: IUU fishing is a major threat to food security and the blue economy of developing coastal nations.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 International Relations (India & Neighborhood); GS-3 Security	Critical
NDA / CDS	Naval Operations, Ship Names, and Maritime Geography	Very High

Banking and Finance

1. IRDAI Cracks Down on 'Dark Patterns' in Insurance

Source: BS

Context

- The Insurance Regulatory and Development Authority of India (**IRDAI**) has directed all insurers to conduct a self-assessment of their digital platforms to identify and remove "Dark Patterns."
- The Deadline:** Insurers must submit a compliance report within **15 days**. If non-compliance is found, an action plan to fix the interface must be submitted within **one month**.
- The Goal:** To ensure that the digital sale of insurance remains transparent and that consumers are not manipulated into buying products or coverages they do not need.

BACKGROUND CONCEPTS

- Dark Patterns:** These are deceptive User Interface (UI) or User Experience (UX) designs intended to trick, coerce, or manipulate users into making choices that are detrimental to their interests (e.g., "sneak-into-basket" or "forced continuity").
- IRDAI:** The statutory body under the Ministry of Finance that regulates and promotes the insurance and re-insurance industries in India.
- E-Platforms:** Mobile apps, websites, and web portals used by insurance companies to sell policies directly to customers.
- Consumer Protection Act, 2019:** The overarching law in India that classifies dark patterns as "unfair trade practices."

TYPES OF DARK PATTERNS IN INSURANCE

Insurers often use specific tactics on their websites that IRDAI is now targeting:

- Bait and Switch:** Advertising a low premium but adding mandatory "add-ons" at the final payment stage that cannot be easily removed.
- False Urgency:** Using countdown timers (e.g., "Offer ends in 2 minutes!") to pressure a user into a quick purchase without reading the policy terms.
- Hidden Costs:** Disclosing significant charges or exclusions only in the "fine print" or at the very end of a long digital journey.

"Small steps, every day. That is the whole strategy."

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- **Confirmshaming:** Using language to make the user feel guilty for opting out (e.g., "No, I don't want to protect my family's future" instead of a simple "No").
- **Interface Interference:** Making the "Decline" or "No" button much smaller, harder to find, or a lighter color than the bright "Accept" button.

CONCEPTUAL MCQs

Q1. What is the primary characteristic of a "Dark Pattern" in a mobile app?

- A) A high-security encryption used to protect data.
- B) A design choice intended to manipulate or trick users into taking unintended actions.
- C) A night-mode setting that saves battery life.
- D) A software bug that causes the app to crash.

Q2. Within how many days must insurers submit their initial self-assessment report to IRDAI?

- A) 7 days
- B) 15 days
- C) 30 days
- D) 90 days

Q3. Which of the following is an example of "Confirmshaming"?

- A) Asking a user to verify their email address.
- B) Showing a "Thank You" message after a purchase.
- C) A button that says "No, I prefer to risk my health" instead of a "Skip" button.
- D) Requiring a password to log in.

Q4. IRDAI's crackdown on dark patterns is legally supported by which major Indian legislation?

- A) The Motor Vehicles Act
- B) The Consumer Protection Act, 2019
- C) The Indian Penal Code
- D) The Environment Protection Act

Q5. Why is "False Urgency" considered a dark pattern in the insurance sector?

- A) It helps customers get their policies faster.
- B) It pressures consumers into making a complex financial decision without due diligence.
- C) It ensures that the insurance company makes a profit.
- D) It is a mandatory requirement for all digital sales.

ANSWERS

Q1: B (Explanation: Dark patterns are intentional design choices used to subvert user autonomy.)

Q2: B (Explanation: The IRDAI has set a tight 15-day window for the first compliance report.)

Q3: C (Explanation: Confirmshaming uses emotional manipulation to push a user toward a specific choice.)

Q4: B (Explanation: Dark patterns are classified as "unfair trade practices" under consumer law.)

Q5: B (Explanation: Insurance is a long-term contract; forcing a "split-second" decision prevents the user from understanding exclusions or terms.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI / IRDAI Grade B	Insurance Sector Reforms; Consumer Protection; FinTech	Critical
SEBI Grade A	Corporate Governance & Unfair Trade Practices	High

2. Emirates NBD Acquisition of RBL Bank: RBI Approval**Context**

- The Reserve Bank of India (RBI) has officially approved the acquisition of up to a **74% stake** in **RBL Bank** by the UAE-based **Emirates NBD (ENBD)** for **\$3 billion**.
- **Historic Milestone:** This marks the **largest-ever foreign direct investment (FDI)** in a domestic Indian bank.
- **The Structural Change:** Post-acquisition, RBL Bank will transition from being a domestic private sector bank to a **Foreign Bank Subsidiary** in India.

BACKGROUND CONCEPTS

- **Wholly Owned Subsidiary (WOS):** A model where a foreign bank operates in India through a locally incorporated subsidiary rather than just branch offices. This ensures the bank has its own capital base and board in India, making it easier for the RBI to regulate.
- **FDI Limit in Banking:** While the current FDI limit in private banks is 74%, large-scale takeovers by single foreign entities require specific, case-by-case approval from the RBI to ensure "fit and proper" criteria.
- **Commercial Banks Governance Directions, 2025:** The latest set of RBI rules that dictate how bank boards must be structured, the tenure of CEOs, and the level of independence required to protect depositors' interests.

New Regulatory Status

RBL Bank will now be governed as a "foreign bank subsidiary." This means it must follow stricter capital adequacy and reporting norms applicable to foreign entities, while still being able to expand its branch network across India more easily than a "branch-only" foreign bank.

CONCEPTUAL MCQs

Q1. What is the primary change in RBL Bank's status following the Emirates NBD acquisition?

- A) It will be closed and merged into the SBI.
- B) It will be treated as a foreign bank subsidiary with ENBD as its parent.
- C) It will become a government-owned public sector bank.
- D) It will stop all operations in India and move to Dubai.

Q2. Under the WOS (Wholly Owned Subsidiary) model, which authority provides the primary governance directions in India?

- A) The Central Bank of UAE
- B) The Reserve Bank of India (RBI)
- C) The Dubai International Financial Centre (DIFC)
- D) The World Bank

Q3. What is a key benefit for a foreign bank (like ENBD) to operate as a "Subsidiary" rather than a "Branch" in India?

- A) It doesn't have to follow any Indian laws.
- B) It can more easily expand its branch network across the country compared to the restrictive branch-

licensing for foreign branches.

C) It doesn't need to maintain any capital in India.

D) It can print its own Indian Rupee notes.

Q4. The "Commercial Banks Governance Directions, 2025" primarily focus on which aspect of banking?

A) The interest rates on gold loans.

B) The design of bank uniforms.

C) The structure and independence of bank boards and top management to ensure stability.

D) The number of holidays a bank can take in a year.

ANSWERS

Q1: B (Explanation: The RBI approval specifically shifts its status to a foreign-owned subsidiary model.)

Q2: B (Explanation: Even if owned by a UAE entity, all banks operating in India fall under the strict regulatory umbrella of the RBI.)

Q3: B (Explanation: The WOS model was introduced by the RBI to encourage foreign banks to become "near-domestic" in their behavior and expansion.)

Q4: C (Explanation: Governance rules are meant to prevent "promoter interference" and protect the bank from risky decisions.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Banking Regulations, FDI in Banking, WOS Model	Critical
SEBI Grade A	Foreign Investment (FDI/FPI), Capital Markets	High

3. SEBI Proposes Reintroduction of Open Market Share Buybacks

Context

The Securities and Exchange Board of India (**SEBI**) has released a consultation paper proposing to bring back the **Open Market Buyback** route. This marks a significant policy reversal, as SEBI had previously moved to phase out this method by April 2025.

UNDERSTANDING THE TWO ROUTES

A share buyback is when a company repurchases its own shares from the marketplace to reduce the number of shares outstanding.

- 1. Tender Offer (The Current Primary Route):** The company offers to buy a fixed number of shares at a specific price (usually at a premium) directly from shareholders on a proportionate basis.
- 2. Open Market Purchase (The Proposed Reintroduced Route):** The company buys its shares directly from the stock exchange over a period of time at the prevailing market price.

WHY THE REVERSAL? (THE TAX FACTOR)

The primary reason for the earlier ban was "tax arbitrage," but new laws have changed the playing field:

- **The Old Problem:** Previously, companies paid the buyback tax. This meant shareholders who participated got their money "tax-free," while those who sold normally in the market paid capital gains tax. This created an unfair advantage for buyback participants.
- **The New Reality (Post-April 2026):** Buyback proceeds are now **taxed as capital gains in the hands of the shareholder**. Whether you sell your shares to the company in a buyback or to a random buyer on the exchange, the tax treatment is now identical.
- **SEBI's Logic:** Since the tax-induced inequity is gone, the open market route is no longer "unfair."

BENEFITS OF OPEN MARKET BUYBACKS

Industry bodies like FICCI and AIBI argued for the return of this route because:

- **Operational Efficiency:** It is easier and faster to execute than a formal tender process.
- **Price Support:** It allows companies to gradually absorb selling pressure, preventing sharp drops in share prices.
- **EPS Improvement:** By extinguishing (canceling) the repurchased shares, the company reduces its total share count, which improves **Earnings Per Share (EPS)**.

REGULATORY SAFEGUARDS

To prevent market manipulation, SEBI indicated that old restrictions would remain:

- **Separate Trading Window:** Buybacks won't happen during regular trading to avoid confusing retail investors.
- **Price Bands & Limits:** Constraints on how much a company can buy daily and at what maximum price.
- **Order Matching:** Using the exchange's transparent mechanism to ensure all shareholders have equal access to sell.

CONCEPTUAL MCQs

Q1. Why did SEBI originally decide to phase out open market buybacks?

- A) Because companies were running out of cash.
- B) Due to concerns over unequal shareholder participation and tax arbitrage.
- C) Because the Stock Exchange was too slow to handle them.
- D) Because the Government wanted to ban all buybacks.

Q2. From April 2026, how are buyback proceeds treated for tax purposes in India?

- A) The company pays a 20% flat tax, and it is tax-free for shareholders.
- B) They are taxed as capital gains in the hands of the shareholders.
- C) They are completely exempt from all taxes to encourage investment.
- D) They are taxed as "Gift Income."

Q3. What is a primary advantage of the "Open Market" route over the "Tender Offer" route for a company?

- A) It allows the company to buy shares at a much higher price than the market.
- B) It allows the company to absorb selling pressure gradually over a period of time.
- C) It requires zero disclosure to the public.
- D) It allows the company to keep the shares in a secret locker.

Q4. What is the impact of a successful buyback on a company's Earnings Per Share (EPS)?

- A) EPS decreases because the company has less cash.
- B) EPS typically increases because the total number of outstanding shares decreases.
- C) EPS remains exactly the same.
- D) EPS becomes zero.

ANSWERS

Q1: B (Explanation: Previously, different tax treatments for different types of selling created inequity.)

Q2: B (Explanation: This recent tax change is the "trigger" that allowed SEBI to reconsider the open market route.)

Q3: B (Explanation: Open market buybacks act as a "buffer" for the stock price over several weeks or months.)

Q4: B (Explanation: $\text{EPS} = \frac{\text{Net Income}}{\text{Total Shares}}$. If the denominator (shares) goes down, the EPS goes up.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
SEBI Grade A	Security Laws, Buyback Regulations, Corporate Actions	Critical

Agriculture

1. The 'Tea Mark' Quality Certification Scheme

Context

- The state-run **Tea Board of India** is introducing a new certification called "**Tea Mark**", expected to roll out in **May 2026**.
- The Purpose:** To implement **traceability** in the supply chain, curb adulteration, and prevent the blending of high-quality Indian tea with inferior varieties.
- Target:** Eligible tea manufacturers registered under the **Tea (Marketing) Control Order, 2003**.

KEY FEATURES OF THE SCHEME

1. Nature of the Scheme

- Voluntary:** Manufacturers are not forced to join, but those who do gain a competitive edge by proving their quality.
- Verification:** The mark signifies that the tea has been tested and verified against **Food Safety Standards (FSSAI)** and existing control orders.

2. Digital Traceability & Verification

- Supply Chain Integrity:** The Board will use digital tools to track the tea from the garden to the final package, ensuring the "origin" is not misrepresented.
- Testing:** Verification will be conducted through **empanelled testing laboratories**.
- Enforcement:** The Board will take legal action against the misuse of the logo or false quality declarations.

3. Promotion & E-Commerce

- The Tea Board may develop a dedicated **e-commerce platform** specifically to promote and facilitate the sale of "Tea Mark" certified products to global and domestic buyers.

TEA CONSUMPTION LANDSCAPE IN INDIA

India holds a massive stake in the global tea market:

- Global Standing:** 2nd largest producer globally; **1st largest producer of black tea**.
- Total Consumption (2023):** ~1,197 million kgs.
- Per Capita Consumption:** ~840 grams annually.
 - Urban:** 925 grams.
 - Rural:** 797 grams.

CONCEPTUAL MCQs

Q1. What is the primary objective of the "Tea Mark" certification? A) To make tea mandatory for all

citizens.

- B) To ensure traceability and verify that tea meets food safety and quality benchmarks.
- C) To increase the price of tea by 500% automatically.
- D) To replace the existing Coffee Board of India.

Q2. Is the "Tea Mark" scheme mandatory for all Indian tea producers?

- A) Yes, all citizens must use it.
- B) No, it is voluntary for eligible registered manufacturers.
- C) It only applies to imported teas.
- D) It is only for tea sold in rural areas.

Q3. Which digital mechanism will the Tea Board use to ensure the integrity of the tea?

- A) Satellite radio broadcasting.
- B) Digital traceability and verification of the supply chain.
- C) Social media "likes" on the product page.
- D) Cryptomining in tea gardens.

Q4. India is the world's largest producer of which specific type of tea?

- A) Green Tea
- B) Oolong Tea
- C) Black Tea
- D) White Tea

Q5. Based on the data provided, where is the per capita consumption of tea higher in India?

- A) Rural areas
- B) Urban areas
- C) It is exactly equal in both.
- D) Only in the Himalayan region.

ANSWERS

Q1: B (Explanation: The mark acts as a "seal of trust" for quality and origin.)

Q2: B (Explanation: Voluntary schemes encourage quality through market incentives rather than force.)

Q3: B (Explanation: Digital tracking prevents the "middle-man" from blending inferior teas into premium batches.)

Q4: C (Explanation: India is the 2nd largest producer of all tea, but 1st in Black Tea.)

Q5: B (Explanation: Urban consumption is 925g vs. 797g in rural areas.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
NABARD Grade A	ARD (Agri-Marketing & Supply Chain); Plantation Sector	Critical
State PCS	Agriculture & Export Promotion (Assam/WB/Kerala)	Critical

2. Southeast Asia's Agri-Tech Opportunity: Lessons from India

Context

- A new report titled *"The Opportunity for AgriTech Investment in Southeast Asia"* highlights that digitalization could unlock **\$90 billion in annual GDP gains** in Southeast Asia by 2033.

- **The Model:** The report identifies **India's agri-tech evolution**—specifically its venture capital maturity and governance—as the "genuine roadmap" for Southeast Asian markets.
- **The Reality Check:** After a peak of \$750 million in 2022, investment fell 70% by 2025 due to a "sharp correction" as investors realized the difficulty of scaling across fragmented markets.

KEY SECTORS WITH MOMENTUM

The report identifies four specific verticals poised for growth in the region:

1. **Digital Value Chains:** Streamlining the path from farm to fork.
2. **Inclusive Agri-Fintech:** Providing credit and insurance to smallholder farmers.
3. **Agri-food Life Sciences:** Innovations in seeds, soil health, and biologicals.
4. **Sustainable Consumer Brands:** Meeting the demand for traceable and eco-friendly food.

CRITICAL FINDINGS: THE "SEASA" CHALLENGE

The report challenges the assumption of a unified "South East and South Asia" (SEASA) market:

- **The Failure Rate:** Over **60% of venture collapses** between 2022 and 2025 were caused by **premature regional expansion**.
- **Local Execution:** 2/3 of cross-border expansion attempts failed. The most successful ventures are "single-market plays" that focus on deep local execution.
- **Exit Strategy:** Corporate acquisitions account for 75% of exits. The report suggests that SEASA should look at **India's BSE SME and NSE Emerge** platforms as models for providing IPO routes to growth-stage startups.

THE ROLE OF CAPITAL

- **The Stack:** Development Finance Institutions (DFIs) and impact investors have committed **\$650 million** to the region.
- **The Future:** Scaling will now require a "blended finance" approach—combining **equity, credit, and concessional capital** (low-interest or grant-based funding).

CONCEPTUAL MCQs

Q1. According to the report, what is the primary reason for the 60% collapse in agri-tech ventures between 2022 and 2025?

- A) Lack of interest from farmers.
- B) Premature regional expansion across different countries.
- C) High taxes on agricultural products.
- D) A global shortage of seeds.

Q2. Which Indian stock market platforms are cited as models for providing exit opportunities for agri-tech startups?

- A) Nifty 50 and Sensex.
- B) BSE SME and NSE Emerge.
- C) MCX and NCDEX.
- D) RBI Retail Direct.

Q3. What percentage of the Southeast Asian workforce is employed in agriculture?

- A) 15%
- B) 25%
- C) 40%

D) 60%

Q4. What is "Blended Finance," as suggested for the next phase of agri-tech scaling?

- A) Using only government grants.
- B) A mix of equity, credit, and concessional (impact) capital.
- C) Trading crops directly for technology.
- D) Investing only in organic fertilizers.

ANSWERS

Q1: B (Explanation: Fragmentation makes it hard to copy-paste a business model from one country to another.)

Q2: B (Explanation: These platforms allow smaller companies to list on the stock exchange without meeting the massive requirements of a main-board IPO.)

Q3: C (Explanation: While it contributes 15% to GDP, it is a massive employer, supporting 40% of the population.)

Q4: B (Explanation: High-risk agri-tech needs more than just private profit-seeking equity; it needs supportive credit and impact funds.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
NABARD Grade A	ARD (Agri-Tech & Financing Models)	Critical
RBI Grade B	ESI (Sustainable Development & Agri-Finance)	Moderate

Facts To Remember

1. MoEFCC Designates 'Bhavasagara' as India's First Deep-Sea Fauna Repository

Ministry of Environment Forest and Climate Change designated Bhavasagara at CMLRE Kochi as India's first deep-sea fauna repository to conserve biodiversity, store DNA data, hold type specimens, and support marine research and taxonomy.

2. India Becomes Global Leader in Issuing IRCCs under Nagoya Protocol

National Biodiversity Authority made India the top issuer of IRCCs under Nagoya Protocol with over 56% share globally, reflecting strong implementation of biodiversity and ABS framework.

3. MoSPI Develops India SDG Dashboard with UN Support

Ministry of Statistics and Programme Implementation launched SDG dashboard with UN to track progress, support data-driven policymaking, and align with National Indicator Framework.

4. MoE and CBSE Launch AI Curriculum for Classes 3–8

Ministry of Education and Central Board of Secondary Education introduced AI and computational thinking curriculum to build coding, logic, and digital skills aligned with NEP 2020.

5. DoT Extends SIM-Binding Deadline for OTT Platforms to December 2026

Department of Telecommunications extended SIM-binding deadline for OTT apps to enhance cybersecurity, prevent fraud, and ensure safer digital communication.

6. India's First Coal-to-Ammonium Nitrate Project Approved in Odisha

Bharat Coal Gasification and Chemicals Limited and Mahanadi Coalfields Limited signed agreement for ₹25,000 crore project using indigenous technology to boost energy and chemical production.

7. CMS COP15 Concludes in Brazil with New Species Protection

Convention on Migratory Species COP15 added 40 species for protection, focusing on conservation amid declining migratory species populations.

8. Lt Gen Dhiraj Seth Assumes Charge as Vice Chief of Army Staff

Dhiraj Seth took charge as VCOAS, strengthening leadership in strategic planning and operational management in Indian Army.

9. CSL Delivers ASW Craft 'Malwan' to Indian Navy

Cochin Shipyard Limited delivered ASW craft Malwan, enhancing coastal defence with advanced anti-submarine warfare capabilities.

10. NASA Launches Artemis II Crewed Lunar Mission

NASA launched Artemis II, first crewed lunar mission since Apollo era, testing deep-space systems and advancing Moon exploration.

11. VP Releases Sudha Murty's Book 'Tides of Time'

C. P. Radhakrishnan released book by Sudha Murty highlighting India's history through Parliament murals.

12. World Autism Awareness Day Observed on April 2

World Autism Awareness Day observed globally to promote inclusion, awareness, and rights of individuals with Autism Spectrum Disorder.

13. Meghalaya Signs LoI with Starlink for Digital Connectivity

Meghalaya government partnered with Starlink to expand internet access in remote areas, improving governance and economic opportunities.

FIVE TO REMEMBER · 3 APRIL 2026

1. **Commercial Banks Governance Directions, 2025:** The latest set of RBI rules that dictate how bank boards must be structured, the tenure of CEOs, and the level of independence required to protect depositors' interests. *Emirates NBD Acquisition of RBL Bank: RBI Appro...*
2. The delivery, made by Garden Reach Shipbuilders & Engineers (**GRSE**), Kolkata on March 30, 2026, completes the four-ship contract signed in October 2018. *Survey Vessel (Large) 'Sanshodhak'*
3. **The Deadline:** Insurers must submit a compliance report within **15 days**. If non-compliance is found, an action plan to fix the interface must be submitted within **one month**. *IRDAI Cracks Down on 'Dark Patterns' in Insuran...*
4. **Target:** Eligible tea manufacturers registered under the **Tea (Marketing) Control Order, 2003**. *The 'Tea Mark' Quality Certification Scheme*
5. **The Reality Check:** After a peak of \$750 million in 2022, investment fell 70% by 2025 due to a "sharp correction" as investors realized the difficulty of scaling across fragmented markets. *Southeast Asia's Agri-Tech Opportunity: Lessons...*

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DAY 4 OF 23

4 April 2026

Saturday · 22 items · 3 topics

National Affairs 5 · Banking and Finance 4 · Facts To Remember 13

Daily Current Affairs Quiz**4 April, 2026****National Affairs****1. Commissioning of INS Taragiri (P17A Stealth Frigate)****Context:**

- The Indian Navy has officially commissioned **INS Taragiri**, a technologically advanced guided-missile stealth frigate, at a ceremony in Visakhapatnam.
- **The Builder:** The warship was constructed by **Mazagon Dock Shipbuilders Limited (MDL)** in Mumbai, further cementing India's capabilities in complex naval engineering.
- **Project 17A:** Taragiri is a key vessel under **Project 17A (Nilgiri-class)**, which involves building seven advanced frigates (four by MDL and three by GRSE).

CORE CAPABILITIES & TECHNOLOGY

INS Taragiri is designed for multi-dimensional warfare, capable of neutralizing threats in the air, on the surface, and underwater.

1. Stealth Features

- **Advanced Hull Design:** The ship uses a specialized "low-observability" geometry and radar-absorbent materials to minimize its **Radar Cross Section (RCS)**, making it difficult for enemy sensors to track.
- **Acoustic Silencing:** Technologies are integrated to reduce the noise and vibration signature, making the ship harder for enemy submarines to detect via sonar.

2. "BrahMos" Strike Capability

- **Offensive Power:** The frigate is equipped with a vertical launch system for the **BrahMos supersonic cruise missile**, allowing for high-precision strikes against sea and land targets at speeds of Mach 2.8.

3. Integrated Weapon-Sensor Suite

- **Air Defense:** Armed with **Barak-8 (LR-SAM)** missiles to intercept incoming aircraft and anti-ship missiles.
- **Anti-Submarine Warfare (ASW):** Features indigenous triple-tube torpedo launchers and rocket launchers, supported by an advanced sonar suite.
- **Propulsion:** Utilizes a **Combined Diesel or Gas (CODOG)** configuration, allowing for fuel-efficient patrolling and high-speed combat sprints.

CONCEPTUAL MCQs**Q1. Which shipyard is responsible for the construction of INS Taragiri?**

- A) Garden Reach Shipbuilders & Engineers (GRSE)
- B) Mazagon Dock Shipbuilders Limited (MDL)
- C) Cochin Shipyard Limited (CSL)

"Every mock test is a mirror. Look at the mistakes, not the score."

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D) Hindustan Shipyard Limited (HSL)

Q2. What is the primary advantage of the 'Stealth' technology used in Project 17A ships?

- A) It allows the ship to travel faster than light.
- B) It significantly reduces the ship's radar, thermal, and acoustic signatures.
- C) It makes the ship completely invisible to the human eye.
- D) It allows the ship to fly for short distances.

Q3. Which missile system provides INS Taragiri with its primary long-range strike capability?

- A) Agni-P
- B) Prithvi-II
- C) BrahMos Supersonic Cruise Missile
- D) Astra Beyond Visual Range Missile

ANSWERS

Q1: B (Explanation: MDL is building four of the seven ships in this class, including Taragiri.)

Q2: B (Explanation: Stealth is about "signature management"—making the ship a harder target for electronic sensors.)

Q3: C (Explanation: BrahMos is the standard strike weapon for India's frontline surface combatants.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
NDA / CDS / AFCAT	Naval Projects, Weapon Systems, Ship Builders	Critical
UPSC CSE	GS-3 Security (Indigenization & Defence Tech)	High

2. INS Aridhaman: India's Third Nuclear-Powered Submarine

Context

- Defence Minister Rajnath Singh presided over the commissioning of **INS Aridhaman (S4)**, India's third nuclear-powered ballistic missile submarine (**SSBN**), in a quiet ceremony at Visakhapatnam.
- **The Class:** It is the third vessel in the **Arihant-class**, following *INS Arihant* (2016) and *INS Arighaat* (2024).
- **Strategic Significance:** This induction strengthens India's **Nuclear Triad**—the ability to launch nuclear weapons from land, air, and sea—providing a critical "second-strike" capability.

EVOLUTION OF THE ARIHANT CLASS

The project, originally known as the **Advanced Technology Vessel (ATV)** project, has evolved significantly in size and power.

Feature	Arihant & Arighaat	Aridhaman (S4) & S4*
Displacement	~6,000 tonnes	~7,000 tonnes (Bigger)
Firepower	Standard	Enhanced (More missile tubes)
Status	Operational	Newly Commissioned

KEY TECHNICAL CONCEPTS

1. SSBN vs. SSN

- **SSBN (Submersible Ship Ballistic Nuclear):** These are the "silent sentinels." They carry long-range ballistic missiles (like the K-series) and are designed to stay hidden for months to act as a deterrent.

"Every mock test is a mirror. Look at the mistakes, not the score."

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- **SSN (Submersible Ship Nuclear):** These are "hunters." While also nuclear-powered, they carry conventional weapons and are used to track and attack other ships or submarines.

2. The Nuclear Triad

A triad ensures that even if a country's land-based missiles and airbases are destroyed in a surprise attack, the sea-based leg (submarines) remains hidden to launch a retaliatory strike.

3. Indigenous Development

The project is executed by the **Ship Building Centre (SBC)** in Visakhapatnam. While *Aridhaman* is now commissioned, its successor, **S4*** (tentatively named *Arisudan*), is already undergoing sea trials.

CONCEPTUAL MCQs

Q1. What does the term "Nuclear Triad" signify in the context of Indian defense?

- A) Having three different types of nuclear power plants.
- B) The ability to launch nuclear weapons from land, air, and sea.
- C) A defense pact between India, the US, and Russia.
- D) Using nuclear energy for agriculture, medicine, and electricity.

Q2. How does INS Aridhaman (S4) differ from the first two Arihant-class submarines?

- A) It is smaller and faster for coastal patrolling.
- B) It has a larger displacement (~7,000 tonnes) and more firepower.
- C) It is powered by diesel instead of nuclear energy.
- D) It is the first submarine to be built entirely by a private startup.

ANSWERS

Q1: B (Explanation: Sea-based deterrence is considered the most survivable leg of the triad because submarines are difficult to track.)

Q2: B (Explanation: The S4 and S4* models are "stretched" versions of the original design to accommodate more or larger missiles.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
NDA / CDS	SSBN vs SSN, Ship Names, Nuclear Triad	Critical
UPSC CSE	GS-3 Internal Security & Indigenization of Technology	High

3. Kar Saathi: The AI-Powered Tax Assistant

Context

- **The Launch:** The Income Tax Department has introduced '**Kar Saathi**', an advanced AI-enabled taxpayer assistance platform.
- **The Framework:** The platform is specifically designed to support the transition to the **new Income Tax Act, 2025**.
- **The Role:** It serves as a 24/7 digital concierge to simplify filing and compliance for millions of Indian taxpayers.

KEY FEATURES OF KAR SAATHI

Kar Saathi is more than just a chatbot; it is an integrated service delivery layer:

- **24/7 Intelligent Support:** Provides instant answers to queries regarding ITR filing, tax provisions, deductions, and refunds without human intervention.

- **One-Stop Portal:** Consolidates forms, challans, e-payment links, and e-verification tools into a single, user-friendly interface.
- **Act Transition Support:** Specifically programmed to explain the changes between the old tax regime and the **Income Tax Act, 2025**.
- **Grievance Redressal:** Assists users in tracking the status of notices and filing grievances directly through the AI interface.

CONCEPTUAL MCQs

Q1. What is the primary objective of the 'Kar Saathi' platform?

- A) To physically collect cash taxes from rural areas.
- B) To provide 24/7 AI-based assistance for tax filing and compliance under the new Act.
- C) To replace the Reserve Bank of India.
- D) To act as a social media platform for taxpayers.

Q2. Kar Saathi is launched to support the smooth transition to which specific legislative framework?

- A) Income Tax Act, 1961
- B) Companies Act, 2013
- C) Income Tax Act, 2025
- D) Finance Act, 2020

Q3. How does Kar Saathi contribute to 'Faceless' governance?

- A) By requiring all taxpayers to wear masks during filing.
- B) By providing digital, AI-driven guidance that removes the need for face-to-face interaction with tax officials.
- C) By hiding the name of the taxpayer from the computer.
- D) By deleting the taxpayer's photo from the PAN database.

Q4. Which of the following is NOT a feature of Kar Saathi?

- A) E-verification support
- B) Access to tax forms and challans
- C) Automatic deduction of money from your bank without consent
- D) 24/7 query resolution for ITR filing

ANSWERS

Q1: B (Explanation: It is an AI assistant meant to simplify the filing process.)

Q2: C (Explanation: The 2025 Act is the new framework the assistant is built to navigate.)

Q3: B (Explanation: Technology-driven governance aims to make the system objective and transparent by removing human bias.)

Q4: C (Explanation: The platform provides assistance and payment links, but the taxpayer must authorize all transactions.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Economy (Mobilization of Resources); GS-2 (E-Governance)	High
RBI Grade B	ESI (Digital Governance & Fiscal Policy)	High
SSC / Banking	Current Affairs: New Government Portals & AI Apps	High

4. SAMPANN Platform: Digitalizing Pension Management

Source: Press Information Bureau (PIB)

Context

- **The Expansion:** The Government of India has signed a landmark agreement to provide **SAMPANN** as a **Platform-as-a-Service (PaaS)** to the **State Government of Goa** and the **Cochin Port Authority**.
- **The Shift:** Originally developed for telecom pensioners, the platform is now being "shared" with other state and autonomous bodies to standardize pension processing across India.

BACKGROUND CONCEPTS

1. What is SAMPANN?

SAMPANN stands for **System for Accounting and Management of Pension**. Launched on December 29, 2018, by the **Department of Telecommunications (DoT)**, it is a cloud-based, end-to-end digital window for everything related to a government employee's retirement benefits.

2. Platform-as-a-Service (PaaS)

In this context, PaaS means the Central Government has built the "engine" (the software, security, and cloud hosting). Other entities like the Goa Government don't need to build their own expensive software from scratch; they simply "subscribe" to SAMPANN and use its tools to pay their own pensioners.

3. Direct Benefit Transfer (DBT) in Pensions

SAMPANN eliminates "middle-layer" delays. The money moves directly from the government accounting office to the pensioner's bank account. This prevents "ghost pensioners" (fraudulent accounts) and ensures the full amount reaches the beneficiary.

KEY FEATURES & SCALE

- **End-to-End Lifecycle:** It handles the case from the moment an employee's retirement is initiated, through auditing and authorization, to final monthly payments.
- **Massive Scale:** The platform currently disburses an average of **₹1,650 crore monthly**.
- **Cumulative Impact:** It has successfully processed over **₹72,000 crore** in total disbursements to date.
- **Citizen-Centricity:** It reduces the "administrative burden" on elderly citizens, removing the need for physical visits to multiple offices for pension slips or tax forms.

CONCEPTUAL MCQs

Q1. What is the full form of the SAMPANN platform?

- A) System for Analysis and Management of National Networks
- B) System for Accounting and Management of Pension
- C) State Authority for Monitoring Pension and National Networks
- D) Strategic Assets and Management of Pensioners' National Network

Q2. Which Union Ministry/Department originally developed the SAMPANN platform?

- A) Ministry of Finance
- B) Department of Telecommunications (DoT)
- C) Ministry of Social Justice and Empowerment
- D) Ministry of Home Affairs

Q3. The agreement with the Goa Government allows them to use SAMPANN as a "PaaS". What does this imply?

- A) Goa will buy the physical computers from the Central Government.

- B) Goa will use the existing SAMPANN digital infrastructure as a service to manage its own pensions.
 C) Goa will only use the platform for one month as a trial.
 D) The Central Government will now pay for all of Goa's state pensions.

Q4. What is the primary benefit of a "Cloud-Based" pension system like SAMPANN?

- A) It makes the website look like clouds.
 B) It ensures the system is accessible from anywhere, scalable for millions of users, and highly secure.
 C) it allows the government to print money faster.
 D) It only works when the weather is clear.

ANSWERS

Q1: B (Explanation: The name reflects its core function of accounting and managing pension funds.)

Q2: B (Explanation: It was a flagship project of the DoT under the Digital India Mission.)

Q3: B (Explanation: Platform-as-a-Service allows different organizations to use a common software framework efficiently.)

Q4: B (Explanation: Cloud infrastructure removes the limitations of local hardware and allows for seamless updates and access.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 (E-Governance & Digital India); GS-3 (Mobilization of Resources)	High
SSC / Banking	Government Schemes, Portals, and Acronyms	High
State PCS	Digital Initiatives (Specific focus for Goa/Kerala candidates)	Critical

5. YUVIKA: ISRO's Young Scientist Programme

Context

- **The Highlight:** During a Lok Sabha session, the Union Minister emphasized that **YUVIKA** has successfully benefited **1,320 students** to date.
- **The Goal:** The programme is effectively fostering a "scientific temper" and early interest in space exploration among India's youth.

BACKGROUND CONCEPTS

1. What is YUVIKA?

YUVIKA stands for **Yuva Vigyani Karyakram** (Young Scientist Programme). Launched by the **Indian Space Research Organisation (ISRO)**, it is a residential training initiative that brings school students into ISRO centers to learn directly from scientists.

2. Why Class 9?

Educators and scientists believe that Class 9 is a "threshold" year where students begin to form concrete career aspirations. By catching talent at this stage, ISRO aims to build a steady pipeline of future engineers and researchers for India's growing space economy.

3. Scientific Temper

This term (enshrined in the Indian Constitution) refers to a way of life that uses the scientific method—observation, questioning, testing, and logical analysis—to understand the world. YUVIKA uses hands-on models and laboratory visits to move beyond "rote learning."

KEY FEATURES & SELECTION PROCESS

The programme is designed to be highly competitive yet inclusive:

- **Eligibility:** Specifically targeted at students who have finished Class 8 and are currently in **Class 9**.
- **Merit-Based Selection:** * **Academic Performance:** Shortlisting based on Class 8 marks.
 - **Digital Quiz:** Performance in an online space science quiz.
 - **Extracurriculars:** Participation in science fairs and Olympiads is also weighted.
- **The Rural Push:** To ensure the programme isn't limited to urban elites, **15% of seats are reserved** for students from rural and remote areas.
- **Hands-on Learning:** Students visit ISRO facilities (like SDSC SHAR, Sriharikota) to see launch pads, satellites, and mission control centers.

CONCEPTUAL MCQs

Q1. What is the expanded form of the YUVIKA programme?

- A) Yuva Vikas Kendra
- B) Yuva Vigyani Karyakram
- C) Youth Victory Karnataka
- D) Yuva Vishwa Karyalaya

Q2. Which organization is responsible for conducting the YUVIKA programme?

- A) DRDO
- B) CSIR
- C) ISRO
- D) Department of Atomic Energy

Q3. To ensure geographic inclusivity, YUVIKA provides a specific reservation for which group?

- A) 15% for students from rural and remote areas.
- B) 50% for international students.
- C) 10% for students who only speak Sanskrit.
- D) 25% for college graduates.

Q4. At what specific educational stage are students eligible to apply for YUVIKA?

- A) After graduating from University.
- B) When they are in Class 5.
- C) When they are in Class 9.
- D) During their Ph.D. research.

ANSWERS

Q1: B (Explanation: The name translates to "Young Scientist Programme.")

Q2: C (Explanation: It is ISRO's flagship outreach programme for schools.)

Q3: A (Explanation: This helps bridge the urban-rural divide in scientific exposure.)

Q4: C (Explanation: The programme targets Class 9 students to influence their future career choices early.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 (Education & Human Resources); GS-3 (Science & Tech)	High
SSC / Railways	Important Government Schemes & Acronyms	High
State PCS	Science & Tech Initiatives for Youth	Moderate

Banking and Finance

1. RBI Pilot: Benchmark Issuance Strategy (BIS) for SDLs

Context

- The Reserve Bank of India (RBI) has introduced a pilot **Benchmark Issuance Strategy (BIS)** for State Development Loans (SDLs) starting in Q1 FY27.
- **Participating States:** Nine states—Andhra Pradesh, Bihar, Chhattisgarh, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Telangana, and Uttar Pradesh—will participate in the pilot.
- **The Goal:** To reduce market fragmentation, increase liquidity, and improve "price discovery" (determining the fair market value) of state bonds.
- **Borrowing Plan:** States and UTs plan to raise **₹2.54 trillion** in Q1 FY27, which is lower than the market's initial expectation of ₹2.75–3 trillion.

BACKGROUND CONCEPTS

1. What are SDLs (State Development Loans)?

SDLs are debt securities issued by State Governments to fund their budgetary requirements (like infrastructure projects or social schemes). They are managed by the RBI. While they are considered very safe, they traditionally offer a higher interest rate (yield) than Central Government Securities (G-Secs) because they are less "liquid" (harder to buy and sell quickly).

2. Market Fragmentation

Currently, states often issue bonds with random maturities (e.g., a 7-year bond today, a 9-year bond next week). This creates hundreds of tiny, different "pockets" of debt. Investors find it hard to trade these because there isn't a large, single pool of a specific bond. This is called **fragmentation**.

3. Benchmark Issuance Strategy (BIS)

The BIS mimics how the Central Government borrows. Instead of random dates and tenors, the nine pilot states will:

- Issue bonds in **predefined maturity buckets** (standardized tenors like 5, 10, or 30 years).
- Follow a **pre-announced calendar**, providing predictability to investors.
- Concentrate borrowing into "larger" individual bond issues, creating **benchmark securities** that are easier to trade.

[Image explaining the difference between fragmented issuance vs benchmark issuance]

4. Yields and Spreads

- **Yield:** The effective interest rate an investor earns on a bond.
- **Spread:** The difference between the SDL yield and the G-Sec yield. A lower spread means the state is borrowing more efficiently. Market participants expect the impact on yields to be **gradual** because the overall supply of state bonds remains high.

CONCEPTUAL MCQs**Q1. What is the primary problem the Benchmark Issuance Strategy (BIS) aims to solve?**

- A) High taxes on state governments.
- B) Market fragmentation and low liquidity in State Development Loans.
- C) The inability of states to borrow from foreign countries.
- D) A shortage of physical paper to print bond certificates.

Q2. How does "standardizing tenors" help an investor?

- A) It allows them to choose the color of the bond.
- B) It creates larger, liquid benchmark securities that are easier to buy and sell in the secondary market.
- C) It guarantees that the state will never go into debt.
- D) It shortens the working hours of the stock exchange.

Q3. Which of the following states is NOT mentioned as part of the initial nine-state pilot for BIS?

- A) Maharashtra
- B) Uttar Pradesh
- C) Tamil Nadu
- D) Rajasthan

Q4. What is the relationship between "Liquidity" and "Yield" in the bond market?

- A) Higher liquidity usually leads to higher yields.
- B) Higher liquidity generally makes a bond more attractive, potentially lowering the "spread" and borrowing costs over time.
- C) They have no relationship.
- D) Liquidity only matters for gold, not bonds.

ANSWERS**Q1: B** (Explanation: Concentration in specific tenors creates a "benchmark" that everyone trades, rather than hundreds of small, illiquid bonds.)**Q2: B** (Explanation: Investors prefer standardized "buckets" because they know exactly what they are buying and can find other buyers easily.)**Q3: C** (Explanation: According to the report, the nine states are AP, Bihar, Chhattisgarh, Kerala, MP, Maharashtra, Rajasthan, Telangana, and UP.)**Q4: B** (Explanation: If a bond is easy to sell (liquid), investors are willing to accept a slightly lower interest rate for that convenience.)**EXAM RELEVANCE**

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – Debt Markets, State Finances, RBI as Debt Manager	Critical
SEBI Grade A	Bond Market Mechanics & Liquidity	Moderate

2. Microfinance: Displacing Informal Credit (2011–2025)

Source: FE

Context

- A major study by the **Microfinance Industry Network (MFIN)** and **NCAER** reveals that informal

borrowing (from moneylenders) among microfinance customers has collapsed from **46% in 2011** to just **1% in FY25**.

- **High-Level Endorsement:** Chief Economic Advisor (CEA) **V. Anantha Nageswaran** hailed the findings as a reason to be "ambitious," noting the strong bond of trust between MFIs and millions of borrowers.
- **Scope:** The survey covered **10,342 borrowers** across 10 states and 19 regulated entities.

CORE FINDINGS

1. Displacement of Moneylenders

The study confirms that formal, regulated microfinance has successfully displaced high-cost informal sources. This is a massive victory for financial inclusion, as it moves vulnerable populations away from the "debt traps" of local moneylenders.

2. Utilization for Livelihoods

Microfinance in India is primarily "productive" rather than "consumptive":

- **75% of loans** are used for business/enterprise purposes.
- **Over 50% of borrowers** repay their loans using the income generated specifically from the activities funded by the loan.

3. Digital Evolution

The sector is in the middle of a digital transition:

- **Disbursements:** Now **100% digital**, credited directly to bank accounts.
- **Repayments:** While still largely cash-based (group meetings), **12% of borrowers** have started using digital repayment channels (like UPI).

4. Responsible Lending (FOIR)

The study noted a **Fixed Obligation to Income Ratio (FOIR)** of **18.7%**. This is significantly healthier than the RBI's maximum permissible threshold of **50%**, indicating that borrowers are not being over-leveraged.

BACKGROUND CONCEPTS:

1. What is FOIR?

The **Fixed Obligation to Income Ratio** measures how much of a borrower's monthly income goes toward paying off debts (EMI).

- **Low FOIR (18.7%):** Suggests the borrower has plenty of "disposable income" left for food, education, and savings.
- **High FOIR:** Increases the risk of default and "over-indebtedness."

2. The Trust Dividend

The study highlights a high level of **borrower trust**:

- **98%** reported positive behavior from MFI staff.
- **88%** expressed a desire to return to their existing lender for future needs. This "trust" allows MFIs to act as more than just lenders—they can become vehicles for **financial literacy** and **skilling**.

3. Impact of "Regulated Entities"

Unlike moneylenders, regulated MFIs (NBFC-MFIs, Banks, SFBs) follow RBI's "Fair Practices Code," which ensures transparency in interest rates and prevents coercive recovery methods.

CONCEPTUAL MCQs

Q1. According to the MFIN-NCAER study, what has been the change in informal borrowing among MFI customers since 2011?

- A) It has increased from 1% to 46%.
- B) It has remained stagnant at 25%.
- C) It has collapsed from 46% to 1%.
- D) It has been banned by the Supreme Court.

Q2. What is the average Fixed Obligation to Income Ratio (FOIR) reported in the study?

- A) 50%
- B) 18.7%
- C) 98%
- D) 75%

Q3. What percentage of microfinance loans are used for business/productive purposes?

- A) 12%
- B) 25%
- C) 50%
- D) 75%

Q4. Why does the Chief Economic Advisor believe MFIs have an opportunity "beyond credit"?

- A) Because they have a strong relationship of trust with borrowers, which can be used for skilling and literacy.
- B) Because MFIs are running out of money to lend.
- C) Because the government wants to close all MFIs.
- D) Because borrowers no longer need money.

ANSWERS

Q1: C (Explanation: This marks a decade-long shift toward formal financial systems.)

Q2: B (Explanation: This is well within the safe limits set by the RBI.)

Q3: D (Explanation: This refutes the criticism that microloans are used only for consumption.)

Q4: A (Explanation: Trust is the "social capital" that makes interventions like financial literacy more effective.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	ESI (Financial Inclusion, Rural Credit, NBFCs)	Critical
NABARD Grade A	ARD (Microfinance, SHGs/JLGs, Rural Livelihoods)	Critical

3. PFRDA: Reforms for Long-Term Capital & AIF Liquidity

Source: Mint

Context

- S. Ramann, Chairman of the **PFRDA**, is advocating for a structural shift in how pension money interacts with private markets.
- **The Vision:** He proposes **perpetual fund structures** for Venture Capital (VC) and Private Equity (PE) to replace the traditional 8–10 year fund cycles.
- **The Unlock:** Recent reforms allow the **National Pension System (NPS)** to invest up to **1%** of its Assets Under Management (AUM) into Alternative Investment Funds (AIFs), potentially unlocking **₹1.17 trillion**.

"Every mock test is a mirror. Look at the mistakes, not the score."

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BACKGROUND CONCEPTS

1. What are AIFs?

Alternative Investment Funds are private investment vehicles that pool money from sophisticated investors (LPs) to invest in non-traditional assets like startups, unlisted companies, or distressed assets.

- **GPs (General Partners):** The fund managers who make investment decisions.
- **LPs (Limited Partners):** The investors (like NPS, insurance firms, or wealthy individuals) who provide the capital.

2. The Problem with "Fixed-Term" Funds

Currently, most AIFs have a life of 8–10 years. At the end of this period, the GP **must** sell the assets and "fold up" the fund to repay investors.

- **The Downside:** This forces managers to sell "trophy assets" (high-performing companies) prematurely, often before they reach their full potential.

THE PROPOSED REFORMS

1. Perpetual Fund Structure

Instead of closing the fund after a decade, the fund remains active indefinitely.

- **Mechanism:** When an asset is sold, the capital is distributed to LPs as per agreement, but the fund structure stays intact. Managers can then raise fresh capital within the same "shell."
- **Benefit:** Supports long-term portfolio growth and matches the long-term nature of pension liabilities (which span 30–40 years).

2. Deeper Secondary Market

Because AIF units are "illiquid" (hard to sell before the fund ends), investors like the NPS often face "secondary funds" that demand a **30% discount** to buy their stake.

- **Solution:** Create a formal secondary market for AIF units to enable **price discovery**. If multiple buyers are interested, the discount shrinks, and public entities (like NPS) can justify the exit price.

3. Continuation Funds

These are "bridge" vehicles that allow LPs who need cash to exit, while the GP and other LPs stay invested in high-performing assets beyond the original fund deadline.

CONCEPTUAL MCQs

Q1. Why is the PFRDA Chairman advocating for "Perpetual Funds"?

- A) To make sure fund managers never retire.
- B) To avoid the forced sale of high-performing assets due to arbitrary 8–10 year deadlines.
- C) To allow pension funds to invest in cryptocurrency.
- D) To reduce the number of employees in the PFRDA.

Q2. What is the main barrier to NPS exiting an AIF investment currently?

- A) It is illegal to exit an AIF.
- B) The "illiquid" market leads to high discounts (up to 30%), which is hard for a public entity to justify.
- C) The SEBI chairman has banned secondary sales.
- D) There are no banks in India that handle AIF units.

Q3. What percentage of the NPS AUM is currently permitted for investment in AIFs?

- A) 1%

- B) 10%
- C) 50%
- D) 0.1%

Q4. What is "Price Discovery" in the context of a secondary market?

- A) Checking the price on the back of a product.
- B) The process of determining the fair market value of an asset through the interaction of multiple buyers and sellers.
- C) The government setting a fixed price for all stocks.
- D) Finding a discount coupon for an investment.

ANSWERS

Q1: B (Explanation: Long-term assets like startups often need more than 10 years to reach peak value.)

Q2: B (Explanation: Without a deep secondary market, sellers are at the mercy of "vulture" funds demanding deep discounts.)

Q3: A (Explanation: 1% of the ₹16.46 trillion AUM is roughly ₹1.17 trillion.)

Q4: B (Explanation: A competitive market ensures that an asset is sold at its true value rather than a distressed price.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
PFRDA Grade A	Pension Reforms, NPS Investment Guidelines	Critical
SEBI Grade A	AIF Regulations, Secondary Markets, Capital Markets	Critical

4. IRDAI Designates D-SIIs for FY26

Context

- The Insurance Regulatory and Development Authority of India (**IRDAI**) has designated three major insurers as **Domestic Systemically Important Insurers (D-SIIs)** for the Financial Year 2025–26.
- The List:** The status remains unchanged from previous years, featuring:
 - LIC** (Life Insurance Corporation of India)
 - GIC Re** (General Insurance Corporation of India)
 - NIACL** (The New India Assurance Company Limited)
- The Mandate:** These entities are subjected to enhanced regulatory supervision due to their critical role in the national economy.

BACKGROUND CONCEPTS

1. What is a D-SII?

D-SIIs are insurers perceived as **"Too Big or Too Important to Fail" (TBTF)**. Their size, market importance, and interconnectedness mean that any distress or failure in these companies would cause a "contagion effect," potentially destabilizing the entire Indian financial system.

2. Why "Systemic Importance" Matters

In a standard insurance failure, the impact is limited to the policyholders of that specific company. However, for a D-SII:

- Interconnectedness:** They lend to and invest in banks and other financial institutions. If they fail, those institutions lose a major source of capital.

- **Market Significance:** They provide essential services (like reinsurance or massive life covers) that the economy depends on daily.

3. Identification Parameters

IRDAI uses a specific methodology to identify these giants:

- **Size of Operations:** Measured by total revenue, premiums underwritten, and **Assets Under Management (AUM)**.
- **Global Presence:** Activities spanning across multiple international jurisdictions.
- **Lack of Substitutability:** If the firm fails, other insurers cannot easily or quickly step in to provide the same volume of services.

REGULATORY IMPLICATIONS

Being labeled a D-SII isn't just a title; it comes with "Higher Loss Absorbency" requirements:

- **Enhanced Capital:** These insurers are often required to maintain higher capital levels than standard firms to act as a buffer against shocks.
- **Intense Supervision:** IRDAI monitors their risk management frameworks, corporate governance, and intra-group transactions more frequently.
- **Resolution Planning:** They must have "living wills" or recovery plans to ensure they can be stabilized without a massive taxpayer-funded bailout.

CONCEPTUAL MCQs

Q1. Which of the following best describes the "Too Big to Fail" (TBTF) concept for D-SIIs?

- A) The company is so big it is illegal for it to make a loss.
- B) The company's failure would cause a significant, negative ripple effect across the entire national economy.
- C) The company is owned by all the citizens of India.
- D) The company is too big to be audited by the government.

Q2. Which three insurers have been designated as D-SIIs for FY26?

- A) HDFC Life, ICICI Lombard, and SBI Life
- B) LIC, GIC Re, and NIACL
- C) United India Insurance, Oriental Insurance, and Max Life
- /D) NICL, Star Health, and Bajaj Allianz

Q3. What is one of the primary parameters IRDAI uses to identify a D-SII?

- A) The number of employees in the company.
- B) The size of operations in terms of Assets Under Management (AUM) and global activities.
- C) The age of the CEO of the company.
- D) The number of advertisements the company runs on TV.

Q4. What is a likely regulatory requirement for an insurer designated as a D-SII?

- A) They are allowed to stop paying taxes.
- B) They must maintain higher capital buffers and undergo more intense supervision.
- C) They are prohibited from selling any new policies.
- D) They must merge with a bank within one year.

ANSWERS

Q1: B (Explanation: Systemic importance is about the "impact of failure" on the rest of the financial system.)

Q2: B (Explanation: LIC represents Life, NIACL represents General/Non-Life, and GIC Re represents Reinsurance.)

Q3: B (Explanation: Revenue and AUM are the primary indicators of a firm's "weight" in the financial market.)

Q4: B (Explanation: Extra "safety nets" are required because their stability is vital for the nation.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – Financial Institutions & Risk Management	Critical
IRDAI Grade A	Insurance Industry Trends & Regulations	Critical

Facts To Remember

1. US Imposes 100% Tariff on Patented Pharmaceuticals

Donald Trump announced a 100% tariff on patented drugs and APIs through an executive order. The move aims to boost domestic manufacturing in the US. It is expected to impact India's pharmaceutical exports significantly. The decision reflects increasing protectionism in global trade.

2. Microsoft Establishes AI Skill Center in Chandigarh University

Microsoft partnered with Chandigarh University to set up an AI Skill Center. It will offer certifications in AI, ML, cloud computing, and cybersecurity. Students will access 4400+ learning modules and hands-on training. The initiative supports employability and the 'AI for All' vision.

3. Myanmar Elects Min Aung Hlaing as President

Min Aung Hlaing was elected President by a military-dominated parliament. He secured 429 votes consolidating military control in civilian form. The development follows the 2021 coup and continued junta rule. It raises global concerns regarding democracy in Myanmar.

4. NSE and IGX Launch Natural Gas Derivatives Initiative

National Stock Exchange and Indian Gas Exchange partnered to launch gas derivatives based on GIXI. It aims to improve price discovery and risk management. The initiative enhances transparency and liquidity in gas markets. SEBI has approved the proposal.

5. INS Taragiri Commissioned into Indian Navy

Rajnath Singh commissioned INS Taragiri under Project 17A. The stealth frigate is equipped with advanced weapons and sonar systems. It strengthens India's naval combat capabilities. The ship joins the Eastern Fleet replacing older vessels.

6. UIDAI Partners with MapmyIndia for Aadhaar Services

Unique Identification Authority of India collaborated with MapmyIndia. Aadhaar centres are now integrated into the Mappls app for easy access. Users can locate authorised centres and services efficiently. It reduces misinformation and improves convenience.

7. Israel Delivers NEGEV LMGs to India

Israel Weapon Industries delivered 2000 NEGEV LMGs via PLR Systems. The deal includes technology transfer under Make in India. The weapons are lightweight, reliable, and NATO-compliant. It boosts India's defence manufacturing capabilities.

8. NSIL and Dhruva Space Sign MoU for Solar Panels

NewSpace India Limited signed an MoU with Dhruva Space. The collaboration focuses on satellite solar panel production. It enhances India's space manufacturing ecosystem. The global market is expected to grow significantly.

9. Uttarakhand and Odisha Police Receive President's Police Colours

Droupadi Murmu awarded the highest police honour to both forces. The recognition highlights service, discipline, and bravery. They contributed significantly to internal security and disaster management. It marks institutional excellence.

10. PM Modi Launches Karmayogi Sadhana Saptah 2026

Narendra Modi launched the national learning initiative for civil servants. It focuses on governance, technology, and capacity building. The programme includes workshops and AI-based tools. It marks five years of Mission Karmayogi.

11. International Children's Book Day Observed on April 2

International Children's Book Day marks the birth anniversary of Hans Christian Andersen. The 2026 theme is "Plant stories and the world will bloom." It promotes reading habits and creativity among children. The event is organised globally with UNESCO support.

12. Krishna Kumar Singh Takes Charge as SAIL CMD

Krishna Kumar Singh assumed interim CMD role of SAIL. The appointment follows Amarendu Prakash's resignation. His tenure is for three months from April 2026. Leadership continuity is ensured in the organisation.

13. Rassie van der Dussen Retires from International Cricket

Rassie van der Dussen retired from international cricket at age 37. He scored over 2600 ODI runs with consistent performance. He played key roles in ICC tournaments. He will continue domestic cricket and mentoring.

FIVE TO REMEMBER · 4 APRIL 2026

1. The Insurance Regulatory and Development Authority of India (**IRDAI**) has designated three major insurers as **Domestic Systemically Important Insurers (D-SIIs)** for the Financial Year 2025-26. IRDAI Designates D-SIIs for FY26
2. A major study by the **Microfinance Industry Network (MFIN)** and **NCAER** reveals that informal borrowing (from moneylenders) among microfinance customers has collapsed from **46% in 2011** to just **1% in FY25**. Microfinance: Displacing Informal Credit (2011-...
3. **The Framework:** The platform is specifically designed to support the transition to the **new Income Tax Act, 2025**. Kar Saathi: The AI-Powered Tax Assistant
4. **Project 17A:** Taragiri is a key vessel under **Project 17A (Nilgiri-class)**, which involves building seven advanced frigates (four by MDL and three by GRSE). Commissioning of INS Taragiri (P17A Stealth Fri...
5. **Massive Scale:** The platform currently disburses an average of **₹1,650 crore monthly**. SAMPANN Platform: Digitalizing Pension Manageme...

Now test yourself: c4scourses.in/daily-quiz/daily-quiz-4-april-2026/

DAY 5 OF 23

5 & 6 April 2026

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International Affairs 1 · National Affairs 4 · Banking and Finance 3 · Facts To Remember 15

Daily Current Affairs Quiz 05 & 06 April, 2026

International Affairs

1. The Hindu Kush Range

Source: The Telegraph

Context

- A magnitude **5.9 earthquake** recently struck Afghanistan's Hindu Kush region.
- **The Epicenter:** Located near **Jurm**, a town in the Badakhshan province of Afghanistan, known for being a frequent site of deep-seated seismic activity.

GEOGRAPHIC PROFILE: THE HINDU KUSH

1. Extent and Nations

The range stretches for **800 kilometers** across Central and South Asia. It acts as a bridge between the Middle East and the Indian Subcontinent, spanning **8 nations**:

- Afghanistan, Pakistan, India (Ladakh), Tajikistan, Kyrgyzstan, Uzbekistan, China, and Iran.
- **Transitions:** It merges with the **Karakoram Range** and the **Pamir Knot** (the "Roof of the World") to the east, while tapering into lower hills in Iran to the west.

2. Tectonic Origin

- **Collision Zone:** The range was formed by the ongoing collision between the **Indian Plate** and the **Eurasian Plate**.
- **Deep Earthquakes:** Unlike the Himalayas where quakes are often shallow, the Hindu Kush is famous for **intermediate-depth earthquakes** (70–300 km deep). This happens because a piece of the tectonic plate is "subducting" or sinking vertically into the Earth's mantle here.

[Image showing the subduction of the Indian plate beneath the Eurasian plate in the Hindu Kush region]

KEY CHARACTERISTICS

1. High Peaks and Ruggedness

- **Highest Point: Tirich Mir** (7,708 m) in the Chitral District of Pakistan.
- **Terrain:** Characterized by "jagged" peaks and deep, narrow valleys that have historically isolated various ethnic groups and protected them from invasions.

2. Hydrographic Significance (The Watershed)

The Hindu Kush is a "Water Tower" for Asia:

- **Northward:** It feeds the **Amu Darya** (historically the Oxus River), vital for Central Asian agriculture.
- **Southward:** It feeds the tributaries of the **Indus River**, essential for Pakistan and Northern India.

3. Historical Passes

- **Khyber Pass:** The most famous gateway between Afghanistan and Pakistan, used by silk road traders and invaders like Alexander the Great and Babur.
- **Salang Pass:** Connects Northern Afghanistan with Kabul; it features one of the world's highest road tunnels.

CONCEPTUAL MCQs

Q1. The Hindu Kush range is primarily formed by the collision of which two tectonic plates?

- A) African and Eurasian Plates
- B) Indian and Eurasian Plates
- C) Nazca and South American Plates
- D) Pacific and Australian Plates

Q2. Which peak is the highest point in the Hindu Kush mountain range?

- A) Mount Everest
- B) K2
- C) Tirich Mir
- D) Nanga Parbat

Q3. The Salang Pass, a critical transit route in the Hindu Kush, is located in which country?

- A) India
- B) Pakistan
- C) Afghanistan
- D) China

Q4. What makes the earthquakes in the Hindu Kush region unique compared to many other mountain ranges?

- A) They only happen in the summer.
- B) They are often deep-seated (intermediate depth) due to a sinking tectonic slab.
- C) They never cause any damage.
- D) They are caused by volcanic eruptions.

ANSWERS

Q1: B (Explanation: This is the same collision that created the Himalayas and the Karakoram.)

Q2: C (Explanation: Tirich Mir stands at 7,708m in Pakistan.)

Q3: C (Explanation: It is the main link between Kabul and the northern provinces of Afghanistan.)

Q4: B (Explanation: The vertical "tearing" or sinking of the subducting plate creates deep seismic zones.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-1 (Physical Geography); GS-3 (Disaster Management)	High
SSC / State PCS	World Geography: Highest Peaks & River Origins	High

National Affairs

1. Freshwater Fish in the Shivaliks

Source: Times of India

Context

- Palaeontologists have discovered freshwater fish fossils for the first time in the **Shivalik foothills** near Mohand (outskirts of Dehradun).
- This site was previously known exclusively for terrestrial (land) animal remains. Finding aquatic fossils suggests a much more diverse prehistoric ecosystem than previously understood.
- Timeline:** The fossils date back to the **Pliocene Epoch**, specifically around **4.5 million years ago**.
- The Team:** Researchers from the **Wadia Institute of Himalayan Geology (WIHG)**, Dehradun, and other institutions led the discovery.

THE DISCOVERY: OTOLITHS AND SPECIES

The researchers did not find full skeletons but rather **Otoliths**—the calcium carbonate "ear bones" of fish. These are highly resistant to decay and act as a "black box" for scientists, revealing the fish's age, species, and the water chemistry of its time.

1. Three Distinct Species Found:

- Snakehead (Channidae):** Known for being hardy predatory fish.
- Goby (Gobiidae):** Small, typically bottom-dwelling fish.
- Gourami (Osphronemidae):** This is the star of the find. It is the **first recorded appearance of a Gourami fossil in India** and only the second in the entire world (the first was in Sumatra, Indonesia).

BACKGROUND CONCEPTS

1. The Shivalik Group

The Shivalik Hills are the youngest mountain range of the Himalayas, formed by the accumulation of debris from the rising Himalayas over millions of years. Historically, it is famous for fossils of elephants, giraffes, and even early apes (*Sivapithecus*).

2. The Pliocene Epoch (5.3 to 2.6 Million Years Ago)

This was a time of global cooling and drying. In India, the Himalayan uplift was intensely active. The discovery of these fish proves that despite the rising mountains, stable **freshwater river systems and lakes** existed in north India during this period.

3. Biogeographic History

This find helps scientists trace how fish species moved across Asia (**Biogeography**). The link between the Gourami found in India and the one in Sumatra suggests a prehistoric "water highway" or connected river systems across South and Southeast Asia.

CONCEPTUAL MCQs

Q1. What specific part of the fish was discovered by the scientists in the Shivalik foothills?

- A) Scales
- B) Fins
- C) Otoliths (Ear bones)
- D) Tail bones

Q2. The discovery of which fish species marks a "first" for India and only the "second" in the world?

- A) Snakehead
- B) Gourami
- C) Shark

D) Goby

Q3. To which geological epoch do these newly discovered fossils belong?

A) Jurassic

B) Holocene

C) Pliocene

D) Cretaceous

Q4. Why is the discovery of aquatic fossils significant for the Mohand site near Dehradun?

A) It proves that the Himalayas were once under the ocean.

B) It was previously thought to contain only terrestrial (land) animal remains.

C) It indicates that the region was a desert 4 million years ago.

D) It suggests that fish used to live on land in prehistoric times.

ANSWERS

Q1: C (Explanation: Otoliths are small but crucial for identifying fish species in the fossil record.)

Q2: B (Explanation: The Gourami find is extremely rare globally and provides a link to Southeast Asian biodiversity.)

Q3: C (Explanation: The fossils are dated to approximately 4.5 million years ago, within the Pliocene range.)

Q4: B (Explanation: This discovery "reshapes" the environmental history of the site from purely land-based to an aquatic-terrestrial mix.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-1 (Geography/Geomorphology); GS-3 (Environment)	Moderate
State PCS (UK)	Uttarakhand Geography & Scientific Discoveries	Critical
SSC / Railways	General Science & Important Institutes (WIHG)	High

2. ISRO: Mission MITRA in Ladakh

Source: TOI

Context

- ISRO has launched **Mission MITRA** (Mapping of Interoperable Traits and Response Assessment) in the high-altitude terrain of Ladakh.
- The Objective:** To study the physiological, psychological, and operational dynamics of astronauts and ground teams in extreme environments.
- The Analog:** Conducted at **3,500 metres** in Leh, the mission serves as a "natural analog" for spaceflight, simulating hypoxia (low oxygen), freezing temperatures, and isolation.

BACKGROUND CONCEPTS

1. What is an "Analog Mission"?

An analog mission is a field test in a location on Earth that has physical similarities to extreme space environments (like the Moon or Mars).

- Why Ladakh?**

The cold, arid, high-altitude desert of Leh mimics the low-pressure and low-temperature conditions of space. It forces the body and mind to adapt to "operational stress" similar to what a crew would face in

a spacecraft.

2. Hypoxia and Spaceflight

- **Hypoxia:** A state where the body or a region of the body is deprived of adequate oxygen supply.
- **Significance:** In space, maintaining a pressurized, oxygen-rich environment is critical. This study helps ISRO understand how cognitive functions (decision-making) and physical coordination are affected when oxygen levels are thin, helping them design better Life Support Systems (LSS).

3. MITRA: Interoperability

- **Interoperability:** This refers to how well the "crew" (astronauts) and "ground control" (scientists on Earth) work together.
- **Stress Testing:** When humans are tired, cold, and low on oxygen, communication often breaks down. MITRA tracks these "traits" to ensure that the Gaganyaan mission stays safe through effective decision-making under pressure.

CONCEPTUAL MCQs

Q1. What does the acronym MITRA stand for in the context of ISRO's latest mission?

- A) Mission for Integrated Technology and Rocket Assembly
- B) Mapping of Interoperable Traits and Response Assessment
- C) Monitoring of International Trade and Resource Allocation
- D) Mobile Integrated Telecommunication and Radar Array

Q2. Why is Ladakh considered a suitable "Natural Analog" for space missions?

- A) It has the same gravity as the Moon.
- B) It offers high-altitude hypoxia, low temperatures, and isolation similar to space environments.
- C) It is the only place in India where rockets can be launched.
- D) It has a large number of alien sightings.

Q3. What is the primary focus of the "Interoperability" study in Mission MITRA?

- A) Testing if different types of rockets can use the same fuel.
- B) Assessing the coordination and decision-making between the crew and ground control under stress.
- C) Checking if astronauts from different countries can speak the same language.
- D) Testing if the internet works in the mountains.

Q4. Which physiological condition is most likely being studied at an altitude of 3,500 metres in Leh?

- A) Hyperthermia (Overheating)
- B) Hypoxia (Oxygen deprivation)
- C) Nitrogen Narcosis
- D) Dehydration from sea salt

ANSWERS

Q1: B (Explanation: The name reflects the focus on assessing how traits and responses are mapped under stress.)

Q2: B (Explanation: Space analogs require extreme physical conditions to test human endurance and equipment.)

Q3: B (Explanation: High-stress environments often lead to communication errors; MITRA aims to minimize this for Gaganyaan.)

Q4: B (Explanation: High altitude means thinner air, which is the perfect laboratory to study how the body handles low oxygen.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Science & Tech (Space Exploration/Gaganyaan)	Critical
NDA / CDS	Defense & Space Research, Mission Names	High
SSC / State PCS	Current Affairs: ISRO Missions & Ladakh	High

3. BIRAC-BioNEST at CSIR-CFTRI

Source: TH

Context

- Union Minister Dr. Jitendra Singh officially inaugurated the **BIRAC-BioNEST Incubation Centre** in Mysuru, Karnataka.
- The Location:** Hosted at the prestigious **CSIR-CFTRI** (Central Food Technological Research Institute) campus.
- Expansion:** In addition to the biotech hub, the foundation stone was laid for a new hostel complex funded under the **Rashtriya Krishi Vikas Yojana (RKVY)**.

WHAT IS BIRAC-BioNEST?

The Biotechnology Industry Research Assistance Council (BIRAC) is a non-profit PSU under the Department of Biotechnology (DBT). Its **BioNEST** (Bioincubators Nurturing Entrepreneurship for Scaling Technologies) program is designed to bridge the gap between lab research and the market.

1. Core Objectives

- Entrepreneurial Nurturing:** Specifically targeting talent in **food bioprocessing** and biotechnology.
- Commercialization:** Helping startups transform raw innovative ideas into "commercially viable" technologies.
- Infrastructure:** Providing high-end laboratory equipment that early-stage startups could not otherwise afford.

2. The Three Pillars of Support

- Mentorship:** Connecting scientists from CSIR-CFTRI with young entrepreneurs to solve technical hurdles.
- Funding:** Providing pathways to BIRAC grants and seed funding.
- Networking:** Facilitating interactions with industry leaders for scaling and distribution.

WHY CFTRI?

CSIR-CFTRI is India's premier institute for food technology. By placing a BioNEST center here, the government is focusing on **Food-Biotech**, which includes:

- Nutraceuticals:** Developing "functional foods" that provide health benefits beyond basic nutrition.
- Sustainable Packaging:** Creating biodegradable alternatives to plastic using biotech.
- Waste-to-Wealth:** Using bioprocessing to turn agricultural waste into high-value enzymes or proteins.

CONCEPTUAL MCQs

Q1. What is the primary focus of the newly launched BioNEST center at CSIR-CFTRI?

- A) Space research and satellite launching.
- B) Nurturing startups in food bioprocessing and biotechnology.

- C) Developing new software for the banking sector.
D) Mining for precious minerals in Karnataka.

Q2. BIRAC, which manages the BioNEST program, functions under which Union Ministry?

- A) Ministry of Commerce and Industry.
B) Ministry of Science and Technology.
C) Ministry of Finance.
D) Ministry of External Affairs.

Q3. The Rashtriya Krishi Vikas Yojana (RKVY) primarily aims at the development of which sector?

- A) Heavy Industries.
B) Agriculture and Allied Sectors.
C) Information Technology.
D) Civil Aviation.

Q4. Where is the Central Food Technological Research Institute (CSIR-CFTRI) located?

- A) New Delhi.
B) Hyderabad.
C) Mysuru.
D) Pune.

ANSWERS

Q1: B (Explanation: The center leverages CFTRI's expertise in food to boost biotech entrepreneurship.)

Q2: B (Explanation: BIRAC is a PSU under the Department of Biotechnology, Ministry of Science & Technology.)

Q3: B (Explanation: RKVY is a major scheme for agricultural growth and farmer welfare.)

Q4: C (Explanation: Mysuru is home to this premier food research institution.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Science & Tech (Indigenization of Tech & Startups)	High
SSC / Banking	Current Affairs: Schemes and Appointments	Moderate

4. Commissioning of INS Aridhaman (S4)

Source: TH

Context

- The Indian Navy has officially commissioned **INS Aridhaman**, its third indigenously built Nuclear-Powered Ballistic Missile Submarine (SSBN).
- The Ceremony:** Presided over by Union Defence Minister Rajnath Singh at the Shipbuilding Centre (SBC) in **Visakhapatnam**, Andhra Pradesh.
- Strategic Expansion:** This follows the commissioning of INS Arihant (2016) and INS Arighaat (2024), strengthening India's nuclear triad.
- Research Infrastructure:** The Minister also laid the foundation stone for a **Large Cavitation Tunnel (LCT)**, a critical facility for testing the stealth and hydrodynamic efficiency of future naval vessels.

UNDERSTANDING INS ARIDHAMAN (S4)

INS Aridhaman is a significant upgrade over the first two vessels in the **Arihant-class**, developed under the highly secretive **Advanced Technology Vessel (ATV) project**.

1. Enhanced Weaponry & Range

The "S4" variant is slightly larger and carries a more potent nuclear punch than its predecessors:

- **Vertical Launch Tubes:** Equipped with **8 tubes** (double the capacity of the original INS Arihant).
- **Missile Options:**
 - **K-4 SLBM:** Can carry **8** of these intermediate-range missiles, capable of striking targets up to **3,500 km** away.
 - **K-15 (Sagarika):** Alternatively, it can carry **24** of these short-range missiles with a **750 km** reach.

2. Technical Superiority

- **Indigenous Content:** Approximately **70%** of the submarine is built with Indian-made components and technology.
- **Stealth:** Nuclear-powered submarines can stay submerged for months (limited only by food supplies), making them the most "survivable" part of a nuclear deterrent because they are nearly impossible to track.

THE LARGE CAVITATION TUNNEL (LCT)

The foundation stone for the LCT is a major leap for indigenous naval design.

- **What is Cavitation?** It is the formation of vapor bubbles in water due to the high-speed movement of a propeller. When these bubbles collapse, they create noise and can damage the propeller.
- **Why it matters:** For a submarine, **noise is the enemy**. The LCT will allow Indian scientists to test scale models of propellers and hulls to ensure they are as silent and "stealthy" as possible before actual construction.

CONCEPTUAL MCQs

Q1. What does the term "SSBN" stand for in naval terminology?

- A) Single-Stage Ballistic Network
- B) Ship, Submersible, Ballistic, Nuclear
- C) Secret Submarine Border Naval
- D) Surface-Ship Ballistic Nuclear

Q2. Which class of submarines does INS Aridhaman belong to?

- A) Kalvari Class
- B) Shishumar Class
- C) Arihant Class
- D) Sindhughosh Class

Q3. What is the primary purpose of the newly announced Large Cavitation Tunnel (LCT)?

- A) To store spare parts for nuclear reactors.
- B) To test the stealth and hydrodynamic efficiency of propellers and hulls.
- C) To train sailors in deep-sea diving.
- D) To launch missiles from land-based tunnels.

Q4. What is the strike range of the K-4 Submarine-Launched Ballistic Missile (SLBM)?

- A) 750 km

- B) 1,500 km
C) 3,500 km
D) 5,000 km

ANSWERS

Q1: B (Explanation: This identifies the vessel as a nuclear-powered submarine carrying ballistic missiles.)

Q2: C (Explanation: It is the third vessel in the Arihant-class series developed under the ATV project.)

Q3: B (Explanation: Reducing cavitation noise is essential for maintaining the submarine's stealth.)

Q4: C (Explanation: The K-4 provides India with a long-range sea-based deterrent.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Science & Tech (Indigenization of Tech); GS-3 Security	Critical
NDA / CDS	Navy Commissions, Missile Names & Ranges	Critical

Banking and Finance

1. RBI & IRDAI: Joint Crackdown on Financial Mis-selling

Context

- The Reserve Bank of India (RBI) is set to release final guidelines on **'Responsible Business Conduct'**, targeting the aggressive mis-selling of third-party products (like insurance) by banks.
- The Problem:** A massive spike in commissions—**₹60,800 crore** in life insurance alone for FY25 (up 18%)—while premiums grew only in single digits. This indicates that insurers are paying more to "acquire" customers than they are earning from them.

BACKGROUND CONCEPTS

1. What is Mis-selling?

Mis-selling occurs when a financial product is sold to a customer using deliberate misrepresentation or by hiding key risks. In banks, this often looks like "bundling" insurance with a loan or pushing a complex investment product to someone seeking a simple savings account.

2. Bancassurance

This is the partnership between a bank and an insurance company. Banks use their massive branch networks to sell insurance. While efficient, the high **"upfront commissions"** create a perverse incentive for bank staff to prioritize sales targets over customer needs.

3. Expense of Management (EOM)

IRDAI limits the total amount an insurer can spend on operating costs and commissions, known as EOM. However, despite these caps, commission expenses have continued to rise faster than actual business growth.

PROPOSED REGULATORY SHIFTS

The RBI and IRDAI are looking at different "levers" to fix the system:

- Staggered/Tail-based Commissions:** Instead of paying the agent 30–40% of the premium in the first year (front-loading), commissions would be spread out over the life of the policy. If the customer stops paying because they were cheated, the agent stops earning.
- Board Accountability:** Industry experts suggest that the **Board of Directors** of insurance companies

should be held personally responsible for fixing commission policies that stay within legal limits.

- **Removal of Sales Inducements:** Moving away from internal bank contests or "sales prizes" for staff who sell the most insurance, which currently fuels aggressive behavior.

CONCEPTUAL MCQs

Q1. What is the primary driver of "Mis-selling" in banks according to the report?

- A) Lack of computers in bank branches.
- B) High upfront commissions paid by insurers to bank distributors.
- C) Customers wanting to lose their money.
- D) High interest rates on savings accounts.

Q2. Which regulatory body is responsible for capping the "Expense of Management" (EOM) for insurers?

- A) RBI
- B) SEBI
- C) IRDAI
- D) PFRDA

ANSWERS

Q1: B (Explanation: Incentives drive behavior; high commissions lead to aggressive, often unethical, sales tactics.)

Q2: C (Explanation: IRDAI is the sole regulator for the insurance sector's operational costs and commission structures.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – Conduct Risk, Bancassurance, Consumer Protection	Critical
IRDAI Grade A	Insurance Marketing, EOM Limits, Ethics in Selling	Critical

2. The Periodic Labour Force Survey (PLFS)

Context

- The **Periodic Labour Force Survey (PLFS)** has undergone a major revamp, shifting to **monthly estimates**, expanding rural coverage, and enlarging sample sizes.
- **The Paradox:** While headline indicators (unemployment rate) look stable and "healthy," a deeper look at the 2025 Annual Report reveals a sobering reality of stagnant wages and poor job quality.
- **The Core Issue:** In India, low unemployment often reflects a **compulsion to work** (survival) rather than the availability of high-quality, productive jobs.

KEY LABOUR INDICATORS (2025 VS. 2022)

The 2025 Annual Report shows an increase in participation, but the composition of that participation remains a concern.

Indicator (Aged 15+)	2022 (Approx)	2025 (Reported)
LFPR (Labour Force Participation Rate)	56%	59%
WPR (Worker–Population Ratio)	–	57%
Unemployment Rate (Usual Status)	–	~3%

Definitions to Remember:

1. **LFPR:** The percentage of the population that is either working or actively looking for work.
2. **WPR:** The percentage of the total population that is actually employed.
3. **Usual Status:** A long-term measure of employment (reference period of 365 days).

THE STRUCTURAL CHALLENGES**1. The Dominance of Self-Employment**

Over **56%** of India's workforce is self-employed. This category often includes "disguised unemployment" where people work in low-productivity family businesses or farming because they have no other choice. Regular salaried jobs have increased only marginally.

2. The Gender Divide

While female LFPR has improved to **40%**, the gap with men (**80%**) remains massive.

- **Urban Crisis:** Barely **1 in 4 women** is in the urban labour force.
- **Rural Distress:** Higher female participation in rural areas is often a sign of economic "distress" (working to supplement falling household income) rather than "empowerment."

3. Stagnant Real Wages

The most critical finding of the 2025 report is the **divergence between jobs and earnings**.

- **Nominal vs. Real:** While salaries are higher in "name" (nominal), once adjusted for inflation (**Real Terms**), the growth is weak or stagnant.
- **Casual Labour:** This group (20% of the workforce) remains the most vulnerable, with limited gains in daily wages.

WHY "LOW UNEMPLOYMENT" IS MISLEADING

In developed economies, unemployment is a measure of people who *can* afford to wait for a job. In India:

- **No Safety Net:** Most people cannot afford to stay unemployed. They take up any available work (casual or self-employed) to survive.
- **Productivity Gap:** A person might be "employed" but earning very little in a low-productivity role.
- **The Shift Needed:** The focus must move from just "creating jobs" to "creating **productive** jobs" that offer stable, living wages.

CONCEPTUAL MCQs

Q1. Why does the author argue that low unemployment in India might be misleading? A) Because the data is fake.

B) Because it reflects a compulsion to work for survival rather than the availability of good jobs.

C) Because everyone in India is actually a millionaire.

D) Because the survey only counts people in cities.

Q2. Which category represents the largest portion of the Indian workforce in 2025? A) Regular Salaried Employees

B) Casual Labourers

C) Self-Employed

D) Government Officials

Q3. What is the difference between "Nominal Earnings" and "Real Earnings"? A) Nominal is the amount on the paycheck; Real is the value adjusted for inflation.

B) Nominal is paid in cash; Real is paid in gold.

- C) Nominal is for men; Real is for women.
D) There is no difference between the two.

Q4. What trend was observed in Urban Female Labour Force Participation? A) It is much higher than male participation.

- B) It remains very low, with barely 1 in 4 women in the workforce.
C) It has reached 90% in 2025.
D) Urban women have stopped working entirely.

ANSWERS Q1:

B (Explanation: In a country without extensive social security, people take low-paying work out of necessity.)

Q2: C (Explanation: Over 56% of the workforce is self-employed, often in low-productivity roles.)

Q3: A (Explanation: Inflation erodes the purchasing power of money, making "real" growth the only true measure of progress.)

Q4: B (Explanation: The urban gender gap remains one of the sharpest divides in the Indian economy.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Economy (Employment & Growth); GS-2 (Social Justice)	Critical
RBI Grade B	ESI (Labour Market, Social Structure, Demographic Dividend)	Critical

3. Moody's Slashes India's FY27 Growth Forecast to 6%

Context

- Moody's Ratings has cut India's GDP growth forecast for **FY27 to 6%**, down significantly from its previous estimate of **6.8%**.
- The Primary Cause:** The intensifying **West Asia conflict**, which is acting as a major "growth dampener" and an "inflation accelerator."
- The Trade Vulnerability:** India's high dependency on the Middle East for energy and fertilizers makes it particularly susceptible to supply chain disruptions in that region.

CORE CHALLENGES: THE ENERGY & FERTILIZER LINK

Moody's highlights specific "choke points" that are dragging down the Indian economy:

1. The LPG and Crude Oil Crisis

- LPG Dependency:** India relies on West Asia for over **90% of its Liquefied Petroleum Gas (LPG)** supplies.
- Crude Oil:** The region accounts for **55% of India's crude imports**.
- Impact:** Disruptions are leading to household shortages, higher transport costs, and an overall spike in "fuel inflation."

2. The Fertilizer-Food Connection

- Import Reliance:** India imports a vast majority of its fertilizers (or the raw materials like phosphoric acid/ammonia) from the Middle East.
- Spillover Effect:** High fertilizer costs lead to higher cultivation costs for farmers, which eventually translates into **Food Inflation** for the end consumer.

INFLATION & MONETARY POLICY OUTLOOK

The report suggests a "U-turn" in the inflation trajectory:

"There is no substitute for consistency. Not coaching, not luck."

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- **Inflation Surge:** Projected to average **4.8% in FY27**, a sharp jump from the very benign **2.4% in FY26**.
- **Interest Rates:** Moody's expects the RBI to either **hold rates steady** or **raise them gradually**. This contradicts earlier hopes of a "rate-cut cycle" starting in 2026.
- **Upside Risks:** While inflation is currently "contained," the geopolitical situation has "tilted the outlook to the upside," meaning prices are more likely to rise than fall.

CONCEPTUAL MCQs

Q1. According to Moody's, what is the primary reason for slashing India's growth forecast to 6%?

- A) A sudden decline in India's IT sector exports.
- B) The ongoing conflict in West Asia disrupting energy and supply chains.
- C) A massive increase in India's gold imports.
- D) The failure of the monsoon in 2026.

Q2. India relies on West Asia for what percentage of its Liquefied Petroleum Gas (LPG) supplies?

- A) 10%
- B) 25%
- C) 55%
- D) Over 90%

Q3. How does the conflict in West Asia lead to "Food Inflation" in India according to the report?

- A) People in West Asia are buying all of India's rice.
- B) India's reliance on imported fertilizers from the region increases cultivation costs.
- C) Indian farmers are migrating to West Asia.
- D) There is no link between the two.

Q4. What is Moody's projection for inflation in FY27 compared to FY26?

- A) It will drop from 4.8% to 2.4%.
- B) It will remain stable at 5.0%.
- C) It will rise significantly to 4.8% from 2.4%.
- D) Inflation will become zero.

ANSWERS

Q1: B (Explanation: Geopolitical instability is the main "external shock" cited by the agency.)

Q2: D (Explanation: This extreme dependency makes LPG the most vulnerable commodity for Indian households.)

Q3: B (Explanation: Fertilizers are a key input; higher input costs inevitably lead to higher food prices.)

Q4: C (Explanation: The "base effect" of low inflation in FY26 is being replaced by "cost-push" inflation in FY27.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	ESI (Growth Projections, Inflation, External Sector)	Critical
Banking / SSC	Current GDP Forecasts by Agencies	High

Facts To Remember

1. India and South Korea Sign Pact for Shipbuilding Skill Development

India's Ministry of Ports signed a pact with Korea International Cooperation Agency to boost maritime skills. The agreement aligns with Maritime Amrit Kaal Vision 2047. It focuses on workforce modernisation and sectoral research. Bilateral workshops will support industry and policy collaboration.

2. NCERT Declared Deemed-to-be University by Government

National Council of Educational Research and Training was granted deemed university status under UGC Act. It can now offer UG, PG, PhD, and diploma programmes. The status includes six regional institutions across India. It must operate under non-commercial academic guidelines.

3. Commemorative Stamp Released for 75 Years of PTC Saharanpur

Jyotiraditya Scindia released a ₹5 stamp marking PTC Saharanpur's platinum jubilee. The institute was established in 1951 for postal training. The stamp highlights India's communication and training legacy. It supports India Post's logistics vision for 2030.

4. Goa and Cochin Port Authority Adopt SAMPANN Platform

Goa Government and Cochin Port Authority adopted SAMPANN for pension management. The platform ensures efficient and transparent pension disbursement. It is developed by CGCA under DoT. The initiative promotes digital governance and service delivery.

5. BIRAC-BioNEST Incubation Centre Launched at CFTRI Mysuru

Jitendra Singh launched BioNEST incubation centre at CFTRI. It supports biotech startups with funding and mentorship. The focus is on food bioprocessing innovation. It strengthens India's startup and research ecosystem.

6. RBI Announces ₹2.54 Lakh Crore State Borrowing Plan for Q1 FY27

Reserve Bank of India released borrowing calendar for states worth ₹2.54 lakh crore. It includes a Benchmark Issuance Strategy pilot. Nine states will raise funds under this framework. The plan improves transparency and market stability.

7. CASA Ratio Falls to 37.9% in December 2025 Quarter

Reserve Bank of India reported CASA ratio declined to 37.9%. The drop is due to shift towards high-return investments. Savings deposits saw major decline in share. It indicates changing banking and investment trends.

8. Khelo India Tribal Games 2026 Concludes with Karnataka on Top

Karnataka topped medal tally with 38 medals in Tribal Games 2026. The event was held in Chhattisgarh across multiple venues. It featured seven sports and cultural inclusivity. The initiative promotes tribal talent and grassroots sports.

9. Army Medical Corps Raising Day Observed on April 3

Indian Army observed AMC Raising Day marking its 1764 origin. The 262nd edition was celebrated in 2026. It honours medical personnel serving armed forces. Events included a nationwide health-themed walkathon.

10. International Day for Mine Awareness Observed on April 4

The United Nations observes this day to raise awareness on landmines. The 2026 theme is "Invest in Peace; Invest in Mine Action". It promotes safety and mine clearance efforts globally. The initiative supports Sustainable Development Goals.

11. International Day of Conscience Observed on April 5

The United Nations marks this day to promote peace and ethics. The 2026 theme is "Acting with Ethics, Empathy, and Integrity". It encourages moral responsibility in society. The day was established through UNGA resolution.

12. Indian Army launches technology roadmap for Unmanned Aerial System

The Indian Army today unveiled a technology roadmap for Unmanned Aerial System and Loitering Munitions in New Delhi.

13. Indian Navy's frontline warship INS Trikand calls at Dar es Salaam, Tanzania

The Indian Navy's frontline warship, INS Trikand, arrived at Dar-es-Salaam in Tanzania.

14. Bharat Tribes Fest 2026 concludes with grand closing ceremony in New Delhi

Bharat Tribes Fest 2026 concluded today with a grand closing ceremony in New Delhi.

15. BRO celebrates 47th Raising Day of Project Chetak at Bikaner in Rajasthan

Project Chetak of the Border Roads Organisation (BRO) celebrated its 47th Raising Day at Bikaner in Rajasthan.

FIVE TO REMEMBER · 5 & 6 APRIL 2026

1. **The Paradox:** While headline indicators (unemployment rate) look stable and "healthy," a deeper look at the 2025 Annual Report reveals a sobering reality of stagnant wages and poor job quality. *The Periodic Labour Force Survey (PLFS)*
2. **Timeline:** The fossils date back to the **Pliocene Epoch**, specifically around **4.5 million years ago**. *Freshwater Fish in the Shivaliks*
3. **Indigenous Content:** Approximately **70%** of the submarine is built with Indian-made components and technology. *Commissioning of INS Aridhaman (S4)*
4. Moody's Ratings has cut India's GDP growth forecast for **FY27 to 6%**, down significantly from its previous estimate of **6.8%**. *Moody's Slashes India's FY27 Growth Forecast to...*
5. **The Analog:** Conducted at **3,500 metres** in Leh, the mission serves as a "natural analog" for spaceflight, simulating hypoxia (low oxygen), freezing temperatures, and isolation. *ISRO: Mission MITRA in Ladakh*

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DAY 6 OF 23

7 April 2026

Tuesday · 20 items · 3 topics

National Affairs 4 · Banking and Finance 5 · Facts To Remember 11

Daily Current Affairs Quiz
07 April, 2026**National Affairs****1. Border Roads Organisation (BRO) & Project Chetak**

Source: News on Air

Context

- **The Milestone: Project Chetak**, a vital arm of the Border Roads Organisation (BRO), celebrated its **47th Raising Day** on April 4, 2026, in Bikaner, Rajasthan.
- **The Legacy:** Since its inception in **1980**, the project has been the backbone of infrastructure development along India's sensitive western borders.
- **The Scope:** Its operations span across the desert and plains of **Rajasthan, Punjab, and northern Gujarat**, ensuring that the "sword arm" of the Indian military remains sharp and mobile.

CORE OBJECTIVES & STRATEGIC ROLE

Project Chetak is not just a road-building unit; it is a strategic enabler for national defense.

1. Military Logistics & Mobility

- **All-Weather Connectivity:** The project ensures that even in extreme desert heat or monsoon floods, the Indian Army and BSF can move heavy equipment and personnel to the International Border without delay.
- **NH Standards:** Many "feeder roads" (roads leading from main hubs to the border) are currently being upgraded to **National Highway (NH) double-lane standards** to support heavy military convoys.

2. Border Security: The DCB Infrastructure

- **Ditch Cum Bund (DCB):** Project Chetak maintains over **214 km** of DCB.
- **The Concept:** This is a specialized defensive structure consisting of a deep trench (ditch) paired with a high earthen wall (bund).
- **Dual Purpose:** It acts as a major obstacle against enemy tank movement and simultaneously serves as an effective flood control measure in the plains of Punjab.

3. Socio-Economic Impact

- By connecting remote border villages to the main grid, Project Chetak facilitates trade, emergency medical access, and education for border communities, effectively integrating them into the national mainstream.

KEY STATISTICS AT A GLANCE

Feature	Detail
Established	1980
Road Network	Over 4,000 km

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Feature	Detail
Geographic Focus	Rajasthan, Punjab, Northern Gujarat
Defensive Assets	214 km of Ditch Cum Bund (DCB)
Headquarters	Bikaner, Rajasthan

BACKGROUND CONCEPTS

1. What is the BRO?

The **Border Roads Organisation (BRO)** is a specialized wing under the **Ministry of Defence**. Unlike the NHAI (which builds civilian highways), the BRO builds and maintains road networks in India's border areas and friendly neighboring countries (like Bhutan and Tajikistan).

2. "Projects" vs. "Sectors"

The BRO operates through named "Projects" (like Chetak, Dantak, Himank, and Yojak). Each project is assigned a specific geographic region to ensure localized expertise in terrain management (e.g., Chetak for deserts/plains, Himank for high-altitude Ladakh).

CONCEPTUAL MCQs

Q1. Project Chetak primarily operates in which of the following regions?

- A) Ladakh and Himachal Pradesh
- B) Arunachal Pradesh and Sikkim
- C) Rajasthan, Punjab, and Northern Gujarat
- D) Andaman and Nicobar Islands

Q2. What is a "Ditch Cum Bund" (DCB) in the context of border infrastructure?

- A) A type of high-speed railway track.
- B) A defensive obstacle consisting of a trench and an earthen wall to deter enemy movement.
- C) A water purification system for border troops.
- D) A specialized bridge for crossing desert sand dunes.

Q3. Project Chetak was raised in which year?

- A) 1960
- B) 1980
- C) 1999
- D) 2014

Q4. Which ministry does the Border Roads Organisation (BRO) fall under?

- A) Ministry of Road Transport and Highways
- B) Ministry of Home Affairs
- C) Ministry of Defence
- D) Ministry of Rural Development

ANSWERS

Q1: C (Explanation: Chetak is the primary project for the western plains and desert sector.)

Q2: B (Explanation: DCBs are critical for "anti-tank" defense and flood management in flat border regions.)

Q3: B (Explanation: It has completed 46 years and entered its 47th year in 2026.)

Q4: C (Explanation: Since 2015, the BRO has been fully funded and managed by the Ministry of Defence to ensure strategic priority.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Internal Security; GS-3 Infrastructure	High
NDA / CDS	Strategic Projects, Border Logistics, Defence Terms	Critical

2. The Return of Stagflation

Source: IE

Context

- The military conflict between the US-Israel and Iran in April 2026 has caused a "pernicious" energy supply shock.
- The Threat:** Economists fear a return to **1970s-style Stagflation**, a rare and "worst of both worlds" scenario that hasn't been seen at this scale for nearly 50 years.
- The Global Impact:** With the potential closure of the Strait of Hormuz, the sudden stoppage of oil and gas is threatening to stall industrial activity globally while simultaneously sending prices to record highs.

UNDERSTANDING STAGFLATION

1. What It Is

Coined by British politician Iain Macleod, **Stagflation** is the simultaneous occurrence of three negative economic trends:

- Stagnant Growth:** Low or negative GDP growth (Recession).
- High Inflation:** Rapidly rising prices for goods and services.
- High Unemployment:** Job losses resulting from business contractions.

2. How It Occurs: The "Supply Shock"

In a healthy economy, prices and output move predictably. However, Stagflation is triggered by a **Negative Supply Shock**, which shifts the entire **Aggregate Supply (AS) Curve to the left**.

- The Mechanism:** Due to war or broken logistics, producers face higher input costs (e.g., expensive gas).
- The Result:** Even at the same price level, they can only supply a smaller quantity of goods (\$Q1\$ instead of \$Q0\$). This creates a new equilibrium where prices are higher (\$P1\$) but actual economic output is lower.

KEY CHARACTERISTICS & HISTORICAL PARALLELS

Feature	1970s Example (UK/US)	2026 Projection
GDP Growth	-0.5% (US) to -1.7% (UK) in 1974	Stagnation feared due to industrial gas shortages.
Inflation	Reached 24.2% in the UK (1975)	Double-digit inflation potential in energy-dependent nations.
Unemployment	Massive job losses in manufacturing	Threats to MSMEs and energy-heavy sectors (Ceramics, Fertilizers).
Policy Tools	Traditional tools were ineffective	RBI/Central banks face a "Policy Paralysis."

FACTORS DRIVING THE 2026 SHOCK

- Energy Stoppages:** Sudden halts in West Asian oil/gas flows (Strait of Hormuz).

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- **Input Cost Surges:** Petrochemical feedstocks and fertilizers (crucial for India's food security) are seeing price spikes.
- **Supply Chain Breakages:** Physical blocking of trade routes rather than just higher transit costs.
- **Monetary Policy Lag:** Central banks having limited "ammunition" (low interest rates) left to fight a sudden shock.

HOW TO CONTROL STAGFLATION

Stagflation cannot be solved by simple interest rate hikes alone, as those might further crush growth.

1. **Supply-Side Reforms:** The core solution is restoring supply chains and increasing production capacity to shift the supply curve back to the right.
2. **Energy Diversification:** Moving toward renewables and electric transport to insulate the domestic economy from international oil volatility.
3. **Targeted Fiscal Support:** Providing specific relief to farmers and MSMEs rather than broad-based stimulus that fuels inflation.
4. **Balanced Interest Rates:** Raising rates carefully to "anchor" inflation expectations without completely choking off remaining growth.

CONCEPTUAL MCQs

Q1. What is the defining characteristic of "Stagflation"?

- A) High growth and high inflation.
- B) Low inflation and low unemployment.
- C) Stagnant economic growth combined with high inflation and high unemployment.
- D) Rapidly falling prices during a recession.

Q2. In a stagflationary environment, what happens to the Aggregate Supply (AS) curve?

- A) It shifts to the right, increasing output.
- B) It remains vertical.
- C) It shifts to the left, leading to higher prices and lower output.
- D) It disappears entirely.

Q3. Why are "Traditional Monetary Tools" (like just raising interest rates) considered difficult to use during stagflation?

- A) Because raising rates to fight inflation can further slow down already stagnant growth.
- B) Because interest rates have no effect on inflation.
- C) Because the government is not allowed to change interest rates.
- D) Because banks stop lending money during wars.

Q4. Which of the following is considered a "Supply-Side" method to control stagflation?

- A) Increasing the money supply.
- B) Restoring broken supply chains and increasing production capacity.
- C) Encouraging people to spend more money on luxury goods.
- D) Lowering the retirement age.

ANSWERS

Q1: C (Explanation: It is the "worst of both worlds" where the economy stalls but prices still rise.)

Q2: C (Explanation: A negative supply shock, like an oil embargo, forces this leftward shift.)

Q3: A (Explanation: This is the central bank's dilemma—helping one problem often worsens the other.)

Q4: B (Explanation: Since the problem starts with a supply shortage, the fix must focus on increasing supply.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Economy (Inflation, Supply-side Economics)	Critical
RBI Grade B	ESI (Macroeconomic Shocks & Monetary Policy)	Critical
State PCS	Economic Terms & Global Current Affairs	High

3. Draft Tar Ball Management Rules, 2026

Source: New Indian Express

Context

- The Ministry of Environment, Forest, and Climate Change (MoEFCC) has released the **Draft Tar Balls Management Rules, 2026**.
- The Objective:** To establish a formal regulatory framework for the detection, cleaning, and disposal of tar balls to protect India's 7,500 km coastline from persistent oil-based pollutants.
- Geographic Focus:** The rules are particularly critical for the **Western Coast** (Gujarat to Goa), which faces a massive influx of these pollutants every year during the pre-monsoon and monsoon months.

WHAT ARE TAR BALLS?

Tar balls are dark, sticky, or hardened "blobs" of weathered crude oil. They are not "fresh" oil spills but rather the environmental remnants of oil that has undergone significant physical and chemical changes.

1. Chemical Composition

They are complex mixtures that include:

- Hydrocarbons:** Heavy, high-molecular-weight compounds like paraffins.
- Asphaltenes:** These give tar balls their signature black color and "tacky" (sticky) texture.
- Trace Metals:** Often contain nickel and vanadium, which help scientists trace the oil back to its original source (e.g., Middle Eastern vs. American crude).
- Trapped Impurities:** As they roll along the seabed or shore, they collect sand, shells, seaweed, and increasingly, **microplastics**.

KEY FEATURES & SEASONALITY

- Persistence:** They are highly resistant to natural biodegradation and can float in the ocean for months.
- Size:** They range from the size of a small coin to that of a basketball.
- The "Western Window":** In India, tar balls are most prominent between **April and September**. This is due to the **South-Westerly winds** and sea currents that push floating debris from the mid-Arabian Sea towards the Indian coast.
- Texture:** Fresh tar balls are soft and can stick to skin or clothes; older ones become "crusty" shells filled with sand.

ENVIRONMENTAL & ECONOMIC IMPACT

- Marine Life:** Tar balls can be mistaken for food by sea turtles and birds, leading to internal blockages or external coating that prevents movement.
- Tourism:** They ruin the aesthetic of premium beaches (like those in Goa), causing significant economic loss to the hospitality sector.
- Human Health:** Direct contact can cause skin irritation; some heavy hydrocarbons in tar balls are

considered carcinogenic.

CONCEPTUAL MCQs

Q1. What is the primary process that transforms liquid oil into solid tar balls?

- A) Photosynthesis
- B) Weathering (including evaporation and emulsification)
- C) Volcanic eruption
- D) Desalination

Q2. Why is the Western Coast of India more prone to tar balls between April and September?

- A) Due to the winter migration of fish.
- B) Because of South-Westerly winds and ocean currents during the monsoon.
- C) Because oil companies only spill oil in the summer.
- D) Due to the melting of Himalayan glaciers.

Q3. Which chemical component provides the black color and sticky texture to tar balls?

- A) Magnesium
- B) Asphaltenes
- C) Liquid Nitrogen
- D) Helium

Q4. According to the draft rules, what is the main purpose of the Tar Balls Management Rules, 2026?

- A) To encourage the use of tar for road construction.
- B) To protect the coastline and establish a framework for oil spill remnant cleanup.
- C) To increase the production of crude oil in India.
- D) To ban tourists from visiting beaches.

ANSWERS

Q1: B (Explanation: Weathering involves the loss of light fractions and the physical hardening of the oil.)

Q2: B (Explanation: The seasonal wind patterns act as a conveyor belt, bringing floating oil residue to the shore.)

Q3: B (Explanation: Asphaltenes are the heavy, carbon-rich components that remain after evaporation.)

Q4: B (Explanation: The rules aim to provide a legal and operational guide for managing this specific type of marine pollution.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Environment (Pollution & Coastal Management)	High
SSC / Banking	Current Affairs: New Environmental Rules	Moderate

4. The Porcupine Threat in Kashmir

Source: Times of India

Context

- In the **Pampore highlands** of Kashmir, a unique human-wildlife conflict has emerged. The **Indian Crested Porcupine** is devouring the underground corms (bulbs) of Saffron, threatening India's "Red Gold."

- **Economic Impact:** Saffron is the world's most expensive spice. The destruction of perennial corms by these rodents strikes at the very root of the plant, preventing future flowering and causing long-term financial loss to farmers.

THE INDIAN CRESTED PORCUPINE (*Hystrix indica*)

The Indian Crested Porcupine is the largest rodent in India and a highly adaptable nocturnal forager.

1. Physical & Behavioral Traits

- **Defense:** Covered in multiple layers of sharp quills. The longest quills form a distinct "crest" on the neck and shoulder.
- **Size:** Weighs between **11 kg and 18 kg**.

2. Ecological Status

- **IUCN Status: Least Concern (LC).** They are widespread across Southern Asia and the Middle East.
- **Population Surge:** In Kashmir, their population is rising as natural predators like **leopards** decline, leading to their emergence as a major agricultural pest.

KASHMIR SAFFRON: THE "RED GOLD"

Kashmiri Saffron is world-renowned for its high crocin content and intense aroma, recently protected by a **Geographical Indication (GI) Tag**.

1. Cultivation Profile

- **The "Saffron Bowl":** Primarily grown in the **Pampore** region of the Pulwama district.
- **Unique Soil:** Thrives in **Karewa soil**—lacustrine (lake-derived) deposits of silt, sand, and clay that offer the perfect drainage for bulbs.
- **The Corm:** Saffron grows from underground, bulb-like stems called **corms**. These are perennial; once a porcupine eats the corm, the plant cannot regrow.

2. Labor & Economics

- **Hand-Harvested:** It takes **150,000 to 175,000 flowers** to produce just **1 kg** of dry saffron.
- **The Stigma:** Only the three vivid crimson threads (stigmas) per flower are used.
- **Quality Grades: Mongra** is the highest grade of Kashmiri saffron, consisting of only the deep red tips.

CONCEPTUAL MCQs

Q1. Why is the Indian Crested Porcupine considered a "threat to the root" of the saffron industry?

- A) It eats the purple petals of the flower.
- B) It digs up and devours the underground corms (bulbs), preventing the plant from ever growing again.
- C) It spreads a virus that turns the red stigmas white.
- D) It competes with farmers for the same water source.

Q2. Which unique soil type found in the Kashmir Valley is essential for high-quality saffron cultivation?

- A) Black Cotton Soil
- B) Alluvial Soil
- C) Karewa Soil
- D) Laterite Soil

Q3. What is the global IUCN conservation status of the Indian Crested Porcupine?

- A) Endangered
- B) Critically Endangered

- C) Least Concern
D) Vulnerable

Q4. Which chemical compound is primarily responsible for the intense color of Kashmiri Saffron?

- A) Safranal
B) Picrocrocin
C) Crocin
D) Curcumin

ANSWERS

Q1: B (Explanation: Porcupines are rodents that target tubers and roots; eating the corm kills the perennial plant.)

Q2: C (Explanation: Karewa soils are ancient lake-bed deposits unique to Kashmir, providing the specific drainage saffron needs.)

Q3: C (Explanation: While a pest in Kashmir, the species is globally abundant and faces no immediate threat of extinction.)

Q4: C (Explanation: Crocin is the coloring agent, while Picrocrocin provides taste and Safranal provides aroma.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 Environment (Human-Wildlife Conflict); GS-3 Agriculture (GI Tags)	High
SSC / Banking	Current Affairs: Species in News & GI Tags	Moderate

Banking and Finance

1. RBI Proposes New BC Framework

Source: Business Standard

Context

- The Reserve Bank of India (RBI) has issued a draft circular to restructure the **Business Correspondent (BC)** model and branch authorization norms.
- **Key Deadline:** The new framework is set to come into effect from **July 1, 2026**, with existing entities required to transition by **September 30, 2026**.
- **Major Shift:** The long-standing **Business Facilitator (BF)** model will be abolished and merged into the new BC structure to remove functional overlaps.

THE NEW TWO-TIER BC STRUCTURE

The RBI has proposed classifying all ground-level banking agents into two distinct categories based on their service depth:

1. Business Correspondent-Banking Outlets (BC-BOs)

- **Status:** These are now officially treated as "Banking Outlets" (BOs).
- **Role:** They act as a more formal extension of a bank, helping expand the formal banking footprint in rural areas.
- **Impact on Unbanked Rural Centres (URCs):** A location will no longer be considered "unbanked" if it has a bank branch **OR** a BC-BO.

2. Business Correspondent-Banking Touchpoints (BC-BTs)

- **Status:** These are points of contact that provide banking services but do not carry the full weight of a "Banking Outlet."
- **Restrictions:** They have limited operational scope compared to BC-BOs, especially concerning foreign bank subsidiaries.

Background Concept

1. Business Correspondent (BC)

An external agent engaged by a bank to provide services at locations other than a traditional branch. They are essential for reaching the "last mile" where building a full brick-and-mortar branch is not economically viable.

2. Unbanked Rural Centre (URC)

A tier-5 or tier-6 center (villages with low population) that does not have a brick-and-mortar structure of any scheduled commercial bank. The new rules make it harder for a village to be called "unbanked" if a stable BC-BO is present.

3. Business Correspondent-Banking Outlet (BC-BO)

A **BC-BO** is a **fixed-location banking service point** operated by a Business Correspondent where customers can access basic banking services.

- Acts as a **mini bank branch in rural/remote areas**
- Has a **fixed physical location**
- Provides **regular banking services**
- Operated by a BC agent on behalf of a bank

4. Business Correspondent-Banking Touchpoint (BC-BT)

A **BC-BT** refers to **any point of service delivery by a BC agent** (like a small shop or a mobile agent), which may or may not be at a fixed location.

- **Status:** These are **NOT** considered "Banking Outlets."
- **Role:** They serve as lower-tier access points for basic transactions and lead generation.

KEY POLICY CHANGES & DEFINITIONS

1. Tightening the "Bank Branch" Definition

To ensure consistency and reliability for customers, the RBI has specified that a unit can only be called a "branch" if it meets the **"4-5 Rule"**:

- **Fixed-Point:** Must be a permanent service unit.
- **Staffed:** Must be managed by bank employees.
- **Hours:** Must operate for a minimum of **4 hours a day**.
- **Days:** Must be open for at least **5 days a week**.

2. Exclusions from "Banking Outlets"

The RBI clarified that automated self-service channels will **NOT** be treated as banking outlets. These include:

- ATMs
- Cash Deposit Machines (CDMs)
- Kiosks

3. Rules for Foreign Bank Subsidiaries

- **Parity:** Generally subject to the same rules as domestic Scheduled Commercial Banks (SCBs).
- **Security Guardrails:** They require **prior RBI approval** to open outlets in locations sensitive to **national security**.
- **Strict Ban:** Foreign subsidiaries are prohibited from operating through **BC-BTs** in these restricted/sensitive centers.

THE END OF THE BUSINESS FACILITATOR (BF) MODEL

The **Business Facilitator (BF) Model** is another outreach mechanism introduced by the Reserve Bank of India to support financial inclusion. Unlike the Business Correspondent (BC) model, BF focuses on **facilitation rather than transaction handling**.

Previously, BFs and BCs co-existed, but their roles overlapped (BFs usually helped with lead generation and processing, while BCs could handle cash).

- **The Logic:** Since BFs undertake functions similar to BCs, the RBI sees no need for a separate category.
- **The Result:** All existing BFs must be re-categorized as either **BC-BO** or **BC-BT** by September 30, 2026.

CONCEPTUAL MCQs

Q1. Under the new RBI draft norms, which of the following is officially redefined as a "Banking Outlet"?

- A) ATMs and Cash Deposit Machines
- B) Business Correspondent-Banking Outlets (BC-BOs)
- C) Digital Banking Kiosks
- D) Mobile Banking Vans

Q2. What is the minimum operational requirement for a unit to be classified as a "Bank Branch" under the new guidelines?

- A) 2 hours a day, 3 days a week
- B) 8 hours a day, 6 days a week
- C) 4 hours a day, 5 days a week
- D) 24/7 availability through staff

Q3. What will happen to the existing Business Facilitator (BF) model by September 30, 2026?

- A) It will become the primary model for all banks.
- B) It will be completely abolished, with entities transitioning to BC-BO or BC-BT categories.
- C) It will only be allowed for foreign banks.
-) It will be renamed as "Banking Kiosks."

Q4. Foreign bank subsidiaries face which specific restriction in "sensitive locations" regarding national security?

- A) They cannot hire Indian employees.
- B) They cannot have any presence in the form of BC-Banking Touchpoints (BC-BTs).
- C) They are banned from using ATMs.
- D) They must pay a 50% security tax.

ANSWERS

Q1: B (Explanation: Including BC-BOs as "outlets" helps the RBI track financial inclusion more accurately.)

Q2: C (Explanation: This "4-5 Rule" ensures that rural customers have a predictable window to access services.)

Q3: B (Explanation: The RBI is streamlining the intermediary structure to reduce complexity.)

Q4: B (Explanation: Security concerns restrict the use of third-party touchpoints for foreign entities in sensitive zones.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance – Financial Inclusion, Banking Structure	Critical
Banking (PO/Clerk)	Current Banking Awareness & Terms	High

2. SEBI's Push for "Substantive" Board Independence

Source: ET

Context

- SEBI (Securities and Exchange Board of India) is launching a collaborative framework involving **corporates, academia, and professional bodies** to train and expand the pool of Independent Directors (IDs).
- The Catalyst:** Recent high-profile boardroom friction, specifically the abrupt resignation of **Atanu Chakraborty** (Non-executive Chairman of HDFC Bank), has put governance standards under the scanner.

THE "HDFC BANK" PRECEDENT: WHY NOW?

The push for better governance follows the resignation of Atanu Chakraborty in March 2026.

- The Disagreement:** Chakraborty cited "happenings and practices" misaligned with his ethics, reportedly linked to the **mis-selling of Credit Suisse's perpetual bonds**.
- SEBI's Stance:** The regulator believes IDs should **elaborate on their concerns** during board meetings and record their dissent clearly, rather than leaving their positions ambiguous upon resignation.

SEBI'S THREE-PILLAR GOVERNANCE CRITIQUE

The SEBI chief highlighted three gaps in current Indian boardrooms:

- Form vs. Perspective:** Independence exists on paper (form), but it doesn't always translate into a truly independent or challenging perspective.
- Availability vs. Interrogation:** Information is provided to boards, but it is not always deeply questioned or "interrogated" by directors.
- Constitution vs. Effectiveness:** While boards meet the legal requirements for composition, they aren't always effective in steering company strategy or ethics.

THE COLLABORATIVE CAPACITY-BUILDING MODEL

SEBI aims to build "capacity at scale" through a voluntary, non-prescriptive approach:

- Academic Integration:** Partnering with business schools to create specialized training for board roles.
- Professional Bodies:** Working with organizations like the CII to set "best practice" benchmarks.
- Pipeline Expansion:** Increasing the "supply" of qualified individuals who can serve as IDs, ensuring companies aren't just choosing from a small, closed circle of insiders.

BACKGROUND CONCEPTS

1. Who is an Independent Director?

Under the Companies Act, 2013, an ID is a non-executive director who does not have any material pecuniary (financial) relationship with the company, its promoters, or its management.

2. The "Watchdog" Role

IDs are meant to protect the interests of **minority shareholders**. They serve on critical committees, such as:

- **Audit Committee:** Overseeing financial reporting.
- **Nomination and Remuneration Committee (NRC):** Deciding executive pay and board appointments.

CONCEPTUAL MCQs

Q1. What is the primary goal of the "joint initiative" launched by SEBI as per the news?

- A) To increase the taxes paid by independent directors.
- B) To build capacity and improve the effectiveness of independent directors through collaboration with academia and industry.
- C) To ban independent directors from working in the banking sector.
- D) To allow management to override board decisions.

Q2. The resignation of Atanu Chakraborty from HDFC Bank sparked debate because:

- A) He was moving to a rival bank.
- B) He cited ethical disagreements and "happenings" not aligned with his values, raising questions about how dissent is recorded.
- C) He was retiring due to age.
- D) He wanted a higher salary.

Q3. According to SEBI chief Tuhin Kanta Pandey, what is the difference between "form" and "perspective" in governance?

- A) Form is the physical shape of the boardroom; perspective is the view from the window.
- B) Form is following the legal rules; perspective is actually acting independently and challenging management.
- C) Form is for large companies; perspective is for small companies.
- D) There is no difference.

Q4. Which committee is an Independent Director most likely to lead to ensure financial transparency?

- A) Marketing Committee
- B) Audit Committee
- C) CSR Committee
- D) Logistics Committee

ANSWERS

Q1: B (Explanation: SEBI wants to move beyond "formal compliance" to "depth and effectiveness.")

Q2: B (Explanation: The episode highlighted the "ambiguity" that often follows when a director leaves over disagreements.)

Q3: B (Explanation: Legal compliance is the "form," but "perspective" requires courage and deep interrogation.)

Q4: B (Explanation: The Audit Committee is the primary guardrail for financial integrity in a listed company.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
SEBI Grade A	Corporate Governance, Companies Act, Role of IDs	Critical
RBI Grade B	Finance: Governance in Financial Institutions	High

3. RBI's Market-Driven Shift for Foreign Capital

Source: Mint

Context

- **The Reform:** In February 2026, the RBI undertook a structural reset of the **External Commercial Borrowing (ECB)** framework, moving from a tightly controlled regime to a market-oriented one.
- **The Rationale:** As India becomes a **\$4 trillion economy**, the old rules (\$750 million caps) were seen as constraints on large-scale infrastructure and capital-intensive projects.
- **The Trend:** While absolute ECB registrations rose to **\$49.2 billion (FY24)**, the "relative burden" (ECB as a % of GDP) has actually declined from 1.9% to 1.2%, signaling that the economy has outgrown its previous limits.

KEY CHANGES IN THE REVISED FRAMEWORK

The new rules replace rigid "fixed" ceilings with "dynamic" limits based on a company's financial health:

1. Increased Borrowing Limits

- **Old Rule:** Firms could raise up to \$750 million annually under the "Automatic Route."
- **New Rule:** Borrowing limit raised to **\$1 billion or 300% of the borrower's net worth** (whichever is higher).
- **Impact:** This links a company's capacity to borrow from abroad directly to its **balance-sheet strength**, favoring large, stable corporations.

2. Removal of All-in-Cost Ceiling

- **Previous System:** Interest rates on foreign loans were capped relative to global benchmarks (like LIBOR or SOFR).
- **New System:** The ceiling has been removed. Loan pricing can now align freely with global market conditions.
- **Significance:** This represents "regulatory maturity," allowing riskier or unique projects to find funding at market-determined rates.

RISKS AND MITIGATION: THE "HEDGING" SHIELD

While easier access to foreign capital is a boon, it exposes Indian firms to two major risks:

1. **Exchange Rate Volatility:** If the Rupee depreciates sharply (as seen in the current ₹93-95 range), the cost of repaying dollar-denominated debt spikes.
2. **Global Liquidity Shifts:** If central banks in the US or Europe suddenly tighten money supply, refinancing old ECB debt becomes more expensive.

The Strength: RBI data shows that **two-thirds (approx. 66%)** of outstanding ECBs were **hedged** as of September 2024, up from 55% two years ago. This means most companies have "insurance" against a falling Rupee.

BACKGROUND CONCEPTS: WHAT IS AN ECB?**1. External Commercial Borrowing (ECB)**

ECBs are loans raised by Indian entities from non-resident lenders (foreign banks, international agencies, etc.). These must have a **minimum average maturity** (usually 3 years) to ensure the money stays in

India for long-term productive use.

2. Automatic vs. Approval Route

- **Automatic Route:** No prior RBI approval needed (within specified limits).
- **Approval Route:** Required for borrowings that exceed limits or deviate from standard norms.

CONCEPTUAL MCQs

Q1. Under the new RBI framework, what is the maximum a company can borrow via the ECB automatic route?

- A) Fixed at \$750 million for everyone.
- B) \$1 billion or 300% of their net worth, whichever is higher.
- C) 10% of India's total GDP.
- D) Whatever the foreign bank is willing to lend.

Q2. Why is "Hedging" important for a company taking an ECB?

- A) It reduces the interest rate to 0%.
- B) It protects the company from losses if the Indian Rupee depreciates against the foreign currency.
- C) It allows the company to avoid paying taxes.
- D) It is a requirement to list on the stock exchange.

Q3. What does a "declining ECB-to-GDP ratio" (from 1.9% to 1.2%) suggest about the Indian economy?

- A) The economy is shrinking.
- B) The economy is growing faster than its reliance on foreign debt is increasing.
- C) Foreigners have stopped lending to India.
- D) The RBI has banned all foreign loans.

Q4. Which of the following is NOT typically included in India's "Total External Debt"?

- A) NRI deposits
- B) Multilateral loans (e.g., from World Bank)
- C) Domestic loans from State Bank of India
- D) Short-term trade credit

ANSWERS

Q1: B (Explanation: The reform moves away from a one-size-fits-all \$750m cap to a balance-sheet-linked limit.)

Q2: B (Explanation: Hedging locks in an exchange rate, preventing a "debt trap" if the Rupee falls.)

Q3: B (Explanation: It shows India's "relative burden" of foreign debt is becoming more manageable.)

Q4: C (Explanation: External debt specifically refers to money owed to non-resident entities.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance: ECB Policy, Hedging, Debt Statistics	Critical
Banking / SEBI	Corporate Finance & Forex Management	High

4. The 16th Finance Commission

Source: Indian Express

Context

- As the **16th Finance Commission (16th FC)** begins finalizing its recommendations, a major debate has emerged regarding the direct "earmarking" of funds for Local Bodies (Panchayats and Municipalities).
- **The Conflict:** While the Center aims to strengthen the third tier of governance, several states argue that this move bypasses their constitutional authority and reduces their "fiscal space."
- **The Objective:** To analyze whether the trend of "direct fiscal empowerment" of local bodies is a step toward decentralized development or a blow to state autonomy.

THE CORE OF THE FISCAL CONFLICT

The Finance Commission (Article 280) is tasked with recommending the "Devolution" of taxes from the Center to the States. However, recent commissions have increasingly focused on the **Grants-in-aid** for local bodies.

1. The "Bypass" Argument

States argue that the 16th FC is setting stricter "conditionalities" for local bodies to receive funds (e.g., mandatory auditing of accounts, property tax reforms).

- **State View:** Since "Local Government" is a **State Subject** (List II, 7th Schedule), the Center should not dictate how states manage their municipalities.
- **Impact:** It limits the ability of State Finance Commissions (SFCs) to prioritize local needs according to state-specific contexts.

2. Tied vs. Untied Grants

A significant portion of local body grants are now **"Tied"** to specific sectors like sanitation, water supply (Jal Jeevan Mission), and health.

- **The Benefit:** Ensures that national priorities are met at the village level.
- **The Cost:** Local bodies lose the flexibility to spend on unique local problems (e.g., a specific bridge or a local market), making them "agents" of the Center rather than autonomous governments.

STRENGTHENING THE "THIRD TIER"

Proponents of the 16th FC's approach argue that states have historically neglected local bodies:

- **SFC Neglect:** Many states do not constitute **State Finance Commissions (SFCs)** on time or ignore their recommendations, leaving local bodies starved of funds.
- **Accountability:** Direct earmarking ensures that funds actually reach the grassroots instead of being diverted by state governments to cover their own fiscal deficits.
- **Data & Digitalization:** The push for digital accounting and "Property Tax" reforms is intended to make local bodies **"Atmanirbhar"** (self-reliant) in the long run.

CONSTITUTIONAL SAFEGUARDS: THE 73rd & 74th AMENDMENTS

The 16th FC's mandate is rooted in the **73rd and 74th Constitutional Amendments (1992)**, which added **Article 243-I and 243-Y**, requiring the Finance Commission to suggest measures to "augment the Consolidated Fund of a State" to supplement the resources of local bodies.

CONCEPTUAL MCQs

Q1. Under which Article of the Indian Constitution is the Finance Commission constituted?

- A) Article 243
- B) Article 280
- C) Article 360
- D) Article 110

Q2. What is the primary grievance of states regarding "Tied Grants" for local bodies?

- A) The money is too much to handle.
- B) It reduces the state's flexibility to address specific local needs and bypasses state authority.
- C) The Center provides the money in foreign currency.
- D) It only benefits urban areas.

Q3. Which of the following is a mandatory condition often set by recent Finance Commissions for local bodies to access grants?

- A) Building a local stadium.
- B) Auditing of accounts and implementation of property tax reforms.
- C) Changing the name of the village.
- D) Planting 1 million trees every month.

Q4. "Local Government" falls under which list of the 7th Schedule of the Indian Constitution?

- A) Union List
- B) State List
- C) Concurrent List
- D) Residuary List

ANSWERS

Q1: B (Explanation: The FC is a quasi-judicial body appointed by the President every five years.)

Q2: B (Explanation: Tied grants must be spent on specific central schemes, leaving little for local innovation.)

Q3: B (Explanation: These reforms aim to bring transparency and financial self-sufficiency to local bodies.)

Q4: B (Explanation: Entry 5 of the State List covers local government, which is why states guard this territory fiercely.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 Polity (Federalism, Local Bodies); GS-3 Economy (Fiscal Policy)	Critical
RBI Grade B	ESI (Fiscal Policy & Federal Finance)	High
State PCS	State-Local Relations & SFC Roles	Critical

5. RBI Cancels Licence of The Shirpur Merchants' Co-operative Bank

Source: ET

Context

- The Reserve Bank of India (RBI) has cancelled the banking licence of **The Shirpur Merchants' Co-operative Bank** (Maharashtra).
- **Effective Date:** The bank ceased all banking operations, including accepting and repaying deposits, from the close of business on **April 6, 2026**.
- **The Reason:** The RBI determined that the lender lacks **adequate capital** and **earning prospects**. Its current financial position makes it unable to pay its depositors in full.
- **Next Steps:** The Commissioner for Cooperation and Registrar of Cooperative Societies, Maharashtra, has been asked to wind up the bank and appoint a **liquidator**.

PROTECTING DEPOSITORS: THE DICGC SAFETY NET

When a bank's licence is cancelled and liquidation begins, the **Deposit Insurance and Credit Guarantee Corporation (DICGC)** steps in to protect small savers.

1. The ₹5 Lakh Guarantee

- Every depositor is entitled to receive a deposit insurance claim for their deposits (both principal and interest) up to a monetary ceiling of **₹5,00,000 (Rupees Five Lakh)**.
- **Coverage Status:** According to data submitted by the bank, approximately **99.7% of the depositors** are entitled to receive the full amount of their deposits from DICGC.

2. Payments Already Made

- As of January 31, 2026, the DICGC had already proactively paid out **₹48.95 crore** of the total insured deposits based on the willingness forms received from depositors.

BACKGROUND CONCEPTS: COOPERATIVE BANK REGULATION

1. Why does the RBI cancel licences?

The RBI acts as a "watchdog." If a bank's capital falls below the required regulatory minimum (Capital to Risk-Weighted Assets Ratio – CRAR), it can no longer safely handle public money. Allowing such a bank to continue would be **"prejudicial to the interests of its depositors."**

2. The Winding-Up Process

- **Liquidator:** An official appointed to "liquidate" or sell the bank's assets (buildings, furniture, loan recoveries).
- **Priority:** The money recovered by the liquidator is used to repay the DICGC (for the claims it paid out) and then any remaining depositors or creditors.

CONCEPTUAL MCQs

Q1. What is the maximum insurance cover provided by the DICGC to a depositor in a failed bank? A) ₹1 Lakh

- B) ₹2 Lakh
- C) ₹5 Lakh
- D) ₹10 Lakh

Q2. Who is responsible for appointing a liquidator for a cooperative bank after its licence is cancelled?

- A) The Prime Minister's Office
- B) The Registrar of Cooperative Societies of the respective State
- C) The SEBI Chairperson
- D) The Finance Minister

Q3. According to the RBI, why was the licence of Shirpur Merchants' Co-op Bank cancelled? A) It wanted to merge with a private bank.

- B) It lacked adequate capital and earning prospects.
- C) It was opening too many branches in rural areas.
- D) It forgot to renew its digital certificates.

Q4. What does the "99.7% entitlement" figure signify in this context? A) That 99.7% of the bank's staff will lose their jobs.

- B) That almost all depositors have balances below the ₹5 lakh insurance threshold and will get their full money back.

- C) That the bank was 99.7% successful before failing.
D) That the liquidator will sell 99.7% of the bank's furniture.

ANSWERS Q1: C (Explanation: The limit was raised from ₹1 lakh to ₹5 lakh in 2020.)

Q2: B (Explanation: While RBI cancels the licence, the actual winding up is a state-level administrative process.)

Q3: B (Explanation: Financial unviability is the primary reason for such regulatory intervention.)

Q4: B (Explanation: DICGC coverage is highly effective for small-scale cooperative bank depositors.)

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Banking Regulation, DICGC, Cooperative Banks	Critical
Banking	Current Awareness: Bank Cancellations & DICGC Limits	High
UPSC CSE	GS-3 Economy (Financial Inclusion & Stability)	Moderate

Facts To Remember

1. Bharat Tribes Fest 2026

The 19-day festival held at New Delhi's Sunder Nursery celebrated tribal craftsmanship and entrepreneurship through the participation of over 1.50 lakh visitors. Union Minister Jual Oram launched the signature brand 'RISA: Timeless Tribal' to promote specific tribal weaves and crafts across ten initial clusters. The event concluded with awards for top-performing artisans and recorded a significant commercial success with sales totaling **Rs 4.5 crore**.

2. TV Rating Policy 2026

The Ministry of Information and Broadcasting notified new TRP guidelines to enhance transparency, replacing the decade-old 2014 measurement standards. Key reforms include the exclusion of landing page viewership from data and a mandate for boards to comprise at least 50% independent directors. Additionally, the net-worth requirement for rating agencies was reduced to **Rs 5 crore**, while the sample size goal was increased to **1.20 lakh homes**.

3. Administrative Capacity Building for Scientists

Launched under Mission Karmayogi by Dr. Jitendra Singh, this first-of-its-kind programme aims to equip academic and scientific leaders with essential governance and decision-making skills. The initiative introduced the revamped UNNATI portal to strengthen training ecosystems and established a roadmap for the Karmayogi Kartavya Karyakram. A strategic MoU was also signed between the CBC and RIS to collaborate on digital governance and Artificial Intelligence.

4. Visit of Russia's Deputy PM Denis Manturov

First Deputy Prime Minister Denis Manturov visited India to co-chair the India-Russia Inter-Governmental Commission (IRIGC-TEC) alongside External Affairs Minister Dr. S. Jaishankar. The high-level talks focused on expanding bilateral cooperation in energy, fertilizers, connectivity, and critical minerals. Both leaders also reviewed the progress of strategic outcomes established during the 23rd India-Russia Annual Summit held in late 2025.

5. ATL Sarthi & Mentor India Academy

NITI Aayog's Atal Innovation Mission launched two major initiatives in Telangana to foster a culture of

innovation and entrepreneurship at the school level. The program provides structured mentorship and technical support to **379 Atal Tinkering Labs** across the region, grouping them into clusters for better management. Vardhaman College of Engineering was designated as the nodal institution responsible for teacher training and incubation support.

6. Moody's India GDP Forecast

American rating agency Moody's revised India's growth forecast for FY27 downward to **6%** from an earlier estimate of 6.8%, citing the ongoing West Asia conflict. Despite this adjustment, the report noted that India's manufacturing sector remains a strong driver, with a narrowed Current Account Deficit of 0.4% in 2025. Inflation is projected to average **4.8%** in the coming fiscal year, reflecting a shift from previous economic periods.

7. Blanka Vlašić Appointed Event Ambassador

Double Olympic medalist and Croatian high jumper Blanka Vlašić has been named the International Event Ambassador for the 18th TCS World 10K Bengaluru. Known for her record-breaking jump of 2.08 metres, Vlašić will represent the World Athletics Gold Label race scheduled for April 26, 2026. Beyond her athletic achievements, she currently serves the Croatian Olympic Committee and contributes to global peace-through-sport initiatives.

8. Autobiography: 'A Road Well Travelled'

The updated autobiography of former CBI Director R.K. Raghavan was released in Chennai, offering a detailed account of his distinguished career in the Indian Police Service. The book provides a firsthand perspective on the 1991 assassination of Rajiv Gandhi and the critical security failures surrounding the withdrawal of SPG cover. Raghavan's narrative chronicles his journey from the Intelligence Bureau to the pinnacle of India's premier investigative agency.

9. National Maritime Day 2026

Observed on April 5, the 63rd National Maritime Day celebrated India's rich seafaring history under the theme **"Maritime India – Empowering Progress."** The day commemorates the 1919 maiden voyage of the first Indian-owned ship, the SS Loyalty, from Mumbai to London. The observance concluded a week-long series of events known as Merchant Navy Week, highlighting the shipping sector's role in national trade.

10. International Day of Sport for Development and Peace

Global celebrations on April 6 highlighted the theme **"Sport: Building Bridges, Breaking Barriers"** to showcase athletics as a tool for social inclusion and peace. The date was chosen by the UN to mark the anniversary of the first modern Olympic Games held in Athens in 1896. Supported by the International Olympic Committee, the day emphasizes using sports to promote human rights and sustainable development goals.

11. Prevention of Blindness Week 2026

Held during the first week of April, this initiative aims to raise awareness about avoidable vision loss and the importance of proactive eye care. Spearheaded by the NSPB-I, the campaign works alongside organizations like Sightsavers and Rotary International to provide better access to eye screenings. The week serves as a tribute to its founders, including Rajkumari Amrit Kaur, who established the society to combat blindness in India.

FIVE TO REMEMBER · 7 APRIL 2026

1. **The Legacy:** Since its inception in **1980**, the project has been the backbone of infrastructure development along India's sensitive western borders. [Border Roads Organisation \(BRO\) & Project Chetak](#)
2. **Coverage Status:** According to data submitted by the bank, approximately **99.7% of the depositors** are entitled to receive the full amount of their deposits from DICGC. [RBI Cancels Licence of The Shirpur Merchants' C...](#)
3. The Ministry of Environment, Forest, and Climate Change (MoEFCC) has released the **Draft Tar Balls Management Rules, 2026**. [Draft Tar Ball Management Rules, 2026](#)
4. Under the Companies Act, 2013, an ID is a non-executive director who does not have any material pecuniary (financial) relationship with the company, its promoters, or its management. [SEBI's Push for "Substantive" Board Independence](#)
5. **The Threat:** Economists fear a return to **1970s-style Stagflation**, a rare and "worst of both worlds" scenario that hasn't been seen at this scale for nearly 50 years. [The Return of Stagflation](#)

Now test yourself: c4scourses.in/daily-quiz/daily-quiz-7-april-2026/

DAY 7 OF 23

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Daily Current Affairs Quiz
08 April, 2026**National Affairs****1. ASISSE 2024–25: Mapping India's Formal Services Economy****Context**

The **National Statistical Office (NSO)** has launched the inaugural **Annual Survey of Incorporated Services Sector Enterprises (ASISSE)** for the 2024–25 reference period. This represents a landmark shift in how India tracks its most dominant economic engine—the services sector—by moving toward a systematic, annual data collection model similar to what has existed for manufacturing for decades.

THE MISSING PIECE OF THE PUZZLE

For years, India had robust annual data for factories but lacked a consistent "health check" for registered service firms (like IT hubs, hospitals, and hotels). ASISSE fills this "data vacuum."

The Three Pillars of Indian Economic Surveys:

1. **ASI (Annual Survey of Industries)**: Covers the **Manufacturing** sector (Factories).
2. **ASUSE (Annual Survey of Unincorporated Sector Enterprises)**: Covers small, **informal** shops and service providers (not registered as companies).
3. **ASISSE (The New Addition)**: Covers **Formal, Incorporated** service firms (Companies and LLPs).

BACKGROUND CONCEPTS**Q: Why focus specifically on "Incorporated" enterprises?**

A: "Incorporated" means the business is a legal entity registered under the **Companies Act** or as an **LLP**. These firms form the backbone of the formal economy, contribute significantly to GST, and provide organized employment. By tracking them separately from "unincorporated" (informal) units, the government can measure the pace of **formalization** in the Indian economy.

Q: How does the NSO find these 21 lakh enterprises?

A: The survey uses the **GSTN (Goods and Services Tax Network) database** as its sampling frame. This ensures that the data is anchored in actual tax-paying entities, making the results highly reliable for calculating **Gross Value Added (GVA)**.

Q: What is the "Jan Vishwas Act, 2023" connection?

A: The survey is conducted under the *Collection of Statistics Act, 2008*. The **Jan Vishwas Act** recently decriminalized certain minor procedural lapses, making it easier for businesses to report data without the fear of harsh criminal penalties for honest mistakes, thus improving the "Ease of Doing Business."

KEY FEATURES AT A GLANCE

Feature	Details
Primary Wing	National Statistical Office (NSO), Ministry of Statistics & Programme Implementation (MoSPI).
Target Sector	Trade, IT, Transport, Hospitality, Education, Health, and Professional Services.
Methodology	100% Digital: Data collection via a secure web-based portal.
Sample Size	2.1 Million (21 Lakh) enterprises across all States and UTs.
Goal	To improve the accuracy of GDP estimation for the services sector.

CONCEPTUAL MCQs

Q1. ASISSE is designed to bridge the data gap in which specific area of the Indian economy?

- A) The Unincorporated/Informal sector.
- B) The Manufacturing/Factory sector.
- C) The Formal/Incorporated Services sector.
- D) The Agricultural/Farming sector.
- E) The Space Exploration sector.

Q2. Which database is being used as the primary "sampling frame" to identify companies for ASISSE?

- A) The MGNREGA worker list.
- B) The GSTN (Goods and Services Tax Network).
- C) The Voter ID database.
- D) The Census 2011 records.
- E) The National Highway Toll records.

Q3. Which organization is responsible for conducting the ASISSE survey?

- A) RBI (Reserve Bank of India).
- B) NSO (National Statistical Office).
- C) SEBI (Securities and Exchange Board of India).
- D) NITI Aayog.
- E) ISRO.

Q4. ASISSE covers entities registered under which of the following legal frameworks?

- A) Only the Societies Registration Act.
- B) Companies Act (1956/2013) and Limited Liability Partnerships (LLPs).
- C) Only Trade Unions.
- D) Religious Trusts.
- E) Gram Panchayats.

Q5. Why is ASISSE considered superior to previous "ad-hoc" service surveys?

- A) Because it is conducted every 10 years.
- B) Because it is an **annual** exercise providing regular, granular data for policy planning.
- C) Because it only collects data from big cities like Mumbai and Delhi.
- D) Because it is voluntary and companies don't have to provide accurate info.
- E) Because it replaces the need for paying GST.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	ASISSE targets registered service firms to complete the economic picture alongside ASI (Manufacturing).
Q2	B	GSTN provides a live, verified list of active formal businesses in the country.
Q3	B	NSO is the statistical wing of MoSPI.
Q4	B	Incorporation implies a formal legal structure under the Companies Act or LLP Act.
Q5	B	Annual data allows for "real-time" policy adjustments rather than relying on old census data.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Indian Economy, Planning, Mobilization of Resources)	Critical
RBI Grade B	ESI (Economic Reforms, Measurement of Growth)	High
UGC NET	Economics (Indian Economic Statistics)	High

2. 20 Reforms to Anchor the Blue Economy

Source: Livemint

Context

The Ministry of Ports, Shipping, and Waterways is set to launch **20 sectoral reforms** in the first quarter of FY27. This 90-day "sprint" is a critical pillar of the **Maritime Amrit Kaal Vision 2047**, designed to slash India's logistics costs and reverse a massive **\$75 billion annual drain** in foreign exchange paid to foreign shipowners.

THE PROBLEM: THE "FREIGHT DRAIN"

India currently faces a significant strategic and economic gap in its maritime capabilities:

- **Market Share:** Less than **5%** of India's EXIM (Export-Import) cargo is carried by Indian-owned vessels.
- **Domestic Capacity:** An even smaller fraction of these ships is built in Indian shipyards.
- **Economic Cost:** India pays roughly **\$75 billion yearly** to foreign shipping lines, making logistics expensive and increasing the vulnerability of the supply chain.

KEY PILLARS OF THE 2027 REFORMS

1. Regulatory Evolution: The DGMA

The **Directorate General of Shipping** will be rechristened as the **Directorate General of Maritime Administration (DGMA)**.

- **Wider Powers:** It will evolve from a mere licensing body into a powerful regulator overseeing safety, training, and ship registration, bringing Indian oversight in line with global standards (like the US Coast Guard or UK's MCA).

2. Shipbuilding & Financial Muscle

To break into the top tier of global shipbuilders by 2047, the government is focusing on two financial levers:

- **Shipbuilding Financial Assistance Policy:** Revamped to encourage PSUs to form joint ventures for building and operating domestic vessels.
- **Maritime Development Fund (MDF):** A **₹25,000 crore** facility to provide long-term, low-cost financing specifically for shipyards and fleet expansion.

3. Coastal & Inland Shift

The **Coastal Cargo Promotion Scheme** (proposed in Budget 2026–27) aims to double the share of coastal and inland waterway transport from **6% to 12%**. Shifting cargo from road/rail to water is significantly more fuel-efficient and cost-effective.

BACKGROUND CONCEPTS

Q: Why is "Indian Flagging" so important for the economy?

A: When a ship is "Indian-flagged," it is registered in India and subject to Indian laws and taxes. Currently, many Indian shipowners register their ships in foreign "flags of convenience" (like Panama or Liberia) because of lower taxes. By easing Indian registration and tax norms, the government ensures that the profits, insurance, and crew employment stay within the Indian economy.

Q: What is the "Maritime Amrit Kaal Vision 2047"?

A: This is a long-term roadmap to transform India into a global maritime powerhouse by the 100th year of independence. Its goals include:

- Quadrupling port capacity to **10,000 MTPA**.
- Becoming a top-5 shipbuilding and repair hub.
- Achieving **100% green power** at all major ports.

Q: How do these reforms help "Ease of Doing Business"?

A: By creating a dedicated maritime regulator (DGMA), companies get a "single-window" for everything from ship registration to safety audits. This reduces the time spent on bureaucracy, which in the shipping world—where a single day's delay can cost thousands of dollars—is a massive competitive advantage.

CONCEPTUAL MCQs

Q1. What is the estimated annual foreign exchange outgo India pays to foreign shipowners for freight services?

- A) \$10 Billion
- B) \$25 Billion
- C) \$75 Billion
- D) \$150 Billion
- E) There is no outgo as India uses its own ships.

Q2. The Directorate General of Shipping (DGS) is proposed to be rechristened as:

- A) Maritime Safety Authority
- B) Directorate General of Maritime Administration (DGMA)
- C) Indian Port Authority
- D) Bureau of Shipping Standards
- E) National Waterways Commission

Q3. What is the target share for coastal shipping and inland waterways in India's cargo mix by 2047?

- A) 6%
- B) 12%
- C) 25%
- D) 50%
- E) 100%

Q4. The proposed ₹25,000 crore "Maritime Development Fund" (MDF) is primarily aimed at:

- A) Building more roads near ports.
- B) Providing low-cost, long-term funding for shipbuilding and maritime infrastructure.
- C) Paying the salaries of government officials.
- D) Subsidizing the import of foreign-built ships.
- E) Cleaning the Indian Ocean.

Q5. Why is the government pushing for the creation of "Shipbuilding Clusters" in India?

- A) To make the coast look more industrial.
- B) To reduce dependence on foreign yards and build a self-reliant domestic shipbuilding ecosystem.
- C) To encourage people to move to coastal cities.
- D) To increase the taxes on fishermen.
- E) To build a new navy for the UN.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	High freight payments to foreign lines is a major drain on India's Forex reserves.
Q2	B	This signifies a shift toward a modern, comprehensive administrative regulator.
Q3	B	Doubling the current 6% share is a key goal of the 2026-27 Budget.
Q4	B	Shipbuilding is capital-intensive; access to cheap credit is essential for local yards.
Q5	B	Clusters create "Economies of Scale," where multiple suppliers and builders work in one hub.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Infrastructure – Ports, Shipping; Economic Growth)	Critical
RBI Grade B	ESI (Infrastructure Sector Development & Forex Management)	High
State PSCs	Coastal Infrastructure (For states like MH, GJ, TN, AP)	High

Banking and Finance

1. IRDAI Panel to Overhaul Private Health Insurance

Source: The Hindu

Context

The **Insurance Regulatory and Development Authority of India (IRDAI)** has constituted a high-level sub-committee under the **Insurance Advisory Committee (IAC)** to perform a comprehensive "health check-up" of the private health insurance sector. This move follows record premium collections of **₹1.24 lakh crore in FY26**, yet comes amidst rising public friction over steep premium hikes and claim settlement delays.

CORE FOCUS AREAS OF THE REVIEW

The sub-committee is tasked with looking beyond just "sales" and focusing on the actual **value delivered** to the policyholder:

- **Product Design & Innovation:** Reviewing if current products meet diverse needs or are unnecessarily complex (the "fine print" issue).
- **Claims Experience:** Addressing the "1 in 12" rejection reality—where approximately **8% of health claims**

are currently being rejected.

- **Grievance Redressal:** Strengthening the mechanisms for when things go wrong, ensuring customers aren't left in a "legal limbo" during a medical crisis.
- **Risk Pooling:** Evaluating how to better spread risk to keep premiums affordable for senior citizens and high-risk individuals.

INTEGRATED BACKGROUND: THE 2026 INSURANCE LANDSCAPE

The formation of this panel is not an isolated event; it is part of a broader push to achieve **"Insurance for All by 2047."**

1. The "One-Hour" Mandate

In early 2026, IRDAI successfully implemented a **one-hour deadline** for cashless pre-authorisation. Data shows **86.8%** of cases now meet this mark, significantly reducing hospital discharge wait times.

2. Bima Sugam & Digital Infrastructure

The sub-committee will examine the scaling of the **National Health Claims Exchange (NHCX)** and **Bima Sugam**—an online marketplace aimed at offering "zero-commission" policies. This "UPI moment for insurance" aims to lower premiums by removing middlemen.

3. The Hospital Tariff Conflict

A major roadblock has been the lack of standardized pricing. The sub-committee will investigate **Hospital Tariffs** and fraud control, seeking to bridge the gap between what hospitals charge and what insurers are willing to approve.

KEY RECOMMENDATIONS EXPECTED (THE CII INFLUENCE)

The panel will incorporate working group suggestions from the **Confederation of Indian Industry (CII)**, including:

- **Joint Code of Conduct:** A shared ethical framework for both insurers and healthcare providers.
- **Medical Inflation Indexing:** Developing a data-driven way to track and manage the rising cost of treatment.
- **Portability & Convergence:** Exploring how private insurance can better complement public schemes like *Ayushman Bharat*.

CONCEPTUAL MCQs

Q1. What is the primary objective of the newly formed IRDAI sub-committee?

- A) To increase the tax on health insurance premiums.
- B) To review the private health insurance landscape and recommend measures for innovation and improved financial protection.
- C) To force all private insurers to merge with the LIC.
- D) To ban the use of digital apps for buying insurance.
- E) To reduce the number of hospitals in India.

Q2. Which digital platform is often described as the "UPI of Insurance," aimed at offering zero-commission policies?

- A) UPI-2
- B) Bima Sugam
- C) Insurance Pay
- D) Health Locker
- E) Bharat Policy

Q3. According to recent IRDAI data (March 2026), what is the approximate percentage of health insurance claims that are still being rejected?

- A) 1%
- B) 8% (1 in 12)
- C) 25%
- D) 50%
- E) 0% (All claims are approved)

Q4. What is the significance of the "National Health Claims Exchange (NHCX)" in this review?

- A) It is a place to trade insurance company stocks.
- B) It is a centralized digital platform to standardize and speed up the processing of health insurance claims.
- C) It is a forum for doctors to discuss medicine.
- D) It is a new tax collection agency.
- E) It is a training center for insurance agents.

Q5. Why is the sub-committee focusing on "Hospital Tariffs"?

- A) Because IRDAI wants to own the hospitals.
- B) To resolve long-standing disputes between insurers and hospitals over pricing and claim approvals, which often lead to out-of-pocket costs for patients.
- C) To encourage hospitals to charge more money.
- D) To make sure hospitals only use physical paper files.
- E) To prevent doctors from going on vacation.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	B	The goal is "Substantive Reform" in penetration and consumer trust.
Q2	B	Bima Sugam is the core of the "Insurance for All" digital strategy.
Q3	B	Despite high growth, high rejection rates remain a major "Trust Deficit" area.
Q4	B	NHCX acts as the "middleware" between the hospital and the insurance company.
Q5	B	Standardized tariffs are essential for making "Cashless" truly cashless.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance (Insurance Sector / Financial Inclusion)	Critical
UPSC CSE	GS-3 (Economy - Infrastructure/Insurance/Social Sector)	High
Banking / Insurance	Regulatory Bodies & Current Industry Trends	Critical

2. SEBI's One-Time Relief: IPO Extensions and MPS Flexibility

Source: Business Standard

Context

In response to heightened market volatility and muted investor sentiment caused by the **West Asia conflict**, the Securities and Exchange Board of India (SEBI) has announced a significant one-time relaxation. The move aims to prevent a "regulatory lapse" for companies ready to go public but forced to

wait for better market conditions.

THE TWO MAJOR RELAXATIONS

1. Extension of IPO Validity

Normally, once SEBI issues an **"Observation Letter"** (approval) for an IPO, the company must launch its issue within **12 months**.

- **The Relief:** For all approvals expiring between now and **September 30, 2026**, SEBI has granted a **six-month extension**.
- **The Benefit:** Over 24 companies that were facing "expiry" of their papers can now wait for the market to stabilize without the costly and time-consuming process of refiling draft documents (DRHP).

2. MPS Compliance Breathing Room

Listed companies are required to maintain a **Minimum Public Shareholding (MPS)** of at least **25%**.

- **The Relief:** Companies with deadlines to meet this 25% float between April and September 2026 will not face penal actions (fines, freezing of promoter shares).
- **The Benefit:** This prevents "distress selling" by promoters in a falling market just to meet a regulatory deadline.

BACKGROUND CONCEPTS

Q: Why is SEBI doing this now?

A: The ongoing war in West Asia has pushed crude oil prices to **\$111/barrel** and weakened the Rupee to **95/\$**. This "macroeconomic tremor" has made investors cautious. In FY26 alone, 18 companies let their approvals lapse because they didn't want to launch an IPO in a "red" market where their share price might crash on day one.

Q: What is an "Observation Letter"?

A: When a company wants to go public, it files a **Draft Red Herring Prospectus (DRHP)**. SEBI reviews this for transparency and disclosures. The "Observation Letter" is essentially SEBI's "Green Signal." Without this extension, if the signal "timed out," the company would have to start the entire legal and auditing process from scratch.

Q: What is the "Minimum Public Shareholding" (MPS) rule?

A: To ensure a fair market and prevent promoters from manipulating stock prices, SEBI mandates that at least **25% of a company's shares** must be held by the "public" (non-promoters). If a company falls below this, it usually faces heavy penalties or even delisting.

CONCEPTUAL MCQs

Q1. What is the standard validity period of a SEBI "Observation Letter" under normal ICDR regulations?

- A) 3 months
- B) 6 months
- C) 12 months
- D) 24 months
- E) It never expires.

Q2. Why does SEBI mandate a "Minimum Public Shareholding" (MPS) of 25% for listed companies?

- A) To make sure the government gets more tax.
- B) To ensure adequate liquidity and prevent price manipulation by promoters.
- C) To allow foreign companies to take over Indian firms.

- D) To reduce the number of shareholders in a company.
E) To increase the salary of the CEO.

Q3. According to the recent SEBI circular, until when have the observation letters been extended?

- A) December 2025
B) April 2026
C) September 2026
D) January 2027
E) December 2030

Q4. What is the primary document a company files with SEBI to initiate the IPO process?

- A) Annual Report
B) GST Return
C) Draft Red Herring Prospectus (DRHP)
D) Fixed Deposit Receipt
E) Employment Contract

Q5. Which external factor was specifically cited by SEBI for causing challenges in accessing capital markets in 2026?

- A) High rainfall in India.
B) The war in West Asia.
C) A global shortage of microchips.
D) The discovery of gold in Antarctica.
E) A strike by transport workers.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	The standard window is 12 months; SEBI's new move is a special "one-time" relief.
Q2	B	Higher public float ensures that "floating stock" is available for fair price discovery.
Q3	C	This gives companies a full extra window to wait for the geopolitical situation to settle.
Q4	C	The DRHP is the preliminary registration document for the public.
Q5	B	Geopolitical tensions in West Asia led to high oil prices and market volatility.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
SEBI Grade A	Issue of Capital and Disclosure Requirements (ICDR) & MPS norms	Critical
RBI Grade B	Financial Markets (Primary Markets & Regulation)	High
UPSC CSE	GS-3 (Indian Economy – Capital Markets)	High

3. RBI Cracks Down on Forex Arbitrage

Source: Business Standard

Context

In a swift regulatory move, the **Reserve Bank of India (RBI)** has forced commercial banks to shut down nearly **75%** of their currency arbitrage positions. By capping the **Net Open Position (NOP)** at a strict **\$100**

million, the RBI has triggered a massive sell-off of dollars by banks, causing the Indian Rupee to appreciate back under the **93/\$** mark. This intervention aims to stabilize the currency, which had plummeted 4% in March due to the West Asia conflict.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: What is "Currency Arbitrage" and why were banks betting against the Rupee?

A: Arbitrage is the practice of buying an asset in one market and selling it in another to profit from a price difference.

- **The Bet:** Banks were borrowing Rupees at lower domestic rates and buying Dollars (effectively betting that the Rupee would fall further).
- **The Volume:** Bankers estimate that out of **\$40 billion** in such "short" bets against the Rupee, **\$30 billion** has been squared off (closed) following the RBI order.

Q: What is a "Net Open Position (NOP)"?

A: NOP refers to the total amount of foreign currency a bank holds that is not "hedged" or balanced out.

- **The Old Rule:** Limits were linked to a bank's total capital, allowing large banks to hold billions in open bets.
- **The New Hard Cap:** The RBI has set a flat limit of **\$100 million** per bank. Any amount held above this must be sold in the market by the **April 10 deadline**.

Q: How does "Unwinding" help the Rupee appreciate?

A: When a bank "unwinds" or "squares off" a position where they were holding Dollars, they must **sell those Dollars** and **buy Rupees**.

- **Supply & Demand:** A sudden surge in banks buying Rupees creates high demand for the local currency, driving its value up (from over 93/\$ to 92.99/\$).

RBI POLICY & BOND YIELDS

While the currency market is in a frenzy, the bond market remains cautious ahead of the **Monetary Policy Committee (MPC)** outcome today (Wednesday).

- **Bond Yields:** Settled flat at **7.05%**. Traders are torn between geopolitical risks (Iran conflict) and the Finance Minister's hint that the RBI may have "scope to lower interest rates."
- **The FM Factor:** Nirmala Sitharaman suggested an accommodative stance to support vulnerable sectors, pushing the market to expect a less "hawkish" (aggressive) RBI statement.

CONCEPTUAL MCQs

Q1. What does it mean when a bank "squares off" or "unwinds" an arbitrage position?

- A) It opens a new branch in a foreign country.
- B) It closes an existing trade by taking an opposite action (e.g., selling the dollars it previously bought).
- C) It asks the government for a bailout.
- D) It increases the interest rate for retail customers.
- E) It converts all its physical cash into gold.

Q2. Why did the RBI impose a \$100 million cap on the Net Open Position (NOP)?

- A) To encourage banks to speculate more on the US Dollar.
- B) To reduce currency volatility and stop banks from betting against the Indian Rupee during a crisis.
- C) To make it harder for people to travel abroad.
- D) Because the RBI ran out of digital storage space for larger numbers.

E) To increase the profits of private commercial banks.

Q3. If banks are "selling Dollars" to comply with the RBI deadline, what is the most likely effect on the Rupee?

- A) The Rupee will depreciate (value falls).
- B) The Rupee will appreciate (value rises).
- C) There will be no effect on the exchange rate.
- D) The Rupee will be abolished and replaced by the Dollar.
- E) The stock market will close for a week.

Q4. According to the text, why did the Rupee fall by over 4% in March 2026?

- A) Due to a sudden increase in Indian exports.
- B) Due to the West Asia conflict and rising global uncertainties.
- C) Because the RBI lowered interest rates to 0%.
- D) Because the Prime Minister resigned.
- E) Because of a massive surplus in the national budget.

Q5. What is the significance of "Bond Yields" closing flat at 7.05% ahead of the RBI policy?

- A) It shows that investors are 100% certain that rates will be cut.
- B) It reflects a "wait-and-watch" mode, where investors are balanced between geopolitical fear and hopes for a rate cut.
- C) It means the government has stopped borrowing money.
- D) It indicates that the Indian economy has stopped growing.
- E) It is the highest yield in the history of the world.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	B	To exit a "Short Rupee" bet, you must buy Rupees, which settles the position.
Q2	B	Massive speculative bets by banks can turn a small currency dip into a free-fall.
Q3	B	Selling USD and buying INR increases the demand for INR, making it "stronger."
Q4	B	War usually leads to "Flight to Safety," where investors dump emerging market currencies for the USD.
Q5	B	Flat yields suggest the market is "priced in" for multiple possibilities.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance (Forex Management / NOP Limits / MPC Stance)	Critical
UPSC CSE	GS-3 (Economy – Exchange Rate Management / External Sector)	High
Banking (PO)	Current Affairs – Rupee-Dollar movements & RBI deadlines	High

Agriculture

1. Advancing India's Fisheries Sector: Scaling the Blue Economy

Source: PIB

Context

The Ministry of Fisheries, Animal Husbandry & Dairying has highlighted a massive structural shift in the sector, backed by a record budgetary allocation of **₹2,761.80 crore** in the Union Budget 2026–27. This funding is designed to transition India from traditional fishing to an organized, **technology-driven value chain**, focusing on the **Maritime Amrit Kaal Vision 2047**.

THE STATE OF THE SECTOR (2026 DATA)

India has emerged as a global heavyweight in the "Blue Economy," showing remarkable growth over the last decade.

- **Global Standing:** India is the **second-largest** fish producer, contributing **8%** of global output.
- **Production Surge:** Total production reached **197.75 lakh tonnes** (FY 2024–25), a **106% increase** from 2013–14 levels.
- **Economic Driver:** Fisheries account for **7.43% of Agricultural GVA**—the highest share among all agricultural sub-sectors.
- **Export Record:** Seafood exports hit **₹62,408 crore** in 2025, dominated by frozen shrimp exports to the US and China.

STRATEGIC POTENTIAL & INITIATIVES

1. Modern Technology Adoption (PMMSY)

The **Pradhan Mantri Matsya Sampada Yojana** is the engine of this transformation, pushing two key high-yield technologies:

- **Bio-floc Technology:** Uses beneficial microbes to recycle waste into fish feed, allowing for high-density farming in small areas.
- **Recirculatory Aquaculture Systems (RAS):** A closed-loop system where water is filtered and reused, minimizing environmental impact.

2. Digital & Financial Inclusion

To bring 3 crore fishers into the formal economy, the government has launched:

- **National Fisheries Digital Platform (NFDP):** Provides "work-based digital identities" for over **30.60 lakh** stakeholders to access credit and insurance.
- **KCC Expansion:** Kisan Credit Card benefits (now up to **₹5 lakh** limit) have reached **4.39 lakh** fishers, reducing dependence on informal moneylenders.

CHALLENGES vs. THE WAY AHEAD

Challenges	Strategic "Way Ahead"
Post-Harvest Loss: Perishable catch wastage due to poor cold chains.	Infrastructure: Modernizing harbors to meet international sanitary (SPS) standards.
Near-Shore Overfishing: Depletion of resources close to the coast.	Deep-Sea Fishing: Subsidizing advanced vessels to tap into the 24 lakh sq. km EEZ .
Climate Vulnerability: Cyclones and rising sea temperatures.	Sustainable Governance: Strict implementation of the 2025 Sustainable Fisheries Rules .
Low Productivity: Inland yields are below global benchmarks.	FFPO Empowerment: Strengthening 2,195 Farmer Producer Orgs for collective bargaining.

CONCEPTUAL MCQs

Q1. Which of the following technologies is primarily used to recycle organic waste into fish feed within the pond itself?

A) Recirculatory Aquaculture System (RAS)

- B) Bio-floc Technology
- C) Deep-sea Trawling
- D) Cryogenic Freezing
- E) Satellite Mapping

Q2. What is the significance of the "Exclusive Economic Zone" (EEZ) for India's fisheries sector?

- A) It is a tax-free zone for inland farmers.
- B) It represents 24 lakh sq. km of marine territory available for sustainable resource harnessing.
- C) It is the area where only foreign vessels are allowed to fish.
- D) It is a small pond area used for Bio-floc.
- E) It is the digital platform for fisher registration.

Q3. According to the 2026-27 Budget, what is the primary role of the National Fisheries Digital Platform (NFDP)?

- A) To sell fish directly to consumers.
- B) To act as a social media site for fishers.
- C) To generate digital identities and streamline formal credit and insurance access.
- D) To track the weather in the Arabian Sea.
- E) To manage the salaries of government officials.

Q4. Why is "Deep-Sea Fishing" being prioritized in the 2027 maritime strategy?

- A) Because near-shore waters are over-exploited and unutilized resources lie further out in the EEZ.
- B) Because deep-sea fish are easier to catch with traditional nets.
- C) To reduce the number of fishers in the country.
- D) Because shallow water fishing has been banned entirely.
- E) To increase the cost of seafood for exports.

Q5. What is the current contribution of fisheries to India's Agricultural GVA?

- A) 1%
- B) 3.5%
- C) 7.43%
- D) 15%
- E) 25%

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	B	Bio-floc technology uses microbes to turn waste into protein-rich feed.
Q2	B	The EEZ allows India to claim sovereign rights over marine resources up to 200 nautical miles.
Q3	C	Digital formalization is the first step toward moving fishers away from informal debt.
Q4	A	Moving to the high seas is essential for long-term sustainability and resource security.
Q5	C	This is the highest share among all agriculture and allied sub-sectors as of 2026.

Facts To Remember

1. Giriraj Singh Releases Textile Demand Survey Report 2024

Giriraj Singh released National Household Survey on textiles demand. The report shows market growth from ₹4.89 lakh crore in 2010 to ₹14.95 lakh crore in 2024. Household demand and per capita spending also increased significantly. It serves as a key policy and industry planning tool.

2. NSO Launches Annual Survey of Services Sector Enterprises

National Statistics Office launched ASISSE to build services sector database. It covers around 1.21 lakh registered enterprises. The survey includes sectors like IT, trade, healthcare, and education. It will support data-driven policymaking and economic analysis.

3. Amaravati Notified as Sole Capital of Andhra Pradesh

Government notified Amaravati as exclusive capital after amendment to AP Reorganisation Act. The decision nullifies earlier three-capital proposal. The law is effective retrospectively from June 2, 2024. It provides administrative clarity for the state.

4. India's Prototype Fast Breeder Reactor Achieves Criticality

India's 500 MWe PFBR at Kalpakkam achieved first criticality. It marks a major step in the second stage of nuclear programme. The reactor uses MOX fuel and produces more fuel than it consumes. India becomes second country after Russia in this domain.

5. Indian Army Releases UAS and Loitering Munitions Roadmap

Indian Army unveiled roadmap for drones and loitering munitions. It outlines 30 UAS types and 80 variants for operations. The plan aligns technology with defence needs and R&D. It boosts self-reliance in modern warfare systems.

6. India Adds Record 6.05 GW Wind Energy Capacity in FY26

India added highest-ever 6.05 GW wind capacity in FY26. Total installed capacity crossed 56 GW milestone. Gujarat, Karnataka, and Maharashtra led installations. It supports 500 GW non-fossil fuel target by 2030.

7. Bajaj Alts Gets SEBI Approval for PMS Services

Bajaj Finserv arm Bajaj Alts received SEBI approval for PMS. It targets HNIs with customised investment strategies. The service focuses on research, risk management, and transparency. It strengthens its investment platform offerings.

8. RBI Cancels Licence of Shirpur Merchants Co-op Bank

Reserve Bank of India cancelled licence of Shirpur Merchants Bank. The decision was due to poor capital and weak earning prospects. Depositors will receive up to ₹5 lakh insurance from DICGC. The bank ceases operations from April 6, 2026.

9. Morgan Stanley Cuts India GDP Forecast to 6.2% for FY27

Morgan Stanley lowered India's GDP forecast to 6.2%. The revision is due to global uncertainties and West Asia tensions. Inflation is projected at 5.1% and CAD at 2.5%. Growth moderation reflects external pressures.

10. Divya Singh Cycles to Everest Base Camp in 14 Days

Divya Singh became first Indian woman to cycle to Everest Base Camp. She completed the expedition in 14 days under extreme conditions. The journey reached an altitude of 5,364 metres. It marks a significant achievement in adventure sports.

11. Ranveer Singh Appointed Brand Ambassador of Jindal Stainless

Ranveer Singh was appointed brand ambassador of Jindal Stainless. The move aims to boost brand visibility and outreach. He will feature in multi-platform campaigns. The company plans expansion in global markets.

12. International Day of Reflection on Rwanda Genocide Observed April 7

The UN observes this day to honour victims of 1994 Rwanda genocide. It marks the 32nd anniversary in 2026. Over one million people lost their lives in 100 days. The day promotes remembrance and prevention of genocide.

13. World Health Day Observed on April 7

World Health Organization marks World Health Day annually. The 2026 theme is "Together for Health. Stand with Science". It highlights global health awareness and cooperation. The day commemorates WHO's founding in 1948.

FIVE TO REMEMBER · 8 APRIL 2026

1. **The Relief:** Companies with deadlines to meet this 25% float between April and September 2026 will not face penal actions (fines, freezing of promoter shares). SEBI's One-Time Relief: IPO Extensions and MPS ...
2. **Production Surge:** Total production reached **197.75 lakh tonnes** (FY 2024-25), a **106% increase** from 2013-14 levels. Advancing India's Fisheries Sector: Scaling the...
3. **B) Companies Act (1956/2013) and Limited Liability Partnerships (LLPs).** ASISSE 2024-25: Mapping India's Formal Services...
4. **Market Share:** Less than **5%** of India's EXIM (Export-Import) cargo is carried by Indian-owned vessels. 20 Reforms to Anchor the Blue Economy
5. **Claims Experience:** Addressing the "1 in 12" rejection reality—where approximately **8% of health claims** are currently being rejected. IRDAI Panel to Overhaul Private Health Insurance

Now test yourself: c4scourses.in/daily-quiz/daily-quiz-8-april-2026/

DAY 8 OF 23

9 April 2026

Thursday · 33 items · 4 topics

National Affairs 7 · Banking and Finance 5 · Agriculture 1 · Facts To Remember 20

Daily Current Affairs Quiz
09 April, 2026**National Affairs****1. National Biodiversity Repositories****Source:** Press Information Bureau (PIB)**Context**

The **National Biodiversity Authority (NBA)** has officially notified two premier scientific institutions—**CMLRE, Kochi** and **ARI, Pune**—as designated **National Repositories** under **Section 39** of the **Biological Diversity Act, 2002**. This designation elevates these centers to the status of legal guardians for India's newly discovered species and unique microbial life.

THE NEW GUARDIANS OF BIODIVERSITY

The addition of these two institutions expands India's repository network to **20 members**, filling critical gaps in deep-sea and microbial science.

1. Referral Centre Bhavasagara (CMLRE, Kochi)

- **Specialization:** Deep-Sea Biodiversity.
- **The Collection:** Houses over **3,500** geo-referenced specimens, including rare deep-sea fishes and invertebrates.
- **Strategic Importance:** It is India's only national facility dedicated to preserving life from relatively unexplored deep-sea territories, which are high-risk areas for **biopiracy**.

2. MACS Microorganism & Fungal Collection (ARI, Pune)

- **Specialization:** Microbes and Fungi.
- **The Collection:** Focuses on **anaerobic and extremophilic** microorganisms (life that survives in extreme conditions without oxygen).
- **Strategic Importance:** Authenticated fungal cultures are essential for high-end research in **agriculture** and **healthcare** (e.g., discovering new antibiotics or bioactive compounds).

BACKGROUND CONCEPTS**Q: What is a "Voucher Specimen"?**

A: A voucher specimen is a physical sample (like a dried plant, a preserved fish, or a microbial culture) that serves as the permanent record of a species. If a scientist 100 years from now doubts a discovery, they can go to the repository to inspect the original voucher specimen.

Q: What is "Biopiracy"?

A: Biopiracy occurs when researchers or organizations use biological resources (like a traditional medicinal plant or a unique deep-sea microbe) without official permission or without sharing the profits with the country or community where the resource originated.

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Q: What is the role of the National Biodiversity Authority (NBA)?

A: Headquartered in Chennai, the NBA is a statutory body that regulates the access to biological resources in India. It ensures that the use of these resources follows the principles of the **Nagoya Protocol** (Access and Benefit Sharing).

CONCEPTUAL MCQs**Q1. Under which specific section of the Biological Diversity Act, 2002, does the NBA notify National Repositories?**

- A) Section 3
- B) Section 12
- C) Section 21
- D) Section 39
- E) Section 45

Q2. The newly notified repository in Kochi (CMLRE) is specialized in preserving life from which specific habitat?

- A) Himalayan Alpine regions
- B) Deep-Sea territories
- C) Desert ecosystems
- D) Freshwater wetlands
- E) Mangrove forests

Q3. Why is the MACS collection at ARI, Pune, particularly important for the healthcare and industrial sectors?

- A) It holds the world's largest collection of bird feathers.
- B) It specializes in anaerobic and extremophilic microorganisms used for bioactive compounds.
- C) It preserves ancient agricultural tools.
- D) It manages the national database of tiger populations.
- E) It focuses on the preservation of large mammals.

Q4. What is the legal requirement for a researcher who discovers a "new taxon" in India?

- A) They must sell the specimen to a private collector.
- B) They must deposit a voucher specimen in a designated National Repository.
- C) They must keep the location of the discovery a secret.
- D) They must obtain a patent within 24 hours.
- E) They must move the specimen out of the country for testing.

Q5. How many institutions currently form the National Repository network in India following the latest notification?

- A) 10
- B) 15
- C) 18
- D) 20
- E) 25

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	D	Section 39 gives the legal mandate for managing biological resource custody.
Q2	B	CMLRE (Centre for Marine Living Resources and Ecology) is the nodal agency for deep-sea life.
Q3	B	Extremophiles often have unique enzymes that are highly valuable in drug discovery.
Q4	B	This ensures the discovery is verified and the physical evidence is preserved in safe custody.
Q5	D	The two new additions (ARI and CMLRE) brought the previous total of 18 up to 20.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Environment, Biodiversity & Acts)	Critical
State PSCs	Regional Scientific Institutions (Kochi/Pune)	High
SSC CGL	General Science (Microbiology & Marine Life)	Moderate

2. Gaganyaan: First Uncrewed Mission (HLVM3 G1/OM1)

Source: The Hindu

Context

ISRO Chairperson V. Narayanan announced that the launch date for the first uncrewed mission of **Gaganyaan (HLVM3 G1/OM1)** will be released soon. While originally slated for the first quarter of 2026, the mission has seen minor delays as ISRO prioritizes rigorous testing to ensure the safety of the future crewed mission.

THE GAGANYAAN ROADMAP

India's first Human Spaceflight Programme follows a multi-stage approach. ISRO plans to conduct **three uncrewed missions** before the final manned flight to test all systems in the harsh environment of space.

- **HLVM3 G1/OM1:** The first orbital mission involving the Human-Rated LVM3 rocket and the Crew Module (uncrewed).
- **The Goal:** To validate the launch vehicle performance, the orbital module's injection, and the recovery of the capsule from the sea.
- **Technology Check:** Includes the "Human-Rating" of the LVM3 (re-engineering the rocket for safety) and testing the life support systems.

KEY COMPONENTS OF THE MISSION

1. Human-Rated LVM3 (HLVM3)

The Launch Vehicle Mark-3 (LVM3) is India's heaviest rocket. For Gaganyaan, it is upgraded with an **Emergency Escape System (CES)** and specialized sensors to monitor every parameter affecting human life.

2. The Orbital Module

This consists of two parts:

- **Crew Module (CM):** The space where astronauts will live; designed with a double-walled pressurized structure.
- **Service Module (SM):** Provides power and propulsion to the Crew Module while in orbit.

BACKGROUND CONCEPTS: Q&A FORMAT

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Q: What is Vyommitra?

A: Vyommitra is a female-looking "half-humanoid" robot developed by ISRO. She is designed to fly aboard the uncrewed missions to mimic human activity and monitor how spaceflight parameters (like microgravity and vibration) affect a human body.

CONCEPTUAL MCQs**Q1. What is the name of the heavy-lift launch vehicle being "Human-Rated" for the Gaganyaan mission?**

- A) PSLV
- B) GSLV Mk II
- C) LVM3
- D) SSLV
- E) Vikram-S

Q2. The "Crew Escape System" (CES) is a safety mechanism designed to:

- A) Help astronauts walk on the moon.
- B) Pull the crew module away to safety in case of a launch failure on the pad or during flight.
- C) Store food and water for the journey.
- D) Control the satellite's internet speed.
- E) Help the rocket land vertically like a SpaceX rocket.

Q3. Which robot is scheduled to fly on the uncrewed Gaganyaan missions to simulate human presence?

- A) Pragyan
- B) Vyommitra
- C) Sophia
- D) Vikram
- E) Pushpak

Q4. Where is the Gaganyaan Crew Module expected to land after its mission?

- A) On the surface of the Moon.
- B) On a specialized runway in Bengaluru.
- C) In the Indian Ocean (Splashdown).
- D) In the Thar Desert.
- E) It will not return to Earth.

Q5. What is the primary purpose of the "Service Module" in the Gaganyaan spacecraft?

- A) To carry the astronauts.
- B) To provide propulsion, power, and thermal management to the Crew Module while in orbit.
- C) To act as a parachute during landing.
- D) To record videos for social media.
- E) To serve as a docking port for the International Space Station.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	LVM3 is the heavy-lifter chosen for its reliability and weight capacity.
Q2	B	Safety is paramount; the CES can pull the module away within milliseconds of a detected anomaly.
Q3	B	Vyommitra (Friend in Space) can speak, monitor dials, and simulate human vitals.
Q4	C	Most Indian capsules are designed for a water landing followed by recovery by the Navy.
Q5	B	The Service Module is the "engine room" of the spacecraft.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Science & Tech, Indigenization of Technology)	Critical
SSC CGL/State Exams	Space Missions, ISRO Chairperson, Static Science	High
Engineering Services	Aerospace Engineering & Material Science	High

3. Indian Space Situational Assessment Report (ISSAR) 2025

Source: The Hindu

Context

The **Indian Space Situational Assessment Report (ISSAR) 2025** highlights an unprecedented surge in global space activity. With **315 successful launches** placing over **4,600 objects** in orbit, the report underscores the growing challenge of "space congestion" and the critical need for Collision Avoidance Measures to protect expensive space assets.

STATUS OF INDIAN SPACE ASSETS (2025)

India continues to expand its orbital footprint while actively managing "space junk" through decommissioning.

Satellite Count:

- **Total in Orbit:** 86 Indian satellites.
- **Operational:** 27 (active missions).
- **Defunct:** 23 (retired but still floating in orbit).
- **Decayed:** 36 (have re-entered and burned up).

Rocket Bodies in Orbit:

The "spent stages" of rockets often remain in space long after the satellite is deployed.

- **PSLV:** 42 bodies still in orbit (India's most frequent flyer).
- **GSLV:** 4 bodies in orbit.
- **LVM-3:** 3 bodies in orbit.
- **SSLV:** All 4 launched bodies have decayed (designed for lower orbits).

BACKGROUND CONCEPTS

Q: What is an "Orbital Manoeuvre"?

A: Satellites aren't static; they often need to move to stay in their correct slot or to avoid a collision. In 2025, India performed over **1,000 manoeuvres**.

- **LEO (Low Earth Orbit):** 563 manoeuvres (mostly for earth observation).

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- **GEO (Geostationary Orbit):** 519 manoeuvres (mostly for communication satellites).

Q: How does India avoid "Space Collisions"?

A: ISRO tracks potential "conjunctions" (close passes). In 2025, **18 Collision Avoidance Measures (CAMs)** were executed. This involves firing the satellite's thrusters to move it slightly out of the path of a piece of debris or another satellite.

CONCEPTUAL MCQs

Q1. According to the ISSAR 2025, what was the "Net Annual Growth" of objects in space?

- A) 10%
- B) 25%
- C) 50.5%
- D) 74.5%
- E) 100%

Q2. What is a "Graveyard Orbit," as mentioned in the decommissioning of IRNSS-1D?

- A) An orbit very close to Earth's atmosphere.
- B) A specific orbit above the functional Geostationary belt where dead satellites are moved to avoid collisions.
- C) The orbit where satellites go to be repaired.
- D) The path used by the Moon.
- E) An orbit where satellites are stored before being launched to Mars.

Q3. Which Indian launch vehicle has the highest number of spent rocket bodies (42) currently in orbit?

- A) SSLV
- B) LVM-3
- C) GSLV
- D) PSLV
- E) RH-200

Q4. A "Collision Avoidance Measure" (CAM) is primarily triggered when:

- A) A satellite runs out of fuel.
- B) A satellite's camera stops working.
- C) There is a high probability of a conjunction (collision) with another object or debris.
- D) The satellite needs to take a photo of the Sun.
- E) The satellite is returning to Earth.

Q5. How many Indian satellites were "Operational" as of the 2025 report?

- A) 86
- B) 50
- C) 27
- D) 12
- E) 8

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	D	74.5% reflects the rapid crowding of the orbital environment.
Q2	B	Moving dead satellites to a graveyard orbit is a key part of "Space Sustainability."
Q3	D	The PSLV is India's "workhorse," having completed over 60 missions.
Q4	C	CAMs are critical "evasive actions" to protect multi-million dollar assets.
Q5	C	While 86 are in orbit, only 27 are currently functional and providing services.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Space Tech, Environment – Space Debris/Kessler Syndrome)	Critical
SSC/Banking	Current Affairs (ISRO Reports & Satellite counts)	High
State PSCs	Science & Tech (Indian Space Assets)	High

4. International Election Visitors' Programme (IEVP), 2026

Source: News on Air

Context

The **Election Commission of India (ECI)** has officially launched the **International Election Visitors' Programme (IEVP), 2026**. This initiative allows election managers from around the world to witness the assembly elections in **Assam, Kerala, and Puducherry** (Phase I), followed by **West Bengal and Tamil Nadu** (Phase II).

THE CORE OF IEVP: ELECTION DIPLOMACY

The IEVP is more than a tour; it is a strategic tool for **South-South cooperation** and "Election Management Diplomacy."

1. Knowledge Exchange

India hosts the world's largest democratic exercise. The IEVP provides a platform for foreign **Election Management Bodies (EMBs)** to learn how the ECI manages millions of voters across diverse terrains.

2. Technological Integration

A central pillar of the 2026 programme is demonstrating India's "Tech-Stack" for elections:

- **EVMs & VVPATs:** Showing the transparency of the electronic voting process.
- **cVIGIL App:** Demonstrating how citizens can report model code violations in real-time.
- **Digital Frameworks:** Briefings on the operational architecture that ensures one of the most complex logistical tasks on Earth remains seamless.

3. Grassroots Observation

Delegates move beyond lecture halls into the field. They observe:

- **Polling Station Management:** How queues, security, and the "First Polling Officer" identification process work.
- **Integrity Measures:** The process of showing the empty box to agents, the sealing of machines, and the security of strongrooms.

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PHASES OF THE 2026 PROGRAMME

Phase	Timeline	Focus States/UTs
Phase I	April 2026 (Current)	Assam, Kerala, Puducherry
Phase II	Late April 2026	West Bengal, Tamil Nadu

BACKGROUND CONCEPTS: Q&A FORMAT**Q: What is "South-South Cooperation"?**

A: This refers to the exchange of resources, technology, and knowledge between developing countries (often in the "Global South"). Many countries in Africa, Asia, and Latin America look to India's ECI as a gold standard for managing elections in developing economies with large populations.

Q: What is the significance of the VVPAT?

A: The **Voter Verifiable Paper Audit Trail (VVPAT)** allows the voter to see a paper slip for 7 seconds, confirming their vote was cast correctly. For international visitors, this is the ultimate proof of "Transparency and Auditability" in an electronic system.

CONCEPTUAL MCQs**Q1. The IEVP 2026 is an initiative organized by which Indian institution?**

- A) Ministry of External Affairs
- B) NITI Aayog
- C) Election Commission of India (ECI)
- D) Supreme Court of India
- E) Ministry of Home Affairs

Q2. Which states/UT are included in Phase I of the field visits for the IEVP 2026?

- A) West Bengal and Tamil Nadu
- B) Assam, Kerala, and Puducherry
- C) Uttar Pradesh and Punjab
- D) Gujarat and Maharashtra
- E) Bihar and Odisha

Q3. What is the primary purpose of showcasing the "cVIGIL" app to international delegates?

- A) To help them book hotels in India.
- B) To demonstrate real-time reporting of election code violations by citizens.
- C) To allow delegates to vote in Indian elections.
- D) To track the weather during the polling day.
- E) To manage the salaries of government employees.

Q4. The IEVP is described as a platform for "South-South Cooperation." This typically involves cooperation between:

- A) Only Northern European countries.
- B) Developing nations of the Global South.
- C) The USA and Canada.
- D) Private corporations and NGOs.
- E) Space agencies like ISRO and NASA.

Q5. In the Indian electoral hierarchy, the official responsible for election management at the District level is the:

- A) Chief Electoral Officer (CEO)
- B) Chief Minister (CM)
- C) District Election Officer (DEO)
- D) Booth Level Officer (BLO)
- E) Returning Officer (RO)

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	The ECI holds the constitutional mandate for conducting and supervising elections.
Q2	B	Phase I covers the early April election cycle in these three regions.
Q3	B	cVIGIL is a flagship "fast-track" complaint system for voters.
Q4	B	India leads many developing nations in institutionalizing democratic tech.
Q5	C	The DEO (usually the DM) is the operational head for the district.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 (Election Commission, Representation of People Act, IR)	High
State PSCs	Regional Elections & Administrative Machinery	High
SSC CGL	General Awareness (Institutional Roles)	Moderate

5. Withdrawal of COP33 Host Bid (2028)

Source: Times of India

Context

India has officially communicated its decision to withdraw the bid to host the **33rd Conference of Parties (COP33)** in 2028. The proposal, originally championed by Prime Minister Narendra Modi during COP28 in Dubai (2023), was rescinded following a "review of commitments for the year 2028." While no formal public announcement has been made, the decision was formally sent to the **UNFCCC's Asia-Pacific Group** last week.

WHY THE WITHDRAWAL?

While the government has cited a general review of commitments, analysts point to a few strategic reasons:

- **Logistical Overload:** India successfully hosted the G20 in 2023, but hosting a COP involves a massive scale of 30,000+ delegates and intensive global negotiations that last for two weeks.
- **Resource Prioritization:** India may be focusing its diplomatic and financial capital on other major international events or domestic implementation of its new climate targets.
- **Asia-Pacific Dynamics:** With India's exit, **South Korea** is now the primary contender to host the summit in 2028.

THE COP ROADMAP (2025–2028)

Event	Year	Host Country	Region
COP30	2025	Brazil	Latin America
COP31	2026	Turkiye	Asia-Pacific/Eastern Europe
COP32	2027	Ethiopia	Africa
COP33	2028	South Korea (Likely)	Asia-Pacific

BACKGROUND CONCEPTS: Q&A FORMAT**Q: What is "Emissions Intensity"?**

A: It is the volume of greenhouse gases emitted per unit of GDP. Reducing this means India is decoupling its economic growth from carbon emissions—growing the economy faster than the pollution it creates.

Q: Why is a "Carbon Sink" important?

A: A carbon sink (forests, oceans, soil) absorbs more carbon than it releases. By aiming for 3.5–4 billion tonnes, India is using nature-based solutions to "offset" the emissions that cannot be eliminated from industries like steel or cement.

CONCEPTUAL MCQs**Q1. Who made the initial proposal for India to host COP33 during the Dubai summit in 2023?**

- A) The Environment Minister
- B) Prime Minister Narendra Modi
- C) The Joint Secretary of the Ministry
- D) The President of India
- E) The UN Secretary-General

Q2. Under the updated NDCs for 2035, India aims to achieve what percentage of non-fossil fuel-based electric capacity?

- A) 40%
- B) 47%
- C) 50%
- D) 60%
- E) 70%

Q3. Which country is expected to be the alternative host for COP33 in 2028 following India's withdrawal?

- A) China
- B) Japan
- C) South Korea
- D) Australia
- E) Saudi Arabia

Q4. India's goal for carbon sink creation by 2035 is how many billion tonnes of \$CO_2\$ equivalent?

- A) 1.5 to 2.0
- B) 2.5 to 3.0
- C) 3.5 to 4.0

D) 5.0 to 6.0

E) 10.0

Q5. The decision to withdraw the bid was communicated by Rajat Agarwal, who holds which position?

A) Foreign Secretary

B) Joint Secretary in the Environment Ministry

C) Governor of the RBI

D) Chairman of the G20

E) UN Climate Envoy

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	B	It was a high-level diplomatic offer made at the 2023 Dubai summit.
Q2	D	This was upgraded from the previous 50% target to reflect rapid solar/wind growth.
Q3	C	South Korea had previously shown interest and is the next logical choice for the region.
Q4	C	This represents a massive afforestation and forest protection drive.
Q5	B	He is the nodal official coordinating with the UN's Asia-Pacific group.

EXAM RELEVANCE

Exam	Relevance Level
UPSC CSE	Critical
RBI Grade B	High
State PSCs	High

6. Cabinet Clears Amendments to the Women's Reservation Act

Source: The Indian Express

Context

The Union Cabinet, chaired by Prime Minister Narendra Modi, cleared a series of landmark amendments on Wednesday (April 8, 2026) to fast-track the implementation of the **Women's Reservation Act** (Nari Shakti Vandan Adhiniyam).

The key shift is the government's decision to **delink** the reservation from the completion of the yet-to-be-held Census, ensuring the 33% quota becomes a reality for the **2029 Lok Sabha elections**.

THE "816-SEAT" FORMULA: EXPANDING THE LOK SABHA

To accommodate women's reservation without reducing the number of seats available for general competition, the government is proposing a significant expansion of India's legislative bodies.

- **Lok Sabha Expansion:** The total number of seats is set to increase by **50%**, rising from 543 to **816**.
- **The Quota:** Out of these 816 seats, **273** will be reserved exclusively for women.
- **Vertical Reservation:** The 33% quota will apply "vertically," meaning seats will also be reserved for **Scheduled Castes (SC)** and **Scheduled Tribes (ST)** within the women's category.
- **Census Data:** In a strategic move, the redrawing of constituencies will be based on the **2011 Census** rather than waiting for the 2027 Census results. This circumvents the delay that would have pushed implementation to 2034.

LEGISLATIVE ROADMAP: THREE KEY BILLS

The Cabinet has cleared three distinct legislative measures to handle different facets of this overhaul:

1. **Constitutional Amendment Bill:** To tweak the *Nari Shakti Vandan Adhiniyam* and Articles 81 (Lok Sabha composition) and 170 (State Assemblies composition), which currently cap seat numbers.
2. **Delimitation Bill:** To amend the *Delimitation Act* and authorize the redrawing of boundaries based on 2011 data. A new **Delimitation Commission** is expected to be formed by June 2026.
3. **Union Territories Bill:** A separate bill to ensure the reservation is implemented in Delhi, Jammu & Kashmir, and Puducherry.

ADDRESSING THE "FEDERAL BALANCE"

A major concern during previous debates was that delimitation based on population would penalize southern states that successfully controlled population growth.

- **The "Proportion" Solution:** The government has signaled that the **proportion of seats across states will remain unchanged**. While the *number* of seats increases (e.g., Uttar Pradesh's Assembly growing to over 600 seats), the relative political weight of each state in the Lok Sabha will be preserved to soothe regional apprehensions.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: Why was the 2011 Census chosen over the more recent data?

A: Waiting for the next Census (scheduled for 2027) and the subsequent data processing would have delayed the delimitation exercise for years. By using the 2011 data, the government can legally redraw boundaries immediately, fulfilling the promise of women's reservation before the end of the current decade.

Q: What is a "Rotation System" in reservation?

A: To ensure that one particular region doesn't become a "permanent" women's seat, the reserved constituencies will rotate in successive elections. This ensures geographic and demographic diversity among women representatives.

Q: Does this apply to the Rajya Sabha?

A: No. The *Nari Shakti Vandan Adhiniyam* and its current amendments apply specifically to the **Lok Sabha** and **State Legislative Assemblies** (Vidhan Sabhas).

CONCEPTUAL MCQs

Q1. According to the Cabinet-cleared proposal, the total number of seats in the Lok Sabha is expected to increase to:

A) 543 B) 650 C) 788 D) 816 E) 1000

Q2. The government plans to use which Census data to redraw constituency boundaries for the 2029 elections?

A) 1971 Census B) 2001 Census C) 2011 Census D) 2021 Census E) 2027 Census

Q3. To implement the seat expansion, which Articles of the Indian Constitution primarily need to be amended?

A) Article 1 and 2 B) Article 52 and 53 C) Article 81 and 170 D) Article 324 and 326 E) Article 370 and 371

Q4. What is the proposed number of seats to be reserved for women in the newly expanded Lok Sabha?

A) 181 B) 273 C) 330 D) 408 E) 543

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	D	A 50% increase from the current 543 seats results in 816 seats.
Q2	C	The 2011 data is the most recent "officially completed" census available for immediate use.
Q3	C	Art. 81 governs the Lok Sabha's composition, while Art. 170 governs the State Assemblies.
Q4	B	33% of 816 seats is exactly 272.25, rounded to 273.
Q5	C	The Budget Session has been extended specifically for this legislative business.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-2 (Parliamentary Reforms, Federalism, Women Empowerment)	Critical
State PSCs	State Legislative Changes (e.g., UP Assembly expansion)	High

7. 1,500-Year-Old Stepped Reservoir Unearthed on Elephanta Island

Source: TH

Context

Archaeologists from the **Archaeological Survey of India (ASI)** Mumbai Circle have unearthed a massive, 1,500-year-old **stepped reservoir** on Elephanta Island (Gharapuri), located off the coast of Mumbai. The excavation, which began in November 2025, reveals a sophisticated water management system and solidifies the island's historical status as a major hub for international maritime trade during the 6th century CE.

About Elephanta Island

Elephanta Island, locally known as Gharapuri (the City of Caves), is a peaceful, wooded island situated in the Mumbai Harbour, about 10 kilometers east of the city. It is globally renowned for its rock-cut cave temples, which were carved between the 5th and 7th centuries and are now designated as a UNESCO World Heritage site.

THE "WONDER-DISCOVERY": THE STEPPED RESERVOIR

Unlike the rock-cut cisterns previously found on the island, this structure is a standalone architectural feat built with stone blocks transported from the mainland.

- **Structure & Shape:** A "T-shaped" reservoir measuring **14.7 metres long** and varying between 6.7 and 10.8 metres in width.
- **Engineering:** Archaeologists have exposed **20 perfectly aligned stone steps** descending to a depth of 5 metres.
- **Purpose:** The island's rocky terrain prevents monsoon rainwater from seeping into the ground. This reservoir was a "remarkable engineering work" designed to capture and store runoff before it reached the sea.

THE KALACHURI CONNECTION

The discovery provides a vital link to the political history of the region.

- **Krishnaraja (6th Century CE):** Excavators found 60 coins, many identified as belonging to **Ruler Krishnaraja** of the **Kalachuri dynasty**.
- **Numismatic Evidence:** The copper coins feature a **seated bull** on the obverse and a temple symbol with the legend "*Sri Krishnaraja*" on the reverse.
- **Historical Significance:** This confirms that the Kalachuris, who are also credited with the patronage of

the famous Shiva caves on the island, had a significant administrative presence here.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: Who were the Kalachuris?

A: The Early Kalachuris (also known as the Kalachuris of Mahishmati) ruled parts of West-Central India during the 6th and 7th centuries. They were staunch devotees of Shiva and are believed by many historians to be the primary builders of the main Cave 1 (Great Cave) at Elephanta.

Q: Why is the discovery of "Amphorae" important?

A: Amphorae are tall ancient Greek or Roman jars with two handles and a narrow neck. Finding 3,000 such sherds on a small island near Mumbai proves that 1,500 years ago, India was deeply integrated into a global trade network that stretched from Rome to the Persian Gulf.

CONCEPTUAL MCQs

Q1. The 1,500-year-old stepped reservoir discovered on Elephanta Island is uniquely T-shaped. What was its primary engineering purpose?

- A) To act as a ritual bathing site for monks.
- B) To capture and store monsoon runoff that would otherwise run off into the sea due to the island's rocky nature.
- C) To serve as a defensive trench against naval invasions.
- D) To store grain for the Kalachuri army.
- E) To process textiles in a large-scale industrial vat.

Q2. Coins belonging to which 6th-century ruler were identified at the excavation site?

- A) Pulakeshin II (Chailukya)
- B) Rajaraja Chola
- C) Krishnaraja (Kalachuri)
- D) Chandragupta Maurya
- E) Gautamiputra Satakarni

Q3. The discovery of "Amphorae" and "Torpedo jars" on Elephanta Island provides evidence of trade with which regions?

- A) China and Japan
- B) The Mediterranean and West Asia (Mesopotamia)
- C) Australia and Southeast Asia
- D) Northern Russia and Scandinavia
- E) The Americas

Q4. What motif is featured on the copper coins found during the March 2026 excavation report?

- A) A standing Buddha
- B) A seated bull and a temple symbol
- C) A ship with two masts
- D) A lion capital
- E) A peacock

Q5. How does the newly discovered stepped reservoir differ from previously found water structures on the island?

- A) It is built with wood instead of stone.
- B) It is a rock-cut cistern rather than a built structure.
- C) It was built using stone blocks ferried from the mainland rather than being cut into the existing island rock.
- D) It was used to store wine instead of water.
- E) It was discovered inside a cave.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	B	The island's geography makes water retention difficult; the reservoir was a technical solution for water security.
Q2	C	Krishnaraja is the earliest known Kalachuri ruler and his coins are common in the Konkan region.
Q3	B	These specific pottery types are diagnostic markers for trade with the Roman world and the Sassanid/Mesopotamian regions.
Q4	B	The seated bull (Nandi) represents the Shaivite leanings of the Kalachuri dynasty.
Q5	C	This highlights the massive effort involved in transporting heavy materials across the sea for construction.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-1 (Indian Heritage & Culture, Ancient History)	Critical
SSC CGL/GK	Famous Monuments & Recent Archaeological Finds	High

Banking and Finance

1. RBI Monetary Policy: Repo Rate Hold Amidst Geopolitical Volatility

Source: ET

Context

Following a conditional temporary ceasefire in West Asia announced by the U.S. President, the **Monetary Policy Committee (MPC)** of the RBI has unanimously voted to keep the **Repo Rate unchanged at 5.25%**. Despite the temporary pause in hostilities, the RBI has adopted a cautious "Neutral" stance, citing lingering risks to global supply chains and energy prices.

KEY DECISIONS AT A GLANCE

Variable	Current Decision	Previous Status
Repo Rate	5.25% (Unchanged)	5.25%
Policy Stance	Neutral	Neutral
GDP Growth Forecast	6.9% (Down from 7.6%)	7.6%
Inflation (CPI) Projection	4.5% (Up from 4.4%)	4.4%

THE "CEASEFIRE" FACTOR & GROWTH HEADWINDS

The RBI Governor, **Sanjay Malhotra**, noted that while the West Asia ceasefire provides some relief, the structural damage caused by the conflict remains a "Supply Shock" to the Indian economy.

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1. The Strait of Hormuz Risk

The MPC highlighted that disruptions in the **Strait of Hormuz**—a critical chokepoint for global oil and gas—have created "input shocks." Even with a ceasefire, the lag in restoring infrastructure and clearing shipping backlogs continues to impede growth.

2. Revised Growth & Inflation Outlook

The RBI has slashed the real GDP growth forecast for 2026–27 by **70 basis points** (to 6.9%).

- **Energy Prices:** Inflation projections are based on crude oil at **\$85/barrel** for the current year and a more optimistic **\$75/barrel** for the next year.
- **Food Risks:** Upside risks remain due to "probable weather disturbances" (likely referring to unseasonal rains impacting wheat/maize) which could spike food prices.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: What is the "Neutral Stance"?

A: In monetary policy, a "Neutral" stance means the RBI is not committed to either raising or lowering rates in the next meeting. It gives the MPC the flexibility to move in either direction based on incoming data regarding inflation and growth.

Q: Why does a conflict in West Asia lead to a "Supply Shock" in India?

A: India imports over 80% of its crude oil. When a conflict disrupts supply routes or damages energy infrastructure in West Asia, the *supply* of oil drops. This drives up the cost of transport and manufacturing in India, leading to **Cost-Push Inflation**—where prices rise not because of high demand, but because it's more expensive to produce and move goods.

Q: What is the significance of the "Repo Rate" remaining at 5.25%?

A: The Repo Rate is the rate at which the RBI lends money to commercial banks. By keeping it at 5.25%, the RBI is signaling that while it wants to control inflation (4.5%), it does not want to make borrowing so expensive that it kills the already fragile 6.9% growth forecast.

CONCEPTUAL MCQs

Q1. Why did the MPC decide to lower the GDP growth forecast for 2026–27 to 6.9%?

- A) Because the ceasefire will lead to less government spending.
- B) Due to supply shocks, elevated energy prices, and disruptions in the Strait of Hormuz.
- C) Because India has too much oil and prices are falling too fast.
- D) Because the IT sector is growing too quickly.
- E) Due to a sudden increase in the repo rate.

Q2. In the context of the recent RBI announcement, what crude oil price has been factored in for the inflation forecast for the *next year*?

- A) \$111/barrel
- B) \$85/barrel
- C) \$75/barrel
- D) \$50/barrel
- E) \$95/barrel

Q3. A "Neutral Stance" by the MPC implies that:

- A) The RBI will definitely cut rates in the next meeting.
- B) The RBI will definitely raise rates to 6%.

- C) The RBI is keeping its options open to either raise, lower, or hold rates based on data.
 D) The RBI will no longer monitor inflation.
 E) The RBI is closing its operations for the year.

Q4. The "Strait of Hormuz" is a critical maritime chokepoint located between which two bodies of water?

- A) The Red Sea and the Mediterranean Sea.
 B) The Persian Gulf and the Gulf of Oman.
 C) The Black Sea and the Caspian Sea.
 D) The Bay of Bengal and the Andaman Sea.
 E) The English Channel and the North Sea.

Q5. According to the MPC, what is the primary "upside risk" to food inflation in 2026?

- A) Excessive exports to Europe.
 B) Probable weather disturbances affecting crop availability.
 C) A lack of demand from consumers.
 D) The implementation of the Women's Reservation Bill.
 E) High interest rates on car loans.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	B	Supply disruptions increase the cost of production, which slows down economic output.
Q2	C	The RBI expects oil to cool slightly to \$75/barrel next year as the ceasefire stabilizes.
Q3	C	Neutrality allows for "data-dependent" agility in an uncertain global environment.
Q4	B	Nearly 20% of the world's total oil consumption passes through this narrow strait.
Q5	B	Unseasonal weather (as seen in Punjab/Maharashtra) is a major threat to food price stability.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Phase II (ESI & Finance – Monetary Policy)	Critical
Banking (IBPS/SBI)	Current Awareness (Repo Rates & RBI Projections)	High

2. IRDAI: New Frontiers in Insurance Cybersecurity

Context

The **Insurance Regulatory and Development Authority of India (IRDAI)** has released a comprehensive set of revised guidelines for information and cybersecurity. Aimed at insurers, intermediaries, and the **Insurance Information Bureau (IIB)**, these updates seek to fortify the industry against a new generation of AI-driven cyberthreats and data breaches.

KEY PILLARS OF THE REVISED GUIDELINES

The guidelines shift the insurance sector from a "reactive" to a "proactive" security posture, focusing on three core areas:

1. Enhanced Governance Mechanisms

- **Board Oversight:** Insurance boards are now directly responsible for the cybersecurity health of the organization, moving beyond just IT department accountability.

- **CISO Autonomy:** The role of the **Chief Information Security Officer (CISO)** is strengthened to ensure independent reporting and adequate budget allocation for security infrastructure.

2. Defensive Strengthening

- **Zero Trust Architecture:** Encouraging firms to move away from "perimeter-based" security to a model where no user or device is trusted by default, regardless of their location.
- **Vulnerability Management:** Mandatory and more frequent **Vulnerability Assessment and Penetration Testing (VAPT)** to identify gaps before hackers do.

3. Emerging Threat Resilience

- **AI & Deepfake Protection:** New provisions specifically address the risk of fraud using AI-generated deepfakes in claim processing and customer onboarding.
- **Supply Chain Security:** Strict standards for third-party service providers (Cloud, SaaS) to ensure that a breach at a vendor doesn't compromise the insurer's data.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: Why is the Insurance Sector a major target for Cyberattacks?

A: Insurers hold the "**Golden Record**" of a person—including Aadhaar numbers, health records, bank details, and family history. This high-density personal data is extremely valuable on the dark web for identity theft and financial fraud.

Q: What is the "Insurance Information Bureau" (IIB)?

A: The IIB acts as a data repository and analytics wing for the Indian insurance sector. Because it aggregates data from *all* insurers to help calculate risks and detect fraud, its cybersecurity is critical to the entire national ecosystem.

Q: How do these guidelines impact the "Insurance for All by 2047" goal?

A: Trust is the foundation of insurance. As India pushes for universal coverage, any major data breach could shatter consumer confidence. Stronger cybersecurity ensures that digital expansion doesn't lead to digital vulnerability.

CONCEPTUAL MCQs

Q1. Under the revised IRDAI guidelines, which official is primarily responsible for the independent implementation of cybersecurity measures?

- A) The CEO
- B) The Chief Marketing Officer
- C) The Chief Information Security Officer (CISO)
- D) The HR Manager
- E) The Company Secretary

Q2. The shift toward "Zero Trust Architecture" implies which of the following?

- A) That customers should not trust insurance companies.
- B) That no entity, inside or outside the network, is automatically trusted.
- C) That all cybersecurity software should be free of cost.
- D) That hackers are allowed to enter the system once.
- E) That insurance claims do not require verification.

Q3. Which organization acts as the central data repository for the Indian insurance sector?

- A) SEBI

- B) NSO
- C) Insurance Information Bureau (IIB)
- D) RBI
- E) BHAVINI

Q4. IRDAI's focus on "Supply Chain Security" is intended to protect insurers from risks arising from:

- A) Delays in courier services.
- B) Breaches in third-party vendors and cloud service providers.
- C) A shortage of physical paper for policies.
- D) High fuel prices for survey vehicles.
- E) Changes in the repo rate.

Q5. VAPT (Vulnerability Assessment and Penetration Testing) is a process used to:

- A) Calculate the premium of a life insurance policy.
- B) Systematically find and test security loopholes in an IT system.
- C) Train employees on how to use Excel.
- D) Interview new candidates for a job.
- E) Test the physical strength of a server room door.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	The CISO is the specialized head for digital defense and governance.
Q2	B	Zero Trust requires continuous verification for every access attempt.
Q3	C	The IIB provides the data analytics backbone for the industry.
Q4	B	Vendor risk is a major entry point for modern hackers (Supply Chain Attacks).
Q5	B	VAPT involves "ethical hacking" to secure a system before a real attack occurs.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
IRDAI Assistant Manager	Information Technology & Insurance Regulations	Critical
RBI Grade B	ESI (Digitalization & Security)	High
UPSC CSE	GS-3 (Internal Security – Cyber & Science & Tech)	High

3. World Bank: India FY27 Growth Forecast Upgraded to 6.6%

Source: World Bank (South Asia Economic Update Spring 2026)

Context

The **World Bank** upgraded its GDP growth forecast for India for the financial year 2026-27 (FY27) to **6.6%**, up from its previous estimate of 6.3%. While this reflects "robust domestic activity," it also signals a deceleration from the 7.6% growth expected in FY26 due to global headwinds, particularly the **West Asia conflict**.

GROWTH DYNAMICS: THE UPSIDE vs. THE DOWNSIDE

The World Bank's outlook highlights a push-and-pull effect between strong internal demand and external geopolitical pressures.

The Positive Drivers

- **Domestic Demand:** Strong consumer demand remains a backbone of the economy.
- **Fiscal Support:** Recent reductions in **GST rates** are expected to bolster consumption in the first half of FY27.
- **Market Access:** India's new Free Trade Agreements (FTAs) with the **EU and UK** are doubling the international market access for domestic firms, covering **one-third of global GDP**.

The Challenges (Headwinds)

- **Energy Prices:** Persistent high global energy prices are expected to push inflation up and squeeze household disposable income.
- **Subsidy Burden:** The government's move to cut excise duties on fuel (by ₹10/litre) and provide customs duty exemptions on petrochemicals will likely increase the subsidy bill, potentially stalling the decline in the **fiscal deficit**.
- **Global Slowdown:** Slower growth in major trading partners (US, Europe) may undermine Indian exports despite better market access.

COMPARATIVE GROWTH PROJECTIONS (FY27)

The World Bank's 6.6% estimate is part of a broader "wait-and-watch" sentiment among global financial institutions.

Agency	Revised Forecast (%)	Earlier Forecast (%)
RBI	6.9%	7.6% (FY26)
World Bank	6.6%	6.3%
Moody's	6.8%	6.0%
Goldman Sachs	5.9%	6.5%
OECD	6.1%	6.2%

THE PATH TO "DEVELOPED COUNTRY" (VIKSIT BHARAT 2047)

The World Bank argues that India can achieve high-income status by 2047, provided it maintains a strict focus on **structural reforms**.

- **The "Forecast Error" Logic:** The report notes that if South Asian countries can perform just 0.8 percentage points better than current "cautious" forecasts through reform, they would significantly accelerate their timeline to becoming high-income economies.

CONCEPTUAL MCQs

Q1. By how many basis points did the World Bank upgrade India's FY27 GDP growth forecast in its April 2026 report?

- A) 10 bps
- B) 30 bps
- C) 70 bps
- D) 100 bps
- E) 5 bps

Q2. According to the World Bank, India's new Free Trade Agreements (FTAs) have expanded domestic firms' access to what fraction of global GDP?

- A) One-tenth
- B) One-sixth

- C) One-third
D) One-half
E) Two-thirds

Q3. Which factor is cited as a primary reason for the potential "stall or reversal" in India's fiscal deficit decline?

- A) Massive spending on space missions.
B) Increased subsidy outlays to limit inflation passthrough to consumers.
C) A decrease in the number of taxpayers.
D) Low demand for exports.
E) High interest rates on student loans.

Q4. The World Bank expects "Government Consumption" growth to soften primarily to offset higher subsidies on which two items?

- A) Electronics and Cars
B) Cooking fuel and Fertilisers
C) Wheat and Rice
D) Solar panels and Wind turbines
E) Gold and Diamonds

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	B	30 basis points (from 6.3% to 6.6%).
Q2	C	The FTAs with the UK and EU are major drivers for this increased market scope.
Q3	B	Shielding consumers from high energy prices costs the exchequer significant revenue.
Q4	B	Global price spikes in gas and chemicals directly affect the subsidy bill for these essentials.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	ESI (Economic Growth & International Financial Institutions)	Critical
Banking (SBI/IBPS)	General Awareness (GDP Forecasts by Global Agencies)	High

4. RBI Policy Shift: Scrapping IFR and Easing Capital Rules

Source: Business Standard

Context

On Wednesday, the **Reserve Bank of India (RBI)** proposed two major changes to banking regulations designed to simplify capital reporting and release trapped liquidity. By proposing the removal of the **Investment Fluctuation Reserve (IFR)** and allowing the **quarterly inclusion of profits** in capital ratios, the RBI is moving toward a more dynamic, real-time assessment of bank health.

THE TWO MAJOR REGULATORY CHANGES

1. Scrapping the Investment Fluctuation Reserve (IFR)

The IFR was a mandatory buffer banks created by setting aside profits to protect against losses when bond prices fall (market risk).

- **The Change:** RBI proposes to do away with this requirement entirely.

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- **Why?** Most banks already maintain sufficient capital for market risk under modern international norms and updated investment classification rules.
- **The Impact:** This could free up a massive corpus of approximately **₹35,000–40,000 crore** across the banking system. Banks can now use this money for Tier-1 capital or transfer it to their Profit & Loss (P&L) accounts.

2. Quarterly Profit Inclusion in CRAR

The **Capital to Risk-Weighted Assets Ratio (CRAR)** is the primary measure of a bank's financial strength.

- **Old Rule:** Banks could only include quarterly profits in their CRAR if their NPA (Non-Performing Asset) provisioning didn't fluctuate by more than 25% from the average. Otherwise, they had to wait until the end of the financial year.
- **New Proposal:** Banks can now include quarterly net profits in their capital calculations **irrespective of provisioning fluctuations**.
- **The Impact:** This will "smooth out" capital ratios throughout the year. While the year-end total remains the same, banks will show a more accurate, updated capital strength every three months.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: What is "Mark-to-Market" (MTM) and why does it need a reserve?

A: Banks invest heavily in government bonds. If interest rates rise, the value of those existing bonds falls. "Mark-to-Market" means the bank must record that loss on its books immediately. The **IFR** acted as a rainy-day fund specifically for these fluctuations so that a sudden spike in interest rates wouldn't wipe out a bank's reported profits.

Q: What is Common Equity Tier 1 (CET-1) capital?

A: This is the highest quality of bank capital, consisting mostly of common stock and retained earnings. It is the "first line of defense" because it can be used to absorb losses immediately without requiring the bank to stop trading.

CONCEPTUAL MCQs

Q1. What is the estimated total corpus of IFR that could be freed up across the Indian banking system following the RBI's proposal?

- A) ₹5,000–10,000 crore
- B) ₹15,000–20,000 crore
- C) ₹35,000–40,000 crore
- D) ₹1 trillion
- E) ₹10,000 crore

Q2. Under the proposed rules, banks can include quarterly profits in their CRAR calculation regardless of fluctuations in which of the following?

- A) Employee salaries
- B) Dividend payouts
- C) Provisioning for Non-Performing Assets (NPAs)
- D) Atmospheric pressure
- E) Gold prices

Q3. According to the data provided, which bank has the highest IFR as a percentage of its Risk-Weighted Assets (RWA)?

- A) State Bank of India

- B) ICICI Bank
 C) HDFC Bank
 D) Kotak Mahindra Bank
 E) IndusInd Bank

Q4. The removal of the IFR requirement is expected to boost the Capital Adequacy Ratio (CAR) of most banks by approximately how many basis points?

- A) 5–10 bps
 B) 20–30 bps
 C) 100–150 bps
 D) 500 bps
 E) 1 bp

Q5. What is the primary reason the RBI feels the IFR is no longer necessary?

- A) Interest rates will never change again.
 B) Banks no longer invest in government bonds.
 C) Banks already maintain capital for market risk and follow updated valuation norms.
 D) The government has decided to pay for all bank losses.
 E) Banks have run out of profit to set aside.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	Per the SBI Research report, this is the total "trapped" amount that can be repurposed.
Q2	C	This removes the "25% deviation" condition, allowing more consistent capital reporting.
Q3	D	Kotak Mahindra Bank stands at 0.8%, significantly higher than the industry average of 0.1–0.3%.
Q4	B	This "one-time" gain provides a small but helpful buffer for lending expansion.
Q5	C	Modern accounting and Basel III norms have made the specific IFR bucket redundant.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Finance (Banking System in India & Basel Norms)	Critical
SEBI Grade A	Financial Markets & Accounting Standards	High

5. RBI to Rejig Framework for NBFC Categories

Context

RBI Governor **Sanjay Malhotra** has announced that the central bank will unveil a revised framework for the categorization of **Non-Banking Financial Companies (NBFCs)** by the end of April 2026. This announcement comes amid significant market speculation regarding the mandatory listing requirements for "Upper Layer" NBFCs, most notably **Tata Sons**.

WHY NOW?

The push for a new framework is closely linked to the **Scale-Based Regulation (SBR)** introduced by the RBI in 2021.

- **The 2021 Rule:** The RBI classified large, systemic NBFCs (like Tata Sons) into the **"Upper Layer."** Under these rules, any NBFC in the Upper Layer was mandated to list on the stock exchanges within three

years of being identified.

- **The Deadline:** For many top-tier NBFCs, this three-year window is closing in **September 2025 – 2026**.
- **The Dilemma:** Companies like Tata Sons—the holding company of the Tata Group—have expressed reservations about listing, as it would open the private holding structure to intense public scrutiny and diverse shareholder demands.

SCALE-BASED REGULATION (SBR): THE CURRENT STRUCTURE

To understand the "Rejig," one must look at the current four-tier pyramid structure used by the RBI to regulate NBFCs based on their size and risk to the financial system.

Layer	Criteria / Description	Regulatory Strictness
Top Layer	Currently empty; reserved for NBFCs posing extreme systemic risk.	Highest (Bank-like)
Upper Layer	Top 15 NBFCs by size (e.g., Tata Sons, LIC Housing Finance).	High (Mandatory Listing)
Middle Layer	All deposit-taking NBFCs and non-deposit NBFCs with assets > ₹1,000 Cr.	Moderate
Base Layer	Smaller NBFCs with assets < ₹1,000 Cr.	Lowest

WHAT TO EXPECT IN THE "REJIG"

While the Governor was tight-lipped on specifics, industry experts anticipate the following changes:

1. **Revised Entry Criteria:** The asset threshold for the "Upper Layer" might be increased to reflect the current size of the Indian financial market.
2. **Exemptions for Holding Companies:** There may be a new sub-category for **Core Investment Companies (CICs)** that do not deal with the public directly, potentially exempting them from mandatory listing.
3. **Strict Governance for "Bank-Like" NBFCs:** For those that remain in the Upper Layer, the RBI may introduce even stricter "Group Exposure" norms to prevent the contagion of risk within large corporate houses.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: Why does the RBI want large NBFCs to list on the stock exchange?

A: Listing brings **transparency**. Publicly listed companies must disclose their finances, bad loans (NPAs), and board decisions every quarter. For an NBFC managing thousands of crores, this transparency acts as a "market discipline" that protects the stability of the entire Indian economy.

Q: What is a "Core Investment Company" (CIC)?

A: A CIC is a specialized NBFC that holds at least 90% of its net assets in the form of investment in equity shares, debt, or loans in its **group companies**. They don't typically lend to the general public. Tata Sons is a classic example of a CIC.

Q: What is "Systemic Risk" in the context of NBFCs?

A: This refers to the "Domino Effect." If a massive NBFC (like the 2018 IL&FS crisis) fails, it can freeze the credit markets, causing banks to stop lending and potentially leading to a wider economic recession.

CONCEPTUAL MCQs

Q1. Under the current Scale-Based Regulation (SBR), which layer contains the top 15 systemically important NBFCs that are mandated to list?

- A) Base Layer
- B) Middle Layer
- C) Upper Layer
- D) Top Layer

E) Foundation Layer

Q2. What is the primary reason the RBI is considering a rejig of the NBFC framework by the end of April 2026?

- A) To encourage NBFCs to shut down.
- B) To address issues related to the mandatory listing of Upper Layer NBFCs like Tata Sons.
- C) To lower the interest rates for car loans.
- D) To merge all NBFCs into the State Bank of India.
- E) To allow NBFCs to print their own currency.

Q3. A Core Investment Company (CIC) must hold at least what percentage of its net assets in group companies?

- A) 10%
- B) 25%
- C) 50%
- D) 75%
- E) 90%

Q4. The "Middle Layer" of NBFCs generally includes non-deposit taking companies with an asset size of more than:

- A) ₹100 Crore
- B) ₹500 Crore
- C) ₹1,000 Crore
- D) ₹5,000 Crore
- E) ₹10,000 Crore

Q5. Governor Sanjay Malhotra's announcement was made during which event?

- A) The Union Budget Presentation.
- B) The G20 Climate Summit.
- C) The Post-Monetary Policy Press Conference.
- D) The inauguration of a new hydro project.
- E) A meeting with the World Bank.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	The Upper Layer is subject to bank-like regulations and mandatory listing.
Q2	B	The 3-year deadline for listing identified Upper Layer NBFCs is fast approaching.
Q3	E	CICs are specialized vehicles meant for holding group equity rather than public lending.
Q4	C	₹1,000 Crore is the current threshold separating the Base and Middle layers.
Q5	C	It was part of the broader communication following the decision to hold the Repo Rate at 5.25%.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Phase II (Finance – NBFC Regulation & SBR)	Critical
SEBI Grade A	Financial Markets & Listing Obligations (LODR)	High
UPSC CSE	GS-3 (Indian Economy – Banking & Financial Institutions)	High

Agriculture

1. Soil Sakhis

Source: TH

Context

In the drought-prone districts of Western Maharashtra, a group of women known as '**Soil Sakhis**' is transforming the agrarian landscape. Launched in 2023 by the **Mann Deshi Foundation**, this initiative provides scientific soil-testing services and climate-resilient agricultural guidance to marginalized farmers, successfully boosting yields while reducing the environmental footprint of farming.

WHO ARE 'SOIL SAKHIS'?

'Soil Sakhis' (Friends of the Soil) are a group of marginalized women from drought-prone regions in Maharashtra who have been trained as **community agronomists**. These women, often with limited formal education, travel across villages on two-wheelers to collect soil samples, provide scientific guidance, and help smallholder farmers optimize their yields.

Key Impact Statistics

- **Reach:** 2,394 farmers across 9 drought-prone talukas.
- **Environmental Benefit:** Reduction of **988.37 tonnes of \$CO_2\$ emissions** (due to decreased chemical fertilizer use).
- **Economic Gain:** Farmers have reported yield increases of up to **40%** (e.g., in mango orchards).
- **Livelihood:** Soil Sakhis earn **₹8,000–10,000 per month**, providing them with financial independence.

SCIENTIFIC & AGRICULTURAL SIGNIFICANCE

The initiative addresses the intersection of **gender, climate change, and rural livelihoods**. By providing immediate, actionable soil-testing reports, these women are correcting long-standing agricultural errors.

1. Identifying Soil Malnourishment

In drought-prone areas, farmers often struggle with erratic crop growth.

- **Case Study (Mango Orchards):** Farmers in Satara found that their mango saplings were dying due to high **limestone content**. Soil Sakhis identified this through testing, allowing farmers to switch to organic techniques and leaf testing, which saved their orchards.

2. Reducing Chemical Dependency

By understanding exactly what nutrients the soil lacks, farmers stop the "blind" application of fertilizers. This not only saves money but also improves **soil organic carbon** and reduces the carbon footprint of the farm.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: Why is soil testing so critical in drought-prone regions?

A: In areas like Satara and Solapur, water is scarce. If the soil is "malnourished" or has chemical imbalances (like high salinity or limestone), the little water available cannot be used efficiently by the

plant. Soil testing ensures that the "malnutrition" of the earth is treated scientifically, much like a doctor prescribes medicine based on a blood test.

Q: How does this initiative "empower" women beyond just income?

A: It shifts the social identity of women from being merely "farmers' wives" to recognized **experts**. Women like Sheetal Kale now guide their families and in-laws on crop selection, reclaiming a position of authority in a traditionally male-dominated field.

Q: What is the role of "Bio-inputs" mentioned in the project?

A: Bio-inputs are natural fertilizers or pesticides created on-farm using organic waste. Soil Sakhis train farmers to create these, reducing dependence on expensive, carbon-heavy chemical fertilizers.

CONCEPTUAL MCQs

Q1. The 'Soil Sakhi' initiative has led to a reduction of nearly 988 tonnes of \$CO_2e\$. This reduction is primarily attributed to:

- A) Planting more trees in the region.
- B) A decrease in the use of chemical fertilizers based on soil reports.
- C) Stopping the use of tractors.
- D) Using solar-powered soil testing kits.
- E) Switching from farming to animal husbandry.

Q2. In which state is the 'Soil Sakhi' project currently operating?

- A) Gujarat
- B) Karnataka
- C) Maharashtra
- D) Madhya Pradesh
- E) Andhra Pradesh

Q3. According to the text, what is the primary role of a 'Soil Sakhi'?

- A) To provide micro-loans to women.
- B) To act as a community agronomist by collecting soil samples and providing scientific guidance.
- C) To manage the water supply of the village.
- D) To sell seeds at a subsidized rate.
- E) To advocate for higher MSP for wheat.

Q4. What specific soil issue was identified in the mango orchards of Satara that was preventing sapling survival?

- A) Lack of Nitrogen
- B) High levels of Limestone
- C) Excessive moisture
- D) Lead contamination
- E) High acidity

Q5. The Mann Deshi Foundation, which started this initiative, is also famous for starting the country's first:

- A) Private Space Agency.
- B) Rural Women's Bank.

- C) Organic Milk Cooperative.
D) Solar Park.
E) Agricultural University.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	B	Excess fertilizer releases Nitrous Oxide (N_2O), a potent greenhouse gas. Optimization cuts these emissions.
Q2	C	The project focuses on the drought-prone "Western Maharashtra" region.
Q3	B	They bridge the gap between scientific labs and field application.
Q4	B	High limestone can affect nutrient uptake; identifying it allowed for corrective organic farming.
Q5	B	Chetna Gala Sinha's legacy in rural finance anchors the foundation's trust with farmers.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Agriculture, Women Empowerment, Climate Change)	Critical
MPSC	State-specific Social Initiatives & Agriculture	Critical
NABARD Grade A	Rural Development & Soil Health Management	High

Facts To Remember

1. NBA Notifies CMLRE & ARI as National Repositories under Biological Diversity Act

National Biodiversity Authority notified CMLRE (Kochi) and ARI (Pune) as national repositories under BD Act, 2002. With this, total repositories increased to 20 nationwide. CMLRE maintains 3,500+ deep-sea specimens, while ARI preserves microbial and fungal diversity. The move strengthens conservation and documentation of biological resources.

2. Amul Becomes First Indian FMCG Firm to Cross ₹1 Trillion Turnover

Amul achieved ₹1 lakh crore turnover in FY26 with ~11% growth. Its marketing arm GCMMF recorded ₹73,450 crore revenue. It is now India's largest FMCG organisation. The milestone highlights strong growth in dairy and cooperative sector.

3. Bhopal RPO Launches Braille & Sign Language Services

Regional Passport Office Bhopal introduced Braille and sign language services. It is the first RPO in India to offer such accessibility features. Braille booklets and signage aid visually impaired applicants. Sign language videos with QR codes assist hearing and speech impaired users.

4. DCIL & Colombo Dockyard Sign MoU for Shipbuilding Alliance

Dredging Corporation of India Limited signed MoU with Colombo Dockyard PLC. The partnership focuses on shipbuilding, repair, and maritime services. It combines DCIL's dredging expertise with Sri Lanka's infrastructure. The deal boosts India-Sri Lanka maritime cooperation.

5. IRDAI Forms Sub-Panel to Review Private Health Insurance Sector

Insurance Regulatory and Development Authority of India constituted sub-panel under IAC. It will review coverage, claims, product design, and grievance systems. The panel aims to improve trust and

insurance penetration. It will also assess digital systems and fraud control.

6. SEBI Extends IPO Approval Validity & MPS Norm Deadline

Securities and Exchange Board of India granted one-time relaxation till September 30, 2026. IPO approvals expiring between April–September 2026 remain valid till this date. Listed firms also get relief on 25% MPS compliance. The move addresses market volatility due to global tensions.

7. Bank of Baroda Launches AI-Based ‘bob SAMVAD’ Platform

Bank of Baroda launched AI-powered multilingual platform ‘bob SAMVAD’. It supports communication in 22 Indian languages using NLP and speech tech. Initially rolled out in 250 branches across 5 states. The platform enhances customer interaction and accessibility.

8. Canara HSBC Life Launches ULIP ‘Promise4Wealth’

Canara HSBC Life Insurance introduced market-linked ULIP ‘Promise4Wealth’. It offers zero premium allocation charges and multiple fund options. The plan includes variants like Maximiser, Shield, and Long Life (up to 100 years cover). It aims at long-term wealth creation with insurance.

9. DBS Bank India Launches ‘DBS Aspire’ Banking Program

DBS Bank India launched DBS Aspire for emerging affluent customers. It requires ₹10 lakh relationship value or ₹2 lakh monthly balance. Benefits include zero forex markup and 5% interest on savings. It targets HNIs and digitally active clients.

10. PNB Signs MoU with GeM to Boost MSME Credit Access

Punjab National Bank partnered with Government e-Marketplace (GeM). The integration enables collateral-free loans via GeM Sahay portal. It improves liquidity and cash flow for MSMEs. The initiative promotes ease of doing business and digital procurement.

11. KreditBee Enters Unicorn Club with \$280 Million Funding

KreditBee raised \$280 million in Series E round. Its valuation reached \$1.5 billion ahead of IPO plans. It became the 3rd unicorn of 2026 after Juspay and Neysa. Funds will be used for AI expansion and lending diversification.

12. Vietnam Re-elects To Lam as President

To Lam was re-elected President with 100% vote in National Assembly. His term will run from 2026 to 2031. He also serves as Communist Party General Secretary. This marks a shift in Vietnam’s political structure.

13. CCI Approves Advent’s Stake Acquisition in ABHFL

Competition Commission of India approved Advent’s 14.286% stake in ABHFL. The deal involves ₹2,750 crore capital infusion. Post-transaction valuation stands at ₹19,250 crore. It strengthens ABHFL’s growth in housing finance sector.

14. Veteran Congress Leader Mohsina Kidwai Passes Away

Mohsina Kidwai passed away at age 94 in Uttar Pradesh. She served multiple terms in Lok Sabha and Rajya Sabha. She held key ministries under Indira and Rajiv Gandhi. Her career spanned decades of public service.

15. International Romani Day Observed on April 8

International Romani Day is observed annually on April 8. It celebrates Romani culture and raises

awareness of issues faced by Roma people. The day marks the first World Romani Congress of 1971. It promotes equality and cultural recognition globally.

16. Telangana Declares Cancer as Notifiable Disease

The Telangana government declared cancer a notifiable disease. It aims to create a centralised cancer registry for better tracking. A digital portal ensures reporting and data confidentiality. The move strengthens healthcare planning and policy response.

17. Women and Child Development Minister Annapurna Devi to launch 8th Poshan Pakhwada in New Delhi

Women and Child Development Minister Annapurna Devi will launch the 8th edition of Poshan Pakhwada – 2026 in New Delhi this afternoon.

18. Ministry of Ayush to commemorate World Homoeopathy Day 2026 in New Delhi

The Ministry of Ayush will commemorate World Homoeopathy Day 2026 tomorrow in New Delhi.

19. Nation observes Shaurya Diwas, honours CRPF valour at Sardar Post

The nation is remembering the valour and supreme sacrifice of security forces today as Shaurya Diwas is being observed at Sardar Post in the border district of Kutch in Gujarat.

20. India marks 11 years of Pradhan Mantri MUDRA Yojana today

India marks 11 years of the Pradhan Mantri MUDRA Yojana (PMMY) today. This scheme was launched on 8th April 2015.

FIVE TO REMEMBER · 9 APRIL 2026

1. **HLVM3 G1/OM1:** The first orbital mission involving the Human-Rated LVM3 rocket and the Crew Module (uncrewed). *Gaganyaan: First Uncrewed Mission (HLVM3 G1/OM1)*
2. **The 2021 Rule:** The RBI classified large, systemic NBFCs (like Tata Sons) into the "**Upper Layer.**" Under these rules, any NBFC in the Upper Layer was mandated to list on the stock exchanges within three years of being identified. *RBI to Rejig Framework for NBFC Categories*
3. **Asia-Pacific Dynamics:** With India's exit, **South Korea** is now the primary contender to host the summit in 2028. *Withdrawal of COP33 Host Bid (2028)*
4. **Delimitation Bill:** To amend the Delimitation Act and authorize the redrawing of boundaries based on 2011 data. A new **Delimitation Commission** is expected to be formed by June 2026. *Cabinet Clears Amendments to the Women's Reserv...*
5. India marks 11 years of the Pradhan Mantri MUDRA Yojana (PMMY) today. This scheme was launched on 8th April 2015. *India marks 11 years of Pradhan Mantri MUDRA Yo...*

Now test yourself: c4scourses.in/daily-quiz/daily-quiz-9-april-2026/

DAY 9 OF 23

10 April 2026

Friday · 21 items · 3 topics

National Affairs 4 · Banking and Finance 2 · Facts To Remember 15

Daily Current Affairs Quiz
10 April, 2026**National Affairs****1. NITI Aayog Report: "From Borrowers to Builders: Women and India's Evolving Credit Market"**

Source: PIB

Context

The **"From Borrowers to Builders"** report captures a transformative era where Indian women are pivoting from mere credit consumers to foundational enterprise creators. By bridging the gap between access and actual economic progression, India is unlocking a massive, resilient segment of its economy.

THE EVOLUTION OF WOMEN'S CREDIT

The shift highlighted in the report can be categorized into three distinct phases of financial maturity.

1. The Quantitative Leap (2017–2025)

- **Portfolio Expansion:** A staggering **4.8x growth**, reaching a **₹76 lakh crore** portfolio.
- **Credit Depth:** Credit penetration nearly doubled to **36%**, moving beyond the initial "Pradhan Mantri Jan Dhan Yojana" account-opening phase into active borrowing.
- **The "Reliability" Factor:** Women have proven to be lower-risk borrowers, with default rates **0.7x lower** than the general market, making them highly attractive to formal lenders.

2. The Qualitative Shift: "Micro-to-Macro"

- **Microfinance Graduation:** **19%** of women have successfully "graduated" from group-based micro-loans to individual commercial loans.
- **Asset Creation:** Women's participation in **housing loans (69%)** indicates they are moving toward long-term asset ownership rather than just consumption-based credit.
- **Geographic Dynamism:** While the South remains a leader, the **"fastest growth"** is now coming from states like **Bihar (59% CAGR)** and **Uttar Pradesh (42% CAGR)**.

3. Overcoming Structural Friction

Despite the progress, **29 crore credit-eligible women** remain unserved. The report identifies key "invisible" barriers:

- **Time Poverty:** Unpaid care work (38% in Kerala) limits the time women can spend on complex digital applications.
- **Digital Translation Gap:** Having a smartphone does not equate to knowing how to use **AI for business marketing**.
- **Decision-Making Gaps:** Many women still require "permission" for investment, limiting the strategic impact of the loans they take.

"Ask who, when and how much. The examiner will."

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THE "WAY AHEAD" BLUEPRINT

To move from the current **26% share** to full economic parity, the report suggests a fundamental redesign of the credit ecosystem:

Strategy	Actionable Detail	Expected Outcome
Flow-Based Underwriting	Using UPI and merchant data instead of physical collateral.	Unlocks credit for nano-entrepreneurs who lack land/gold.
Lifecycle-Bundling	Bundling insurance and savings for women under 35.	Builds long-term financial resilience for young families.
Inclusive Design	Voice-enabled and vernacular-first apps.	Overcomes literacy barriers and builds "trust" in digital systems.
Graduation Tracking	Measuring "Success Stories" rather than just "Disbursement Amounts."	Shifts the goal from "getting a loan" to "growing a business."

CONCEPTUAL MCQs FOR REVISION

Q1. According to the report, what is the share of women in India's total system credit as of 2025?

- A) 16%
- B) 19%
- C) 26%
- D) 36%

Q2. Which northern state recorded the highest CAGR (59%) for women business borrowers?

- A) Uttar Pradesh
- B) Punjab
- C) Bihar
- D) Rajasthan

Q3. The "Tarun Plus" category (related to the broader MUDRA context often linked with this growth) supports loans up to:

- A) ₹5 Lakh
- B) ₹10 Lakh
- C) ₹20 Lakh
- D) ₹50 Lakh

Q4. What percentage of active microfinance borrowers have graduated to individual retail/commercial loans?

- A) 9%
- B) 19%
- C) 31%
- D) 45%

Q5. The "Time Poverty" mentioned in the report primarily refers to:

- A) Lack of fast internet.
- B) Short loan repayment periods.
- C) Overlap of household responsibilities and unpaid care work.
- D) Delays in loan processing.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	Women hold ₹76 lakh crore, which is 26% of the total ₹292 lakh crore system credit.
Q2	C	Bihar is leading the growth surge in the North, followed by UP.
Q3	C	As seen in PMMY updates, Tarun Plus caters to those scaling beyond ₹10L.
Q4	B	This "graduation" is a key indicator of moving from "Borrowers" to "Builders."
Q5	C	Unpaid care work is a major barrier to women's consistent engagement with formal finance.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Inclusive Growth, Economy) / GS-2 (Women Empowerment)	Critical
RBI Grade B	ESI (Social Justice, Financial Inclusion, Gender)	Critical
Banking / SSC	Current Affairs (NITI Aayog Reports & Financial Stats)	High

2. India's First Quantum Reference Facility

Source: TH

Context

Andhra Pradesh is set to launch India's first **Quantum Reference Facility (QRF)**. Dedicated to the nation by Chief Minister N. Chandrababu Naidu on April 14, 2026, this facility marks a critical milestone in India's National Quantum Mission. The project is a centerpiece of the **Amaravati Quantum Valley** program, aimed at making the state a global hub for deep-tech innovation.

WHAT IS A QUANTUM REFERENCE FACILITY?

Currently, India possesses quantum research labs, but it lacks a standardized "testing bed."

- **The Problem:** Developers of quantum components (like sensors, processors, or cryogenic cooling systems) previously had no benchmark system in India to verify if their hardware worked correctly within a quantum ecosystem.
- **The Solution:** The QRF provides two specialized testing beds that act as a **"Gold Standard."** Researchers can use these facilities to test and calibrate different components, ensuring they meet the high-precision requirements of quantum mechanics.

THE ECOSYSTEM AT SRM UNIVERSITY-AP

The facility is located at **SRM University-AP**, which is becoming the operational heart of the Amaravati Quantum Valley.

- **Collaborators:** Developed in partnership with the **Amaravati Quantum Research Facility (AQRF)** and **Qubit Force**.
- **State Support:** Andhra Pradesh is the first state in India to proactively build a reference facility, positioning itself ahead in the race for "Quantum Supremacy" in the region.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: What is the "Amaravati Quantum Valley" (AQV)?

A: Inspired by "Silicon Valley," AQV is a state government initiative to create a geographic cluster of quantum technology companies, research labs, and startups. By providing infrastructure like the Reference Facility, the government hopes to attract global tech giants to invest in Andhra Pradesh.

Q: What is a "Testing Bed"?

A: In engineering, a testing bed is a platform used to test a tool or a piece of software in a controlled environment. In quantum terms, it's a stable quantum computer where new parts (like a new type of qubit controller) can be swapped in and out to see how they perform.

CONCEPTUAL MCQs**Q1. Where is India's first Quantum Reference Facility being established?**

- A) IIT Madras
- B) IISc Bengaluru
- C) SRM University-AP, Amaravati
- D) TIFR Mumbai
- E) ISRO Headquarters

Q2. On which date is the facility scheduled to be dedicated to the nation?

- A) August 15 (Independence Day)
- B) January 26 (Republic Day)
- C) April 14 (World Quantum Day)
- D) October 2 (Gandhi Jayanti)
- E) June 21 (Yoga Day)

Q3. The Planck Constant, which inspired the date of World Quantum Day, is central to which field of science?

- A) Classical Mechanics
- B) Thermodynamics
- C) Quantum Mechanics
- D) Organic Chemistry
- E) Macroeconomics

Q4. What is the primary role of a "Reference Facility" in the quantum ecosystem?

- A) To act as a library for books on physics.
- B) To provide a standardized testing bed for verifying quantum components.
- C) To manufacture silicon chips for smartphones.
- D) To generate electricity for the city of Amaravati.
- E) To store old classical computers.

Q5. The "Amaravati Quantum Valley" initiative is being spearheaded by which state government?

- A) Telangana
- B) Karnataka
- C) Tamil Nadu
- D) Andhra Pradesh
- E) Maharashtra

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	SRM University-AP is the primary academic partner for this facility.
Q2	C	World Quantum Day aligns with the numerical representation of the Planck Constant.
Q3	C	The Planck Constant ($h\nu$) relates the energy of a photon to its frequency.
Q4	B	It provides the "reference" baseline needed to calibrate new hardware.
Q5	D	AP is the first state to launch a dedicated state-level quantum program of this scale.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Science & Tech - National Quantum Mission)	Critical
State PSCs	Regional Tech Infrastructure (Andhra Pradesh)	High

3. Pradhan Mantri MUDRA Yojana (PMMY)

Context

The 11th anniversary of the **Pradhan Mantri MUDRA Yojana (PMMY)** marks a decade of formalizing the "informal" economy. Since its launch in 2015, the scheme has acted as a bridge between high aspirations and the lack of traditional collateral, significantly impacting India's socio-economic fabric.

THE REFINANCING MODEL

MUDRA (Micro Units Development & Refinance Agency Ltd.) does not lend directly to individuals. Instead, it acts as a **refinancing body**.

- Last-Mile Financiers:** MUDRA provides funds to Commercial Banks, RRBs, Small Finance Banks, MFIs, and NBFCs.
- Lending:** These institutions then lend to the micro-enterprises under the PMMY framework.
- Guarantee:** Credit guarantee for these loans is provided through the **National Credit Guarantee Trustee Company (NCGTC)**, which is why banks can offer them without collateral.

EVOLUTION OF LOAN CATEGORIES

The scheme recognizes that a "one size fits all" approach doesn't work for business growth. The introduction of **Tarun Plus** in 2024 was a strategic move to support high-performing micro-enterprises.

Category	Amount Range	Business Stage
Shishu	Up to ₹50,000	For start-ups and initial seed capital.
Kishore	₹50,000 to ₹5 Lakh	For established units needing expansion.
Tarun	₹5 Lakh to ₹10 Lakh	For scaling and diversification.
Tarun Plus	₹10 Lakh to ₹20 Lakh	Exclusive for those who have successfully repaid Tarun loans.

BACKGROUND CONCEPTS

Q: Why is the MUDRA Card significant?

A: The MUDRA Card is a **RuPay debit card** that provides a working capital facility as an overdraft. It allows the entrepreneur to withdraw funds as and when needed, reducing the interest burden as they only pay for the amount utilized, not the entire sanctioned limit.

Q: Does PMMY cover agriculture?

A: No. PMMY is specifically for **non-farm** income-generating activities in manufacturing, trading, and

services. However, activities allied to agriculture, such as poultry, dairy, and beekeeping, are covered.

Q: What is the "National Credit Guarantee Trustee Company" (NCGTC)?

A: It is the entity that provides the "guarantee" to the bank. If a MUDRA borrower defaults, the NCGTC covers a portion of the bank's loss. This is the "magic" that allows the loans to be **collateral-free**.

CONCEPTUAL MCQs

Q1. The "Tarun Plus" category under PMMY allows for loans up to what amount?

- A) ₹5 Lakh
- B) ₹10 Lakh
- C) ₹15 Lakh
- D) ₹20 Lakh

Q2. Which of the following sectors is EXCLUDED from the scope of MUDRA loans?

- A) Small manufacturing units
- B) Shopkeepers and vendors
- C) Direct crop-based farming
- D) Truck and taxi operators

Q3. What percentage of MUDRA loan accounts are held by women as per recent trends?

- A) 25%
- B) 40%
- C) 68%
- D) 90%

Q4. MUDRA functions as a _____ agency for banks and MFIs.

- A) Direct lending
- B) Regulatory
- C) Refinancing
- D) Insurance

Q5. In which year was the Pradhan Mantri MUDRA Yojana launched?

- A) 2014
- B) 2015
- C) 2016
- D) 2017

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	D	Tarun Plus was introduced to support graduates of the Tarun category up to ₹20 Lakh.
Q2	C	PMMY is for non-farm activities; direct farming is covered under KCC.
Q3	C	The scheme has been highly successful in driving women's entrepreneurship (Nari Shakti).
Q4	C	It provides funds to banks so they can lend further to micro-units.
Q5	B	It was launched on April 8, 2015.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	ESI (Social Justice & Financial Inclusion)	Critical
Banking (PO)	General Awareness (Government Schemes)	High

4. The National Quantum Mission (NQM)**Context**

In less than two years since becoming operational, the **National Quantum Mission (NQM)** has successfully demonstrated secure quantum communication over a distance of **1,000 km**. This achievement brings India halfway to its ultimate goal of a 2,000-km pan-India network and solidifies its position among a select group of nations (like China and the US) capable of long-distance quantum networking.

THE FOUR THEMATIC HUBS (T-HUBS)

The mission is not a single project but a decentralized ecosystem managed through four specialized "T-Hubs."

T-Hub	Focus Area	Goal
Quantum Computing	Qubits & Hardware	Building a 1,000-qubit computer by 2031.
Quantum Communication	QKD & Fiber/Satellite	Creating a hack-proof "Quantum Internet."
Quantum Sensing	High-precision sensors	Improving GPS-free navigation and medical imaging (MRI).
Quantum Materials	Exotic substances	Developing superconductors and topological insulators.

HOW IT WORKS: QUANTUM KEY DISTRIBUTION (QKD)

The "hack-proof" nature of NQM's communication relies on **Quantum Key Distribution (QKD)**. Unlike traditional encryption, which uses complex math that a powerful computer could eventually "crack," QKD uses the **laws of physics**.

1. **Superposition:** Data is sent using photons (light particles).
2. **No-Cloning Theorem:** In quantum mechanics, you cannot "copy" a quantum state without changing it.
3. **The Eavesdropper Alert:** If a hacker tries to intercept or "observe" the key while it is in transit, the quantum state collapses. This alerts both the sender and receiver instantly, and the compromised key is discarded.

BACKGROUND CONCEPTS: Q&A FORMAT**Q: What is a "Qubit" and why is it faster?**

A: A classical bit is like a light switch (On or Off). A **Qubit** (Quantum Bit) can be On, Off, or **both at the same time** (Superposition). This allows a quantum computer to calculate millions of possibilities simultaneously, solving in seconds what a supercomputer would take 10,000 years to finish.

Q: How does this relate to the "Quantum Reference Facility" in A.P.?

A: The **Quantum Reference Facility** (recently launched in Amaravati) acts as the "testing lab" for the components developed under the NQM. While NQM sets the national goals, facilities like the one in A.P. provide the physical hardware to test if those goals are being met.

CONCEPTUAL MCQs**Q1. What is the final target distance for the pan-India Quantum Communications network under NQM?**

A) 500 km

- B) 1,000 km
- C) 2,000 km
- D) 5,000 km

Q2. Which principle of quantum mechanics ensures that a hacker cannot copy a quantum encryption key without being detected?

- A) Theory of Relativity
- B) No-Cloning Theorem
- C) Laws of Thermodynamics
- D) Centrifugal Force

Q3. The NQM aims to develop quantum computers with how many physical qubits over an 8-year period?

- A) 5 to 10
- B) 50 to 1,000
- C) 10,000 to 50,000
- D) 1 Million

Q4. Which financial instrument is being used to support quantum startups without immediate equity dilution?

- A) Initial Public Offering (IPO)
- B) Fixed Deposit (FD)
- C) Optionally Convertible Debt (OCD)
- D) Kisan Vikas Patra

Q5. In which month and year did the National Quantum Mission become fully operational?

- A) April 2023
- B) January 2024
- C) October 2024
- D) April 2026

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	The 1,000-km achievement is the halfway mark toward the 2,000-km goal.
Q2	B	Measuring a quantum system disturbs it; copying it perfectly is physically impossible.
Q3	B	50–1,000 qubits is the "intermediate scale" targeted by the mission.
Q4	C	OCDs provide debt that can become equity later, protecting founder ownership.
Q5	C	While approved in 2023, it became operational in October 2024.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
UPSC CSE	GS-3 (Science & Tech, IT & Space, Cybersecurity)	Critical
SSC / Engineering	Current Affairs (Scientific Achievements)	High

Banking and Finance

1. RBI's Fraud Prevention Proposals & Banking Liquidity Surge

1. THE "GOLDEN HOUR" PROPOSAL

The Reserve Bank of India (RBI) released a discussion paper on **April 9, 2026**, proposing targeted friction in high-value digital transfers. This aims to combat **Authorised Push Payment (APP) fraud**, where users are tricked into sending money themselves.

The 1-Hour Delay Rule

- **Threshold:** Transactions over **₹10,000**.
- **Mechanism:** The payer's account is debited instantly, but the credit to the beneficiary is delayed for **one hour**.
- **The "Kill Switch":** During this window, the sender can cancel the transaction if they suspect foul play.
- **Scope:** Primarily for person-to-person (P2P) transfers. Merchant payments (e.g., QR codes at shops) are generally excluded to maintain convenience.

Protection for Vulnerable Users

The paper outlines specific safeguards for senior citizens (70+) and persons with disabilities:

- **Trusted Person Authentication:** For transfers above **₹50,000**, a pre-designated "trusted individual" may need to approve the transaction.
- **Mule Account Scrutiny:** Proposed cap of **₹25 lakh annual credit** on accounts without "enhanced due diligence" to prevent money laundering.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: What is "Authorised Push Payment" (APP) Fraud?

A: This is when a fraudster tricks you (via a fake call or message) into *willingly* authorizing a payment. Since you used your PIN/OTP, traditional security doesn't stop it. The 1-hour lag creates a psychological "break" to help victims realize the scam.

CONCEPTUAL MCQs

Q1. According to the RBI discussion paper, the 1-hour delay is proposed for transactions above which amount?

- A) ₹1,000
- B) ₹5,000
- C) ₹10,000
- D) ₹50,000
- E) ₹1,00,000

Q2. For vulnerable users (senior citizens), the RBI has suggested additional authentication for transfers exceeding:

- A) ₹10,000
- B) ₹25,000
- C) ₹50,000
- D) ₹1,00,000
- E) No limit specified.

Q3. What was the primary reason cited for the 4-year high in banking system liquidity?

- A) A sudden increase in bank locker charges.
- B) Maturity of Government Securities (G-Secs).
- C) Decrease in the number of bank accounts.
- D) Massive withdrawal of cash by the public.
- E) Closure of the UPI network.

Q4. The "Kill Switch" mentioned in the RBI paper allows a user to:

- A) Delete their bank account permanently.
- B) Instantly disable all digital payment channels in case of fraud.
- C) Increase their daily transfer limit.
- D) Change their ATM PIN remotely.
- E) Turn off the bank's mobile app.

Q5. When the banking system has a "Net Liquidity Surplus," it generally means:

- A) Banks are running out of cash.
- B) Banks have more funds than they currently need for lending.
- C) The government is borrowing more from the public.
- D) The RBI is increasing the CRR (Cash Reserve Ratio).
- E) Foreign investors are withdrawing from the stock market.

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	₹10,000 is the threshold where the 1-hour lag begins.
Q2	C	The higher threshold (50k) is aimed at protecting life savings from coercion.
Q3	B	When G-Secs mature, the RBI/Govt pays back the principal to banks, creating a cash surplus.
Q4	B	It is a "panic button" to stop all digital outflows instantly.
Q5	B	Surplus liquidity means banks are parking money <i>with</i> the RBI rather than borrowing <i>from</i> it.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Phase II (Finance – Digital Payments & Liquidity Management)	Critical
SBI / IBPS PO	Banking Awareness (Current RBI Circulars)	High

2. RBI Mandate: Accelerated Credit for Inward Remittances

Source: RBI Circular

Context

On **Thursday, April 9, 2026**, the Reserve Bank of India (RBI) issued a landmark circular to tackle the primary bottleneck in cross-border payments: the **beneficiary lag**. This is the time taken from when a bank receives a payment message from abroad to when the money actually reflects in the customer's account.

As India remains the world's largest recipient of remittances (surpassing **\$135 billion** in 2025), these new rules aim to align Indian banking with the **G20 roadmap** for cheaper, faster, and more transparent international payments.

THE NEW TIMELINES & RULES

The RBI has shifted the responsibility onto beneficiary banks to eliminate the "dead time" where funds sit in bank accounts but are not accessible to the recipient.

1. Immediate Customer Intimation

- **Rule:** Banks must inform the customer **immediately** upon receiving an inward payment message from a foreign bank.
- **Non-Business Hours:** If the message arrives after operating hours, the bank must notify the customer at the **start of the next business day**.

2. Nostro Account Reconciliation

- **The Old System:** Many banks previously waited for "End-of-Day" (EoD) statements to confirm they had received the money in their foreign accounts (Nostro accounts) before crediting the Indian customer.
- **The New Rule:** Banks must now perform reconciliation on a **near real-time basis** or at periodic intervals **not exceeding one hour**.

3. Same-Day Credit Mandate

- Banks are now required to credit inward payments received during foreign exchange market hours on the **same business day**.
- For individual residents, banks are encouraged to use **Straight-Through Processing (STP)**—an automated system that credits funds without manual intervention, provided the risk and FEMA checks are clear.

THE "NOSTRO" FACTOR

A **Nostro Account** is an account that an Indian bank (e.g., SBI) holds in a foreign bank (e.g., JP Morgan in the US) in foreign currency.

When your relative sends money from the US, it first lands in the Indian bank's Nostro account in New York. The delay happens because the Indian branch in Mumbai needs to confirm the money is actually there before giving you the INR equivalent. By mandating **1-hour reconciliation**, the RBI ensures that "confirmation" happens almost instantly.

KEY BENEFITS FOR STAKEHOLDERS

Stakeholder	Primary Benefit
Individual Recipients	Faster access to funds for family maintenance, education, or emergencies.
Exporters	Improved working capital cycles; funds from global sales are available the same day.
Economy	Enhanced liquidity and faster circulation of foreign exchange in the Indian market.
Banks	Competitive edge by offering speed; however, they must invest in better automated reconciliation tech.

BACKGROUND CONCEPTS: Q&A FORMAT

Q: What is "Straight-Through Processing" (STP)?

A: STP is an automated electronic payment process that allows for the entire credit cycle—from receiving the foreign message to depositing INR in the account—to happen without any manual data entry or human eyes. This reduces errors and speeds up the process from hours to seconds.

Q: Why do banks wait for the "Nostro" statement?

A: When money is sent from New York to Delhi, the Delhi bank first receives it in its account in New York (the Nostro account). Previously, many Indian banks only checked this account once a day. The **2026 RBI mandate** forces them to check every hour to ensure you get your money faster.

Q: Is receiving money from relatives abroad taxable?

A: Under Section 56(2) of the Income Tax Act, money received from "specified relatives" (parents, siblings, spouse) is generally tax-free. However, it must be declared, and a proper **Purpose Code** (like Family Maintenance) must be used.

Q: What is the difference between Inward and Outward remittance?

A: **Inward** is money coming into India (e.g., an NRI sending money home). **Outward** is money leaving India (e.g., an Indian parent paying a child's tuition fee in London). Outward remittances are usually subject to **TCS (Tax Collected at Source)**.

CONCEPTUAL MCQs**Q1. According to the new RBI mandate, what is the maximum permissible gap for banks to reconcile their Nostro accounts?**

- A) 15 Minutes
- B) 30 Minutes
- C) 1 Hour
- D) 4 Hours
- E) End-of-Day (EoD)

Q2. If an inward payment message is received after banking hours, when must the bank inform the customer?

- A) Within 24 hours.
- B) By the end of the week.
- C) Immediately at the start of the next business day.
- D) They do not need to inform the customer until the credit is successful.
- E) Only if the amount exceeds ₹10 Lakh.

Q3. Which international roadmap is the RBI aligning with by mandating faster cross-border payments?

- A) IMF Sustainability Goals
- B) G20 Roadmap for Cross-Border Payments
- C) WTO Trade Facilitation Agreement
- D) BRICS Financial Integration Plan
- E) ASEAN Banking Framework

Q4. What is a "Nostro Account"?

- A) An account held by a foreign citizen in an Indian bank.
- B) An account held by an Indian bank in a foreign bank, in foreign currency.
- C) A specialized account for crypto-currency trading.
- D) A zero-balance savings account for farmers.
- E) An account used exclusively for government tax collection.

Q5. What was the approximate value of remittances India received in 2025?

- A) \$50 Billion
- B) \$85 Billion
- C) \$100 Billion

D) \$135 Billion

E) \$200 Billion

ANSWERS & EXPLANATIONS

Question	Answer	Explanation
Q1	C	Banks can no longer wait until the end of the day; 1 hour is the new limit.
Q2	C	Communication transparency is key to the new "immediate intimation" rule.
Q3	B	The G20 goals emphasize cheaper, faster, and more accessible global payments.
Q4	B	"Nostro" comes from the Latin for "Ours" (Our money in your bank).
Q5	D	India continues to be the world leader in inward remittances.

EXAM RELEVANCE

Exam	Focus Area	Relevance Level
RBI Grade B	Phase II (Finance – Payment Systems & FEMA)	Critical
UPSC CSE	GS-3 (Indian Economy – External Sector)	High
SBI / IBPS PO	General Awareness (Banking Technology & Operations)	High

Facts To Remember**1. Argentina's Formal Withdrawal from the WHO**

Effective **March 2026**, Argentina has officially completed its withdrawal from the **World Health Organization (WHO)**. This follows the one-year notification period initiated by the administration of President Javier Milei in 2025. Argentina is now the first major nation in South America to exit the specialized UN agency, citing concerns over national sovereignty and the perceived "bureaucratic overreach" of global health bodies.

2. Cabinet Approves ₹40,175 Crore Mega Hydro Projects in Arunachal Pradesh

Cabinet Committee on Economic Affairs led by Narendra Modi approved two hydro projects worth ₹40,175.33 crore. Kalai-II (1,200 MW) and Kamala (1,720 MW) projects will generate 4,852.95 MU and 6,870 MU annually. The projects include major infrastructure and flood moderation components. They aim to boost renewable energy and energy security in Northeast India.

3. Cabinet Approves NBS ₹41,533 Cr, Jaipur Metro Phase-II & HRRL Expansion

Union Cabinet approved ₹41,533.81 crore NBS subsidy for Kharif 2026. Jaipur Metro Phase-II (41 km) approved at ₹13,037.66 crore. HRRL refinery cost revised from ₹43,129 crore to ₹79,459 crore. The decisions strengthen agriculture, urban transport, and energy infrastructure.

4. Jayant Chaudhary Launches Skills Outcomes Fund Initiative

Jayant Chaudhary launched Skills Outcomes Fund (SOF) to boost youth employment. It follows an outcomes-based financing model linking skilling to jobs. Implemented by NSDC, it targets sectors like IT, BFSI, and healthcare. The initiative aims to scale as the world's largest OBF programme.

5. NITI Aayog Report Shows Women Hold ₹76 Lakh Crore Credit

NITI Aayog report highlights women hold ₹76 lakh crore credit (26% share). Credit penetration rose from 19% (2017) to 36% (2025). Around 16 crore women are credit-active with 9% CAGR growth. It reflects rising

financial inclusion and economic participation.

6. India Withdraws Bid to Host COP33 Climate Summit 2028

India withdrew its proposal to host COP33 under UNFCCC. The decision leaves South Korea as the sole bidder. India had earlier hosted COP8 in 2002. The move follows a review of commitments amid global climate negotiations.

7. Jitendra Singh Announces Seismological Observatory & Doppler Radar

Jitendra Singh announced observatory in Kishtwar and Doppler Radar in Doda. The projects enhance earthquake monitoring and weather forecasting. Additional AWS stations planned in remote regions. These steps strengthen disaster preparedness in J&K.

8. ALEMAI Launches 'Aluminium Bharat' Initiative

Aluminium Extrusion Manufacturers Association launched Aluminium Bharat initiative. It aims to boost domestic manufacturing and global competitiveness. The sector supports over 10 lakh jobs in India. Aluminium Bharat 2026 expo will be held from Sept 26–29.

9. NTPC Signs MoU with EDF for Nuclear Power Collaboration

NTPC Limited signed MoU with EDF (France). The deal explores nuclear projects using EPR technology. It includes localisation, feasibility, and workforce training. The partnership supports India's long-term nuclear energy goals.

10. ICAR Forms Task Force for Agricultural Resilience

Indian Council of Agricultural Research set up task force to tackle global disruptions. It focuses on food security, climate resilience, and supply chains. Initiatives include DSR, MGMG expansion, and millet mapping. The move enhances data-driven agricultural policy.

11. India Elected to Key UN ECOSOC Bodies

India elected to CSTD, NGO Committee, and CPC of ECOSOC. Preeti Saran re-elected to CESC (2027–2030). This strengthens India's role in global governance. It enhances presence in science, policy, and human rights bodies.

12. Nasscom Foundation Appoints UB Pravin Rao as Chairperson

UB Pravin Rao appointed Chairperson of Nasscom Foundation. He succeeds Rostow Ramanan. He brings 35+ years of tech leadership experience. The move ensures continuity in digital and social initiatives.

13. Everest Pioneer Jim Whittaker Passes Away

Jim Whittaker passed away at age 97. He was first American to summit Everest in 1963. He also led major expeditions including K2. His legacy remains significant in mountaineering history.

14. CRPF Valour Day Observed on April 9

CRPF Valour Day marks bravery during 1965 Battle of Sardar Post. The 61st observance held in 2026. CRPF repelled Pakistani attack under Operation Desert Hawk. The day honours sacrifice and courage of personnel.

15. Puducherry Deploys 'Nila' Robot at Polling Booth

Puducherry used 'Nila' humanoid robot at polling station. It greeted voters and provided assistance using AI interaction. Developed in Coimbatore, it supports multilingual communication. The initiative promotes

tech-driven electoral engagement.

FIVE TO REMEMBER · 10 APRIL 2026

1. **Credit Depth:** Credit penetration nearly doubled to **36%**, moving beyond the initial "Pradhan Mantri Jan Dhan Yojana" account-opening phase into active borrowing. NITI Aayog Report: "From Borrowers to Builders:..."
2. Jim Whittaker passed away at age 97. He was first American to summit Everest in 1963. He also led major expeditions including K2. His legacy remains significant in mountaineering history. Everest Pioneer Jim Whittaker Passes Away
3. **Scope:** Primarily for person-to-person (P2P) transfers. Merchant payments (e.g., QR codes at shops) are generally excluded to maintain convenience. RBI's Fraud Prevention Proposals & Banking Liqu...
4. The scheme recognizes that a "one size fits all" approach doesn't work for business growth. The introduction of **Tarun Plus** in 2024 was a strategic move to support high-performing micro-enterprises. Pradhan Mantri MUDRA Yojana (PMMY)
5. **Non-Business Hours:** If the message arrives after operating hours, the bank must notify the customer at the **start of the next business day**. RBI Mandate: Accelerated Credit for Inward Remi...

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DAY 10 OF 23

11 April 2026

Saturday · 21 items · 3 topics

National Affairs 3 · Banking and Finance 2 · Facts To Remember 16

Daily Current Affairs Quiz**11 April, 2026****National Affairs****1. ISRO Successfully Completes Second Integrated Air Drop Test (IADT-02)**

Source: TH

Context

The Indian Space Research Organisation (ISRO) has successfully conducted the second **Integrated Air Drop Test (IADT-02)** at the Satish Dhawan Space Centre (SDSC-SHAR). This test is a critical component of the **Gaganyaan** mission, specifically designed to validate the systems that will bring Indian astronauts safely back to Earth.

THE MISSION MECHANICS: SIMULATING RE-ENTRY

The primary goal of the IADT is to test the **Parachute-Based Deceleration System** under real-world conditions.

- **The Payload:** A simulated Crew Module weighing **5.7 tonnes**—identical in mass to the module planned for the first uncrewed Gaganyaan mission (G1).
- **The Launch:** An **Indian Air Force Chinook helicopter** lifted the module to an altitude of **3 km** before releasing it over a designated drop zone in the Bay of Bengal.
- **The Descent:** During the fall, a complex sequence involving **10 parachutes of four different types** was deployed to gradually reduce the module's velocity.
- **The Recovery:** Following a successful splashdown, the **Indian Navy** coordinated the recovery of the module from the sea.

The **Gaganyaan Project** is India's first human spaceflight program, designed to demonstrate the country's capability to send humans into Low Earth Orbit (LEO) and bring them back safely to Earth.

CONCEPTUAL MCQs FOR REVISION**Q1. What was the primary objective of the Integrated Air Drop Test (IADT-02)?**

- A) To test the rocket's propulsion system.
- B) To validate the parachute-based deceleration system for the Crew Module.
- C) To test the astronauts' endurance in high-G environments.
- D) To launch a communication satellite into Low Earth Orbit.

Q2. Which aircraft was used to lift the simulated Crew Module to the required altitude?

- A) C-17 Globemaster
- B) HAL Tejas
- C) IAF Chinook Helicopter
- D) ISRO GSLV Rocket

Answers: 1-B, 2-C

2. The National Scheduled Tribes Finance and Development Corporation (NSTFDC)

Context

The **National Scheduled Tribes Finance and Development Corporation (NSTFDC)** recently celebrated its 25th Foundation Day. Since its inception in 2001, it has functioned as the financial backbone for India's tribal communities, bridging the gap between traditional livelihoods and modern entrepreneurship.

ORGANIZATIONAL STRUCTURE

The NSTFDC is not a direct lender but an apex body that works through a network of partners to reach the most remote corners of the country.

- **Status:** A Government of India **Public Sector Undertaking (PSU)**.
- **Ministry:** Operates under the **Ministry of Tribal Affairs**.
- **Delivery Model:** It utilizes **State Channelising Agencies (SCAs)**, regional rural banks, and nationalized banks to distribute funds to individual beneficiaries.

CORE MISSION: FROM LABOR TO OWNERSHIP

The corporation's primary objective is to provide **concessional financial assistance**—loans with interest rates significantly lower than market rates—to enable Scheduled Tribes (STs) to start income-generating activities.

- **Diverse Sectors:** Support is extended to traditional sectors (handicrafts, agriculture) and modern services (healthcare, retail, transport).
- **Focus on Vulnerable Groups:** Specific emphasis is placed on tribal women and youth to encourage financial independence.
- **Sustainable Livelihoods:** Beyond just lending, it focuses on **Capacity Building**, ensuring that a business doesn't just start but remains sustainable in the long term.

PROMOTING ENTREPRENEURSHIP

By providing "Seed Capital," the NSTFDC allows tribal entrepreneurs to bypass the need for heavy collateral that traditional banks often demand.

Feature	NSTFDC Loans	Commercial Bank Loans
Interest Rate	Highly Concessional (Low)	Market-linked (High)
Target Audience	Exclusively Scheduled Tribes	General Public/Businesses
Focus	Socio-economic upliftment	Profit-oriented
Middlemen	State Channelising Agencies	Direct Branch Interaction

KEY SCHEMES AT A GLANCE

While the context focuses on the 25th anniversary, the NSTFDC manages several flagship programs:

- **Adivasi Mahila Sashaktikaran Yojana (AMSY):** Specifically for tribal women to start small businesses.
- **Micro Credit Scheme:** For self-help groups (SHGs) to provide small-ticket loans to their members.
- **Adivasi Shiksha Rrinn Yojana:** Educational loans for tribal students pursuing professional courses.

CONCEPTUAL MCQs FOR REVISION

Q1. The NSTFDC operates as a PSU under which Union Ministry?

- A) Ministry of Finance
- B) Ministry of Social Justice and Empowerment

- C) Ministry of Tribal Affairs
- D) Ministry of Micro, Small and Medium Enterprises

Q2. How does the NSTFDC primarily ensure that its financial aid reaches remote tribal areas?

- A) Through its own 50,000 local branches.
- B) Through State Channelising Agencies (SCAs) and Regional Banks.
- C) Through a direct-to-consumer mobile app only.
- D) Through the Post Office Savings Bank.

Q3. Which of the following is a primary feature of NSTFDC financial assistance?

- A) High-interest personal loans.
- B) Concessional loans for income-generating activities.
- C) Equity investment in large-scale tribal mining corporations.
- D) Free distribution of cash with no repayment requirement.

Q4. In which year was the NSTFDC established?

- A) 1991
- B) 2001
- C) 2011
- D) 2015

Answers: 1-C, 2-B, 3-B, 4-B

3. The Central Armed Police Forces (General Administration) Act, 2026

Context

The **Central Armed Police Forces (General Administration) Act, 2026**, has officially become law following the President's assent. This landmark legislation centralizes and harmonizes the administration of India's primary internal security forces, moving away from the fragmented, force-specific regulations that existed for decades.

UNIFIED ADMINISTRATIVE FRAMEWORK

Previously, forces like the BSF and CRPF operated under distinct legislative acts, leading to inconsistencies in service conditions and legal disputes.

- **Centralization:** The Act provides a single, uniform system for Group A (General Duty) officers, IPS officers on deputation, and Army officers serving within these forces.
- **Applicability:** It covers the "Big Five" CAPFs:
 1. **CRPF** (Central Reserve Police Force)
 2. **BSF** (Border Security Force)
 3. **CISF** (Central Industrial Security Force)
 4. **ITBP** (Indo-Tibetan Border Police)
 5. **SSB** (Sashastra Seema Bal)

FIXING DEPUTATION QUOTAS

One of the most significant aspects of the Act is the formalization of the role of **Indian Police Service (IPS)** officers within the CAPF hierarchy. By fixing these percentages in law, the government aims to end long-standing administrative and judicial debates.

Rank Level	Fixed IPS Deputation Quota
Director General (DG) & Special DG	100%
Additional Director General (ADG)	Minimum 67%
Inspector General (IG)	50%

RULE-MAKING & OVERRIDING POWERS

The Act grants the Central Government extensive powers to streamline the "command and control" structure of these forces.

- **Legal Superiority:** The provisions of this Act—and the rules framed under it—prevail over any other law, prior administrative orders, or even past court judgments. This provides the government with a "clean slate" to manage promotions and recruitment.
- **Continuity:** To prevent administrative chaos, existing financial benefits and service rules remain valid until the government specifically issues new updated orders under this Act.

CONCEPTUAL MCQs FOR REVISION

Q1. The CAPF (General Administration) Act, 2026, applies to how many primary forces initially?

- A) Three
- B) Five
- C) Seven
- D) All State Police forces

Q2. Under the new Act, what percentage of Director General (DG) posts in CAPFs are reserved for IPS officers on deputation?

- A) 50%
- B) 67%
- C) 75%
- D) 100%

Q3. Which of the following ranks has a mandated minimum of 67% deputation quota for IPS officers?

- A) Inspector General (IG)
- B) Deputy Inspector General (DIG)
- C) Additional Director General (ADG)
- D) Commandant

Q4. What happens if a previous court judgment contradicts a rule framed under this new Act?

- A) The court judgment remains supreme.
- B) The Act's provisions prevail.
- C) The matter must be referred back to the Supreme Court.
- D) The rule is automatically void.

Answers: 1-B, 2-D, 3-C, 4-B

Banking and Finance

1. RBI New Norms for Government NBFCs and the Upper Layer

Source: ET

Context

The Reserve Bank of India (RBI) has issued draft norms to refine the classification of Non-Banking Financial Companies (NBFCs). The most significant change is the introduction of a clear asset threshold for the **Upper Layer (NBFC-UL)**, which will fundamentally change how large government-owned financiers are regulated.

THE ₹1 TRILLION THRESHOLD

Previously, the classification into the Upper Layer involved a mix of quantitative and qualitative factors, leading to some ambiguity.

- **The New Rule:** Any NBFC with an asset size of **₹1 trillion and above** will automatically be placed in the Upper Layer.
- **Government NBFCs:** For the first time, large public-sector NBFCs (like PFC, REC, or IREDA) that meet this threshold will be moved from the Base or Middle layers to the Upper Layer.
- **Bank-Like Regulation:** Once in the Upper Layer, these entities must follow much stricter, "bank-like" regulatory frameworks, including higher capital adequacy requirements and more intense supervision.

THE "STICKY" REGULATION RULE

To prevent companies from jumping in and out of strict regulations due to minor fluctuations in their balance sheets, the RBI has introduced a persistence rule:

- **The 5-Year Lock-in:** Once an entity is designated as an NBFC-UL, it must follow those strict norms for at least **five consecutive years**, even if its assets fall below the ₹1 trillion mark during that period.
- **Exit Criteria:** An entity can only exit the Upper Layer if it fails to meet the classification criteria for five years in a row.

THE TATA SONS CONUNDRUM

Despite the new clarity on asset size, the status of **Tata Sons** remains a gray area.

- **The Issue:** Tata Sons is a Core Investment Company (CIC) and is currently in the Upper Layer. However, it has applied for **de-registration** as an NBFC after becoming net debt-free, seeking an exemption from the mandatory listing requirement that comes with Upper Layer status.
- **RBI's Stance:** The RBI's latest list still includes Tata Sons, but with a disclaimer that its inclusion is "without prejudice" to the outcome of its application for de-registration. The new draft norms do not explicitly resolve this unique "Core Investment Company" conflict.

INDUSTRY IMPACT: REGULATORY CERTAINTY

Industry leaders generally view these changes as positive for long-term planning.

- **Predictability:** By removing "qualitative factors" and sticking to a hard asset limit, NBFCs can now predict exactly when they will hit the regulatory ceiling.
- **Preparation:** Large NBFCs can now adjust their business plans and compliance infrastructure well in advance of hitting the ₹1 trillion mark.

CONCEPTUAL MCQs FOR REVISION

Q1. What is the newly proposed asset threshold for an NBFC to be classified in the "Upper Layer"?

- A) ₹50,000 Crore
- B) ₹75,000 Crore
- C) ₹1 Trillion
- D) ₹5 Trillion

Q2. If an NBFC-UL's assets fall below the threshold, for how many consecutive years must it stay below that limit before it can exit the Upper Layer?

- A) 1 Year
- B) 2 Years
- C) 3 Years
- D) 5 Years

Q3. Which group of financial entities will be subjected to "bank-like" norms for the first time under this proposal?

- A) Small Finance Banks
- B) Large Government-owned NBFCs
- C) Microfinance Institutions (MFIs)
- D) Peer-to-Peer (P2P) Lenders

Q4. Tata Sons is primarily seeking an exemption from the Upper Layer classification because it wants to avoid:

- A) Paying higher taxes.
- B) Mandatory listing on the stock exchange.
- C) Reducing its asset size.
- D) Lending to the retail sector.

Answers: 1-C, 2-D, 3-B, 4-B

2. RBI Deputy Governor Rebukes Banks Over Rupee Arbitrage Trades

Context

In a recent address at a foreign exchange dealers' conference in Paris, RBI Deputy Governor **T. Rabi Sankar** issued a stern critique of banks involved in currency arbitrage. The central bank's messaging underscores its commitment to defending the Rupee (\$INR\$) against volatility, especially during periods of geopolitical tension in West Asia.

THE ARBITRAGE MECHANISM: PROFITING FROM PRESSURE

Arbitrage occurs when banks exploit the price difference of the Rupee between the **Onshore (Local)** market and the **Offshore (NDF – Non-Deliverable Forward)** market.

- **The Trade:** Banks were buying dollars in the local Indian market and simultaneously selling them in offshore markets where the dollar was more expensive.
- **The Consequence:** This massive buying of dollars locally put additional downward pressure on the Rupee, draining dollar liquidity just as foreign investors were already pulling capital out of India due to global tensions.
- **The Scale:** It is estimated that banks had to reverse nearly **\$30 billion** in such trades following recent RBI restrictions.

THE "SPECULATION CLAMPDOWN"

To stabilize the currency, the RBI recently implemented aggressive "friction" in the market:

- **Position Caps:** Currency bets by individual banks have been capped at **\$100 million**.
- **Offshore Bar:** Banks are strictly prohibited from entering derivative contracts in the offshore market to prevent them from betting against the Rupee.
- **Closing the Loophole:** The RBI expressed specific displeasure at banks attempting to "mask" these trades by shifting them to their **corporate clients' books**, even though those corporations are legally barred from such speculative transactions.

WHY THE RBI IS PROTECTIVE

The RBI maintains a "managed float" exchange rate system. While it allows the market to determine the Rupee's value, it intervenes to prevent "excessive volatility" for several reasons:

- **Imported Inflation:** A weak Rupee makes oil imports more expensive, which raises petrol and diesel prices for Indian consumers.
- **External Debt:** Many Indian companies have borrowed in dollars; if the Rupee falls, their debt burden in \$INR\$ terms increases significantly.
- **Investor Confidence:** Wild swings in the currency can scare away long-term foreign direct investment (FDI).

CONCEPTUAL MCQs FOR REVISION

Q1. In the context of the recent RBI critique, what is "Arbitrage"?

- A) The process of fixing a currency's value to gold.
- B) Profit-making by exploiting price differences for the same asset in different markets.
- C) A government grant given to exporters.
- D) The act of printing more currency to pay off national debt.

Q2. What was the immediate impact of banks buying dollars locally to sell them offshore?

- A) The Rupee strengthened significantly.
- B) Domestic dollar liquidity increased.
- C) It aggravated the weakness of the Rupee.
- D) It had no impact on the exchange rate.

Q3. To curb speculation, the RBI has capped individual bank currency bets at what amount?

- A) \$10 Million
- B) \$100 Million
- C) \$1 Billion
- D) \$30 Billion

Q4. Why does the RBI discourage banks from shifting arbitrage trades to their corporate clients?

- A) Corporations are not allowed to undertake such speculative transactions.
- B) Corporations pay lower taxes on these trades.
- C) It makes the central bank's website run slower.
- D) It increases the profits of the banks too much.

Answers: 1-B, 2-C, 3-B, 4-A

Facts To Remember

1. Pradhan Mantri MUDRA Yojana Completes 11 Years

The Pradhan Mantri MUDRA Yojana marked 11 years on April 8, 2026, promoting financial inclusion and entrepreneurship. Launched in 2015 by Narendra Modi, it provides collateral-free loans up to ₹10 lakh for micro and small businesses. Over ₹40.07 lakh crore has been disbursed through 57.79 crore loans, with strong participation from women and first-time entrepreneurs.

2. MoCA Approves Warangal & Adilabad Airports

The Ministry of Civil Aviation approved new airports in Warangal and Adilabad, Telangana. Warangal airport will be developed at Mamnoon, while Adilabad will serve both civilian and defence purposes. The project aims to enhance regional connectivity and boost economic development in the region.

3. PFRDA Approves PPFAS AMC for NPS Pension Fund

The Pension Fund Regulatory and Development Authority approved PPFAS AMC as a pension fund sponsor under NPS. A new pension entity will manage investments across equities, government securities, and corporate bonds. This move strengthens long-term retirement planning and investor protection under the National Pension System.

4. NHAI Launches 'Arogya Van' Initiative

The National Highways Authority of India introduced 'Arogya Van' to plant medicinal trees along highways. Phase 1 includes plantation across 62.8 hectares in multiple states with over 67,000 trees. The initiative promotes biodiversity, Ayurveda, and awareness of medicinal plants.

5. FIU-IND & I4C Sign MoU to Combat Cyber Fraud

Financial Intelligence Unit – India signed an MoU with Indian Cyber Crime Coordination Centre. The collaboration enhances data sharing, fraud detection, and cybercrime prevention. It will also develop guidelines and red-flag indicators for financial institutions.

6. India-Egypt Joint Exercise 'Cyclone-IV' Begins

India and Egypt launched the 4th edition of Exercise Cyclone-IV in Egypt. The exercise focuses on special operations training in desert and semi-desert terrain. It aims to boost interoperability and defence cooperation between the two nations.

7. India Ranks 4th Globally in Tech Funding (FY26)

According to Tracxn, India raised USD 11.7 billion in tech funding in FY26. India ranked 4th globally after the USA, UK, and China despite an 18% decline from FY25. Bengaluru and Mumbai led funding, with growth in IPOs and unicorn creation.

8. NBBL Onboards Axis Bank on Banking Connect

NPCI Bharat BillPay Limited onboarded Axis Bank to its Banking Connect platform. The platform now covers 8 banks and 11 payment aggregators. It enables seamless merchant payments with advanced features like TPV and direct settlements.

9. CSB Bank Launches 'Smart Save Account'

CSB Bank introduced its first retail product 'Smart Save Account'. It offers auto-sweep FD facility with up to 7% interest and no lock-in period. The account targets salaried individuals, professionals, and NRIs with digital benefits.

10. Sanjay Khanna Appointed CMD of BPCL

The ACC appointed Sanjay Khanna as CMD of Bharat Petroleum Corporation Limited. He brings over 30 years of experience in refinery operations and technical services. His tenure will continue until May 31, 2029.

11. ISRO Conducts Gaganyaan Air Drop Test-02

Indian Space Research Organisation successfully conducted IADT-02 for Gaganyaan. The test validated

parachute-based crew module recovery systems. It marks a key step toward India's human spaceflight mission.

12. Meta Launches 'Muse Spark' AI Model

Meta Platforms Inc. unveiled its new AI model 'Muse Spark'. It supports multimodal capabilities including text, image, and reasoning tasks. The model will be integrated across Meta platforms like WhatsApp and Instagram.

13. Abu Hasem Khan Chowdhury Passes Away

Veteran Congress leader Abu Hasem Khan Chowdhury passed away at 88. He served as MP from Malda South and MoS for Health and Family Welfare. He was widely respected for his grassroots political contributions.

14. C.D. Gopinath Passes Away

India's oldest Test cricketer C. D. Gopinath passed away at 96. He played 8 Test matches and had a distinguished first-class career. He was among the oldest surviving Test cricketers globally.

15. World Homeopathy Day 2026 – April 10

World Homeopathy Day is observed on April 10 to mark the birth anniversary of Samuel Hahnemann. The 2026 theme is "Homoeopathy for Sustainable Health". India hosted events promoting awareness under the Ministry of AYUSH.

16. Telangana's AI Hub Aikam Partners with Deakin University

Telangana's AI hub Aikam signed an MoU with Deakin University. The collaboration will establish an AI research and skilling center near Hyderabad. It aims to boost innovation, workforce readiness, and startup ecosystem in AI.

FIVE TO REMEMBER · 11 APRIL 2026

1. **The Payload:** A simulated Crew Module weighing **5.7 tonnes**—identical in mass to the module planned for the first uncrewed Gaganyaan mission (G1). [ISRO Successfully Completes Second Integrated A...](#)
2. World Homeopathy Day is observed on April 10 to mark the birth anniversary of Samuel Hahnemann. The 2026 theme is "Homoeopathy for Sustainable Health". India hosted events promoting awareness under the Ministry of AYUSH. [World Homeopathy Day 2026 – April 10](#)
3. **The New Rule:** Any NBFC with an asset size of **₹1 trillion and above** will automatically be placed in the Upper Layer. [RBI New Norms for Government NBFCs and the Uppe...](#)
4. **The Scale:** It is estimated that banks had to reverse nearly **\$30 billion** in such trades following recent RBI restrictions. [RBI Deputy Governor Rebukes Banks Over Rupee Ar...](#)
5. **Ministry:** Operates under the **Ministry of Tribal Affairs**. [The National Scheduled Tribes Finance and Devel...](#)

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DAY 11 OF 23

12 & 13 April 2026

18 items · 4 topics

National Affairs 6 · Banking and Finance 1 · Agriculture 2 · Facts To Remember 9

Daily Current Affairs Quiz
12 & 13 April, 2026**National Affairs****1. Womaniya Initiative**

Source: PIB

Context

The **Womaniya** initiative, launched in 2019 by the **Ministry of Commerce & Industry**, is a transformative feature of the **Government e-Marketplace (GeM)**. It aims to bridge the gap between women-led micro and small enterprises (MSEs) and the massive procurement needs of the Indian government.

THE GEPC (GeM) ADVANTAGE

Womaniya acts as a digital storefront specifically for women entrepreneurs, Self-Help Groups (SHGs), and artisans. It allows them to sell directly to Central and State Ministries, Departments, and PSUs.

- **Direct Access:** Eliminates exploitative middlemen, ensuring that the profit stays with the woman entrepreneur.
- **Product Range:** Focuses heavily on handicrafts, handloom, office stationary, and catering services.
- **Verified Growth:** By February 2026, over **2.1 lakh women MSEs** were registered, securing orders worth **₹28,000 crore**.

KEY ARCHITECTURAL FEATURES

To support micro-entrepreneurs who may not have advanced IT departments, Womaniya simplifies the complex world of government bidding.

- **Standardized Cataloguing:** Uses simple templates so that a rural artisan's product is just as discoverable as a large corporation's.
- **Paperless & Contactless:** Reduces "red tape" and administrative hurdles that often discourage small-scale women entrepreneurs.
- **Time-Bound Payments:** Critical for those with limited working capital; the system ensures payments are credited within a set timeframe after delivery.
- **Udyam Integration:** Seamless onboarding using existing MSME (Udyam) registrations.

CHALLENGES: THE "LAST MILE" BARRIERS

While the platform is ready, the users often face non-technical hurdles:

- **Time Poverty:** Balancing business with disproportionate household responsibilities limits active market engagement.
- **Digital Readiness:** A gap in technical skills can make navigating complex procurement tools difficult without help.
- **Decision-Making Autonomy:** In some rural settings, women may lead the business on paper but lack full control over financial investments.

"Numbers, names, dates: the three things the paper always asks."

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CONCEPTUAL MCQs FOR REVISION

Q1. Under which Ministry was the "Womaniya" initiative launched on the GeM platform?

- A) Ministry of Women and Child Development
- B) Ministry of Finance
- C) Ministry of Commerce & Industry
- D) Ministry of MSME

Q2. What is the current mandated procurement target for women-led MSEs, and what has Womaniya achieved?

- A) Target 3%; Achievement 5.6%
- B) Target 5%; Achievement 10%
- C) Target 1%; Achievement 3%
- D) Target 10%; Achievement 15%

Q3. Which feature of Womaniya is most critical for micro-entrepreneurs with limited cash flow?

- A) International Shipping
- B) Time-Bound Payments
- C) Premium Membership
- D) Television Advertising

Q4. As per the latest data, how many women have been mobilized into SHGs in India?

- A) 1 Crore
- B) 5.5 Crore
- C) 10.05 Crore
- D) 25 Crore

Answers: 1-C, 2-A, 3-B, 4-C

2. The Viksit Bharat Shiksha Adhishtan (VBSA) Bill, 2025

Context

The **Viksit Bharat Shiksha Adhishtan (VBSA) Bill, 2025**, marks a historic overhaul of India's higher education governance. By consolidating the powers of the three major regulators into a single apex body, the Bill seeks to fulfill the "Light but Tight" regulatory vision of the **National Education Policy (NEP) 2020**.

THE NEW REGULATORY ARCHITECTURE

The Bill replaces the fragmented system managed by the **UGC** (General Education), **AICTE** (Technical Education), and **NCTE** (Teacher Education) with a single Commission.

The Three Specialized Verticals

The Commission operates through three distinct councils to ensure a separation of powers:

- **Regulatory Council:** Focuses on institutional governance and compliance.
- **Accreditation Council:** Manages quality assessments (replacing the current NAAC-style functions).
- **Standards Council:** Sets the academic benchmarks and learning outcomes for degrees.

CORE SHIFTS IN GOVERNANCE

- **Separation of Funding:** In a departure from the UGC's dual role, the new Commission will **not** handle money. Funding powers are moved to the Ministry, sparking debates over academic independence.

- **Purview:** It covers almost all Higher Educational Institutions (HEIs) but **excludes Medical and Legal education**, which remain under the National Medical Commission (NMC) and the Bar Council of India (BCI).
- **Strict Penalties:** The Regulatory Council is empowered to impose heavy fines (up to ₹70 lakh) and can even order the permanent closure of non-compliant institutions.

WHY THE OVERHAUL?

- **Unified Window:** To end the "Inspector Raj" where institutions had to seek overlapping approvals from multiple bodies.
- **Multidisciplinary Focus:** To allow universities to easily offer cross-disciplinary courses (e.g., Engineering with Liberal Arts) without jurisdictional conflicts.
- **Global Standards:** To streamline Indian research and education to compete with global rankings.

CONCEPTUAL MCQs FOR REVISION

Q1. Which of the following existing bodies will be replaced by the Viksit Bharat Shiksha Adhishthan (VBSA)?

- A) SEBI, RBI, and IRDAI
- B) UGC, AICTE, and NCTE
- C) CSIR, ICAR, and ICMR
- D) UPSC, SSC, and NTA

Q2. Which two sectors of education are EXEMPTED from the purview of the VBSA Bill, 2025?

- A) Engineering and Management
- B) Teacher Education and Vocational Training
- C) Legal and Medical Education
- D) Research and Agriculture

Q3. Under the new Bill, which body holds the authority to allocate grants and funding to HEIs?

- A) The Regulatory Council
- B) The Standards Council
- C) The Ministry (Government)
- D) The Accreditation Council

Q4. The "Separation of Funding" from the regulator is a recommendation of which policy?

- A) National Education Policy 1986
- B) Right to Education Act 2009
- C) National Education Policy 2020
- D) Sarva Shiksha Abhiyan

Answers: 1-B, 2-C, 3-C, 4-C

3. India Becomes World's 3rd Largest Renewable Energy Power

Source: HT

Context

India has achieved a historic milestone in its energy transition, officially climbing to the **3rd position globally** in installed renewable energy (RE) capacity. By surpassing Brazil, India now trails only behind China and the United States, cementing its status as a global green energy powerhouse.

India Becomes World's 3rd Largest Renewable Energy Power

- **Source:** Renewable Energy Statistics 2026 (IRENA) & Ministry of New and Renewable Energy (MNRE).
- **Ranking:** India ranks **3rd globally** in installed renewable capacity, surpassing Brazil.
- **Top 3 Leaders:** 1. China (2,258 GW) | 2. USA (468 GW) | 3. **India (250.52 GW)**.
- **Key Achievement:** India reached **50% non-fossil fuel installed capacity** in June 2025, five years ahead of the 2030 NDC target.

BACKGROUND CONCEPT

Understanding India's Energy Transition Goals

- **Panchamrit Targets (COP26):** Prime Minister Modi announced five key elements at Glasgow, including reaching **500 GW of non-fossil energy capacity by 2030** and meeting 50% of energy requirements from renewables by 2030.
- **Nationally Determined Contributions (NDCs):** These are climate action plans to cut emissions and adapt to climate impacts under the Paris Agreement. India recently upgraded its targets for the 2031–2035 period.
- **Non-Fossil vs. Renewable Energy:** "Non-fossil" is a broader category that includes **Renewables** (Solar, Wind, Hydro, Bio) **plus Nuclear power**. As of March 2026, India's non-fossil capacity stands at ~283 GW (274.68 GW Renewables + 8.78 GW Nuclear).

CONCEPT BUILDER

Composition of India's Renewable Mix (as of March 31, 2026):

- **Solar Power:** The dominant leader at **150.26 GW**.
- **Wind Power:** **56.09 GW**.
- **Large Hydropower:** **51.41 GW** (Classified as "Renewable" since 2019 to help meet targets).
- **Bioenergy & Small Hydro:** Combined total of ~17 GW.

New Climate Pledges (2031–2035 NDC Upgrade):

1. **Emissions Intensity:** 47% reduction (from 2005 levels).
2. **Electricity Capacity:** 60% from non-fossil sources by 2035.
3. **Carbon Sink:** Creating 3.5 to 4 billion tonnes of \$CO_2\$ equivalent sink through additional forest and tree cover.

MCQs (EXAM LEVEL – IMPROVISED)

Q.1) Which of the following best describes the "Non-Fossil Fuel" installed capacity milestone achieved by India in June 2025?

- [1] India became the first country to reach 100% renewable energy generation.
- [2] Non-fossil sources contributed to over 50% of the actual electricity generated during the year.
- [3] Over 50% of India's total power-producing infrastructure is now based on non-fossil sources.
- [4] India surpassed China to become the world's largest renewable energy producer.

Q.2) Consider the following components of India's energy mix. Which of these is included in "Non-Fossil Fuel Capacity" but excluded from the "Renewable Energy Capacity" statistics provided by IRENA?

- [1] Large Hydropower
- [2] Biomass Energy
- [3] Nuclear Power
- [4] Off-shore Wind Energy

Q.3) Regarding India's updated Nationally Determined Contributions (NDCs) for the 2031–2035 period,

which statement is scientifically accurate?

- [1] India will completely stop the construction of coal-fired power plants by 2031.
- [2] The target for carbon sink creation has been set at 3.5 to 4 billion tonnes of \$CO_2\$ equivalent.
- [3] Emissions intensity will be reduced by 47% compared to 2025 levels.
- [4] Renewables must meet 100% of the peak electricity demand by 2035.

Q.4) Despite having nearly 50% installed capacity from non-fossil sources, their share in actual electricity generation (FY 2025-26) was approximately 29.2%. What is the primary reason for this gap?

- [1] Most renewable energy plants were under maintenance during the year.
- [2] Export of renewable energy to neighboring countries like Nepal and Bhutan.
- [3] Intermittency of solar and wind energy and the higher capacity utilization factor of thermal power.
- [4] Lack of transmission lines to connect renewable clusters to the national grid.

Q.5) India's leap to the 3rd global rank in renewable capacity was facilitated by surpassing which country in 2026?

- [1] Germany
- [2] Brazil
- [3] Vietnam
- [4] Canada

[ANSWERS]

Q.1: [3] | Q.2: [3] | Q.3: [2] | Q.4: [3] | Q.5: [2]

4. The National Human Rights Commission (NHRC)

Source: TOI

Context

The **National Human Rights Commission (NHRC)** has recently made headlines by issuing a notice to the Ministry of Electronics and Information Technology (MeitY). The notice concerns potential safety risks to users on the dating platform Gleeden, highlighting the Commission's evolving role in protecting the "dignity and safety" of citizens in the digital age.

FOUNDATION AND LEGAL STATUS

The NHRC is not a constitutional body, but a **statutory body**, meaning it was created by an Act of Parliament.

- **Established:** October 12, 1993.
- **Governing Law:** The **Protection of Human Rights Act (PHRA), 1993**.
- **Paris Principles:** The NHRC's structure is compliant with the "Paris Principles," a set of international standards for national human rights institutions to ensure their independence and effectiveness.

COMPOSITION OF THE COMMISSION

To ensure a balanced and expert perspective, the Commission consists of members from the judiciary and civil society:

- **Chairperson:** Must be a retired Chief Justice of India or a Judge of the Supreme Court.
- **Members:** Includes one Judge of the Supreme Court, one Chief Justice of a High Court, and three members (at least one woman) with practical experience in human rights.
- **Ex-officio Members:** Chairpersons of various National Commissions (Minorities, SC, ST, Women, Backward Classes, Protection of Child Rights) and the Chief Commissioner for Persons with Disabilities.

POWER AND FUNCTIONS

The NHRC is often described as a **"Civil Court"** because it has the power to summon witnesses and examine documents, though it cannot punish violators directly.

- **Suo Motu Power:** The NHRC can take up a case on its own based on news reports or social media, even if no victim has filed a formal complaint.
- **The One-Year Rule:** The NHRC cannot investigate any matter after the expiry of **one year** from the date on which the act of human rights violation is alleged to have been committed.
- **Advisory Nature:** Its recommendations are **not binding** on the government. However, the government must inform the Commission about the action taken on its recommendations within one month.

WHAT ARE "HUMAN RIGHTS"?

Under the PHRA 1993, Human Rights are defined as the rights relating to **Life, Liberty, Equality, and Dignity** of the individual.

1. **Life & Liberty:** Protection against illegal arrest or extrajudicial killings.
2. **Equality:** Non-discrimination based on caste, religion, or gender.
3. **Dignity:** The right to live a life free from abuse, whether by the state or private entities (like digital platforms).

CONCEPTUAL MCQs FOR REVISION

Q1. The National Human Rights Commission (NHRC) is which type of body?

- A) Constitutional Body
- B) Statutory Body
- C) Executive Body
- D) Non-Governmental Organization (NGO)

Q2. Who is eligible to be appointed as the Chairperson of the NHRC?

- A) The Prime Minister of India
- B) A retired Chief Justice of India or a Judge of the Supreme Court
- C) The Attorney General of India
- D) Any sitting Member of Parliament

Q3. What is the time limit (statute of limitations) for the NHRC to take up a case of human rights violation?

- A) 6 Months
- B) 1 Year
- C) 3 Years
- D) No time limit

Q4. True or False: The recommendations made by the NHRC are legally binding on the Government.

- A) True
- B) False

ANSWERS

1-B, 2-B, 3-B, 4-B

5. The Kalai-II Hydro Electric Project

Source: TH

Context

The **Kalai-II Hydro Electric Project** is a massive infrastructure venture in Arunachal Pradesh, recently approved by the Cabinet Committee on Economic Affairs (CCEA). With an investment exceeding **₹14,000 crore**, it represents a strategic move to harness the immense hydropower potential of India's Northeast while strengthening the national grid.

LOCATION AND GEOGRAPHY

The project is situated in one of the most remote yet ecologically and strategically significant regions of India.

- **State:** Arunachal Pradesh.
- **District:** Anjaw District (located near the easternmost tip of India).
- **The River:** It is built on the **Lohit River**, a major tributary of the Brahmaputra.

PROJECT ARCHITECTURE & CAPACITY

Kalai-II is designed to be a "Run-of-the-River" style project, utilizing the natural flow and elevation of the river to generate electricity.

- **Total Capacity: 1200 MW.**
- **Unit Configuration:** The plant will feature 7 units in total (six 190 MW units and one 60 MW unit).
- **Annual Output:** It is expected to generate **4852.95 Million Units (MU)** of clean energy every year.
- **Implementation:** Developed by a Joint Venture between **THDC India Limited** and the **Government of Arunachal Pradesh**.

ECONOMIC AND STRATEGIC IMPORTANCE

The project goes beyond just electricity generation; it is a catalyst for regional development.

- **Infrastructure Boost:** The government is funding the construction of **29 km of new roads and bridges** to reach the site. This "enabling infrastructure" improves connectivity for local tribal communities in Anjaw.
- **State Equity:** To ensure Arunachal Pradesh benefits directly, the Centre is providing **₹750 crore** in financial assistance to cover the State's equity share in the project.
- **Peak Load Management:** Hydropower can be switched on and off much faster than coal or nuclear plants, making Kalai-II essential for balancing the grid during "peak hours" (when demand is highest).

BACKGROUND CONCEPT

The Lohit River enters India from Tibet and flows through steep, narrow gorges. This geography is ideal for hydropower because:

1. **Head (Vertical Drop):** The steep terrain allows water to fall from a significant height, creating high pressure to turn turbines.
2. **Water Volume:** Fed by Himalayan glaciers and heavy monsoon rains, the Lohit has a consistent, high-volume flow.

CONCEPTUAL MCQs FOR REVISION

Q1. On which river is the Kalai-II Hydro Electric Project being constructed?

- A) Subansiri River
- B) Siang River
- C) Lohit River
- D) Dibang River

Q2. In which district of Arunachal Pradesh is the Kalai-II project located?

- A) Tawang
- B) Anjaw
- C) Lower Subansiri
- D) Papum Pare

Q3. What is the total installed capacity of the Kalai-II Hydro Electric Project?

- A) 500 MW
- B) 1200 MW
- C) 2000 MW
- D) 3000 MW

Q4. Who are the primary partners in the Joint Venture implementing the Kalai-II project?

- A) NHPC and Government of Assam
- B) THDC India Limited and Government of Arunachal Pradesh
- C) NTPC and Tata Power
- D) NEEPCO and Ministry of Power

Answers: 1-C, 2-B, 3-B, 4-B

6. Exercise Cyclone – IV

Source: PIB

Context

An elite contingent of the **Indian Army** has arrived in Egypt for the fourth edition of **Exercise Cyclone**. This bilateral maneuver is the premier military exchange between the Special Forces of India and Egypt, designed to sharpen the "tip of the spear" for both nations through rigorous joint operations.

MISSION PARAMETERS

Unlike general infantry drills, Exercise Cyclone is a **mission-oriented** exercise, meaning it focuses on specific, high-risk objectives rather than broad movements.

- **Location:** The 2026 edition (Cyclone – IV) is being hosted at **Anshas, Egypt**.
- **Participants:** India has deployed **25 elite Special Forces personnel** to match with their Egyptian counterparts.
- **Terrain focus:** The training is set in **desert and semi-desert environments**, which are strategically relevant to the security challenges faced by both countries in their respective regions.

CORE OBJECTIVES & TACTICS

The exercise is built around the exchange of **Tactics, Techniques, and Procedures (TTPs)**—the specialized "playbook" used by commandos.

- **Counter-Terrorism:** Simulating raids on terrorist hideouts and urban combat scenarios.
- **Reconnaissance:** Sharing methods for stealthy intelligence gathering behind enemy lines.
- **Joint Planning:** Ensuring that commanders from both nations can sit in a single room and plan a complex mission using a unified military language.
- **Interoperability:** The ability of different military organizations to conduct joint operations effectively, despite differences in equipment and language.

BACKGROUND CONCEPT

Standard military units are designed for large-scale "conventional" warfare. In contrast, Special Forces (like India's **Para SF** or Egypt's **Unit 777**) focus on:

"Numbers, names, dates: the three things the paper always asks."

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1. **Surgical Strikes:** Achieving high-impact goals with a very small number of troops.
2. **Unconventional Warfare:** Operating in civilian-dense areas or extreme climates where large tanks and artillery cannot go.
3. **High Mobility:** Using specialized insertion methods like HALO (High Altitude Low Opening) parachuting or fast-roping from helicopters.

CONCEPTUAL MCQs

Q1. Exercise Cyclone is a bilateral Special Forces exercise between India and which other nation?

- A) UAE
- B) Egypt
- C) Oman
- D) France

Q2. Where is the 2026 edition (Cyclone – IV) of the exercise being conducted?

- A) Jodhpur, India
- B) Anshas, Egypt
- C) Pokhran, India
- D) Cairo, Egypt

Q3. What is the primary terrain focus for Exercise Cyclone – IV?

- A) High-altitude mountain warfare
- B) Tropical jungle warfare
- C) Desert and semi-desert terrain
- D) Amphibious/Maritime warfare

Q4. What does the term "Interoperability" refer to in the context of joint military exercises?

- A) The ability to buy weapons from the same manufacturer.
- B) The ability of different military units to operate together effectively using shared standards.
- C) The process of one country taking over the other's military command.
- D) The manufacturing of indigenous aircraft.

Answers: 1-B, 2-B, 3-C, 4-B

Banking and Finance

1. New BIS Security Standards for QR-Code & Digital Payments

Source: Mint

Context

India is moving to position its QR (Quick Response) code-based payment system on the global stage. The **Bureau of Indian Standards (BIS)** has introduced fresh norms covering biometric authentication, QR code-based payments and digital currency security to reduce fraud risks and enhance interoperability according to two people aware of the development.

BACKGROUND CONCEPT

Understanding the Digital Payment Infrastructure

- **The Role of BIS:** While RBI regulates the *monetary* aspect and NPCI manages the *operational* aspect (UPI network), the **Bureau of Indian Standards (BIS)** acts as the national standards body. These new

norms provide the technical "blueprint" that all banks and fintechs must follow to ensure hardware and software interoperability and security.

- **QR Code Vulnerability:** Traditional QR codes are "static" or "dynamic" images. Fraudsters often use **"QR Phishing" (Quishing)**, where a malicious QR code is pasted over a legitimate merchant's code, redirecting payments to a fraudulent account. The new standards mandate encryption and verification to stop this "redirection."
- **Biometric vs. OTP:** India is moving from SMS-based One-Time Passwords (OTPs)—which are vulnerable to SIM swapping and phishing—to **Biometric Authentication** (Fingerprint/Iris/Face). These standards ensure that this sensitive biological data is stored and transmitted without the risk of "spoofing" (using photos or molds to bypass security).

CONCEPT BUILDER

The Three Pillars of the 2026 Framework:

- **Biometric Security:** Lays down requirements for secure storage and protection against identity manipulation. It ensures the reliability of authentication systems used by financial institutions.
- **QR-Code Integrity:** Provides guidance on secure QR generation, encryption practices, and safeguards to avoid fake codes and unauthorized transaction processing.
- **Digital Currency (CBDC):** Outlines cryptographic safeguards and system resilience for the Digital Rupee, ensuring it is safe from cyber threats as it moves out of the pilot phase.

MCQs (EXAM LEVEL)

Q.1) Which of the following statements regarding the new BIS standards for digital payments is/are correct?

1. It includes safeguards against "spoofing" in biometric authentication.
2. It provides a security framework for Central Bank Digital Currency (CBDC).
3. These standards are issued directly by the National Payments Corporation of India (NPCI).

[1] 1 only

[2] 1 and 2 only

[3] 2 and 3 only

[4] 1, 2, and 3

Q.2) In the context of digital payments, what does "payment redirection" through QR codes refer to?

- [1] Sending a payment from a bank account to a digital wallet.
- [2] Routing a transaction through an international server.
- [3] Fraudulently diverting funds to an unauthorized account via a fake QR scan.
- [4] Automatically investing spare change from a transaction into stocks.

Q.3) As of early 2026, which of the following countries is NOT mentioned as an active or upcoming market for India's QR-based payment system?

- [1] Singapore
- [2] France
- [3] Japan
- [4] USA

Q.4) The "cryptographic safeguards" mentioned in the new BIS norms are primarily intended to protect:

- [1] Physical currency notes from counterfeiting.

- [2] Digital currency infrastructure from cyber threats.
- [3] The physical locations of ATM machines.
- [4] The interest rates of short-term crop loans.

Q.5) What is the primary reason for India tightening its digital payment security standards according to the Ministry of Consumer Affairs?

- [1] To increase the tax on digital transactions.
- [2] To make the Indian UPI system globally acceptable and build trust.
- [3] To discourage the use of physical cash entirely.
- [4] To reduce the number of banks operating in the country.

[ANSWERS]

- Q.1: **[2]** (Statement 3 is incorrect; BIS issues them, not NPCI)
- Q.2: **[3]**
- Q.3: **[4]**
- Q.4: **[2]**
- Q.5: **[2]**

Agriculture

1. Blue Revolution 2.0

Source: PIB

Context

The Union Budget 2026-27 has signaled a major push for the **integrated development of 500 reservoirs and Amrit Sarovars**. Led by the Department of Fisheries, this initiative aims to transform India's vast freshwater resources into high-productivity hubs, empowering fish farmers through technology and market access.

INDIA'S POSITION IN GLOBAL FISHERIES

India has undergone a massive transformation in its "Blue Economy" over the last decade.

- **Global Rank:** India is the **2nd largest fish producer** and **2nd largest aquaculture producer** in the world.
- **Production Surge:** National fish production has increased by **106%** since 2013-14, reaching a record **197.75 lakh tonnes** in 2024-25.
- **Inland Dominance:** Interestingly, **75%** of India's total fish production now comes from inland fisheries (freshwater, brackish, and saline) rather than the sea.

THE POWER OF RESERVOIRS

Reservoirs are the "sleeping giants" of Indian fisheries, covering over **31.50 lakh hectares**.

- **Productivity Gains:** Average productivity in reservoirs has doubled from 50 kg/hectare in 2006 to **100 kg/hectare** today.
- **Regional Leaders:** **Madhya Pradesh** holds the largest area under reservoirs (6 lakh hectares), while **Tamil Nadu** boasts the highest number (over 8,000).
- **Key Species:** Stocking primarily focuses on Indian Major Carps (**Catla, Rohu, Mrigal**) alongside high-growth species like **Tilapia** and **Pangasius**.

CAGE CULTURE TECHNOLOGY

The shift from traditional "capture" fishing to "culture" fishing in reservoirs is driven by cage technology.

- **Design:** Cages are made of synthetic mesh supported by floating structures (rectangular or circular).
- **Advantages:** Ensures natural water flow for oxygen and nutrient exchange.
 - Easier monitoring, feeding, and disease management.
 - High density: Productivity can reach up to **3 tonnes** of fish from just a few cages, as seen in the success stories from Jharkhand's Chandil reservoir.

VALUE CHAINS & CLUSTERS

To reach the ICAR-CIFRI vision of **300 kg per hectare**, the government is moving away from isolated stocking to an "End-to-End" value chain approach.

- **Cluster-Based Strategy:** Implemented by the **National Fisheries Development Board (NFDB)**, this involves creating integrated hubs (e.g., the new cluster at **Indra Sagar dam, MP**).
- **Infrastructure Loop:** Converged development of hatcheries, feed mills, ice plants, refrigerated trucks, and auction centers.
- **Mission Amrit Sarovar:** Integrating fisheries into the 50,000+ ponds developed for water conservation. Even ornamental fish farming is being successfully tested in regions like Arunachal Pradesh.

THE BLUE REVOLUTION (PMMSY)

The **Pradhan Mantri Matsya Sampada Yojana (PMMSY)** is the flagship scheme driving these changes. It follows the "Cluster approach" to create economies of scale.

1. **Input Support:** Subsidized seeds, feed, and cages for farmers.
2. **Aggregation:** Forming **Fish Farmer Producer Organizations (FFPOs)** to give small farmers better bargaining power in the market.
3. **Modernization:** Using technology (like circular cages) to diversify species and increase export potential.

CONCEPTUAL MCQs FOR REVISION

Q1. What is India's global rank in both total fish production and aquaculture production?

- A) 1st
- B) 2nd
- C) 3rd
- D) 5th

Q2. Which state in India has the maximum area covered by reservoirs?

- A) Jharkhand
- B) Tamil Nadu
- C) Madhya Pradesh
- D) Arunachal Pradesh

Q3. What is the primary technology being used to increase fish productivity in large reservoirs like Chandil?

- A) Deep-sea Trawling
- B) Cage Culture Technology
- C) Bottom-set Gillnets
- D) Traditional Angling

Q4. According to ICAR–CIFRI, what is the potential productivity goal for Indian reservoirs per hectare?

- A) 50 kg
- B) 100 kg
- C) 300 kg
- D) 1000 kg

Answers: 1–B, 2–C, 3–B, 4–C

2. National Mission on Natural Farming (NMNF)

- **Ministry:** Ministry of Agriculture & Farmers Welfare (MoA&FW)
- **Why in News:** Approved as a **standalone Centrally Sponsored Scheme** in late 2024; received a major budgetary boost in the **Union Budget 2025–26**.
- **Focus:** Scaling up chemical-free, climate-resilient agriculture through traditional Indian practices.

What is NMNF?

The National Mission on Natural Farming (NMNF) is a structured mission to institutionalize **Natural Farming (NF)**—a chemical-free approach based on livestock (local cows), diversified cropping, and on-farm biomass recycling. It transitions the previous *Bharatiya Prakritik Krishi Paddhati (BPKP)* into a full-scale mission.

Why is it important?

- **Cost Reduction:** Eliminates dependency on expensive synthetic fertilizers (Urea, DAP) and pesticides.
- **Soil Health:** Restores soil organic carbon and beneficial microbial activity.
- **Climate Resilience:** Improves water retention and reduces the carbon footprint of agriculture.

Key Features

- **Cluster-Based Approach:** Aims to establish **15,000 clusters** (each ~50 hectares) across the country.
- **Financial Incentive:** Farmers receive **₹4,000 per acre per year** for two years to support the transition.
- **Bio-Input Resource Centres (BRCs):** 10,000 BRCs are being set up to provide ready-to-use natural inputs like *Jeevamrut* and *Beejamrut*.
- **Certification & Branding:** Development of a simple certification system and a **single national brand** for natural produce.

Static Linkage

- **Sustainable Development Goals (SDG):** Directly supports SDG 2 (Zero Hunger) and SDG 12 (Responsible Consumption).
- **Agro-ecology:** Aligns with the principles of minimal tillage and multi-cropping.
- **RKVY Integration:** Often implemented in synergy with Rashtriya Krishi Vikas Yojana (RKVY).

MCQs (EXAM LEVEL)

Q.1) Which of the following is a primary objective of the National Mission on Natural Farming (NMNF)?

- [1] To provide 100% subsidy on nano-urea.
- [2] To reduce farmers' dependency on externally purchased chemical inputs.
- [3] To convert all Indian farmland into organic certified land by 2030.
- [4] To provide free tractors to small and marginal farmers.

Q.2) Under NMNF, what is the total number of Bio-Input Resource Centres (BRCs) targeted for establishment?

- [1] 5,000

[2] 10,000

[3] 15,000

[4] 20,000

[SOLUTION Q1] NMNF emphasizes "freedom from purchased inputs" by using on-farm resources like cow dung and urine.

[SOLUTION Q2] The mission aims to set up 10,000 BRCs to ensure easy availability of natural bio-inputs.

Facts To Remember

1. Asha Bhosle, versatile singer, dies in Mumbai

Legendary playback singer Asha Bhosle died in Mumbai on Sunday. She was 92.

2. Poshan Tracker monitors over 14 lakh Anganwadi Centres and 9 crore beneficiaries under POSHAN Abhiyaan

The Poshan Tracker Application is monitoring over 14 lakh Anganwadi Centres and nearly nine crore beneficiaries under the POSHAN Abhiyaan.

3. Union Minister G Kishan Reddy launches 7th tranche of critical mineral blocks

Union Minister for Coal and Mines, G. Kishan Reddy, spearheaded a high-profile roadshow in Gachibowli on Monday to launch the 7th tranche of critical mineral blocks and the 2nd tranche of exploration licenses.

4. PM Modi to inaugurate Delhi-Dehradun Economic Corridor in Dehradun, Uttarakhand today

Prime Minister Narendra Modi will inaugurate the Delhi-Dehradun Economic Corridor from Dehradun today, along with the country's first Variable Speed Pumped Storage Plant of one thousand megawatt capacity in Tehri.

5. President Droupadi Murmu to participate Samajik Samarasata Mahotsav in Gujarat

The President Draupadi Murmu who is on a two-day visit to Gujarat, will participate in the Samajik Samarasata Mahotsav at Lok Bhavan in Gandhinagar today to mark the birth anniversary of Dr. BR Ambedkar.

6. Govt notifies Startup India Fund of Funds 2.0 with a corpus of ten thousand crore rupees to boost startup ecosystem

The government has notified the Startup India Fund of Funds 2.0 with a corpus of ten thousand crore rupees to boost capital flow into the country's startup ecosystem.

7. Retail inflation rises to 3.4% last month

Country's retail inflation accelerated to 3.4% in the last month, up from 3.21% recorded in February this year. According to data released by the Ministry of Statistics and Programme Implementation, inflation in rural areas edged higher to 3.63%, while in urban regions it rose to 3.11%.

8. India-France consultations in Paris review progress under Special Global Strategic Partnership

India-France Foreign Office Consultations held in Paris yesterday, which was co-chaired by Foreign

Secretary Vikram Misri and the Secretary-General of the French Ministry for Europe and Foreign Affairs, Martin Briens.

9. Nation pays homage to Dr B R Ambedkar on his 136th birth anniversary

The nation pays homage to the Chief Architect of Indian Constitution, Dr B. R. Ambedkar, on his 136th birth anniversary.

FIVE TO REMEMBER · 12 & 13 APRIL 2026

1. **Verified Growth:** By February 2026, over **2.1 lakh women MSEs** were registered, securing orders worth **₹28,000 crore**. *Womaniya Initiative*
2. **Key Achievement:** India reached **50% non-fossil fuel installed capacity** in June 2025, five years ahead of the 2030 NDC target. *India Becomes World's 3rd Largest Renewable Ene...*
3. **Production Surge:** National fish production has increased by **106%** since 2013-14, reaching a record **197.75 lakh tonnes** in 2024-25. *Blue Revolution 2.0*
4. **Governing Law:** The **Protection of Human Rights Act (PHRA), 1993**. *The National Human Rights Commission (NHRC)*
5. **Why in News:** Approved as a **standalone Centrally Sponsored Scheme** in late 2024; received a major budgetary boost in the **Union Budget 2025-26**. *National Mission on Natural Farming (NMNF)*

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DAY 12 OF 23

14 April 2026

Tuesday · 5 items · 3 topics

National Affairs 2 · Banking and Finance 2 · Agriculture 1

Daily Current Affairs Quiz**14 April, 2026****National Affairs****1. Habitat Shift of the Ganges River Dolphin (2026)**

Source: TNIE

- **Context:** A drastic reduction in water flow in the **Chambal River** is forcing endangered Ganges River Dolphins to migrate downstream toward the **Yamuna confluence**.
- **Critical Threshold:** Dolphins require a minimum of **3 meters of water depth** to survive, a level the Chambal is currently failing to maintain due to upstream irrigation and industrial extraction.

BACKGROUND CONCEPT**The "Susu": India's National Aquatic Animal**

- **Indicator Species:** The Ganges River Dolphin is a biological indicator of the health of the entire river ecosystem. If the dolphin thrives, the river is healthy.
- **Echolocation:** Being essentially blind, these dolphins use **ultrasonic sounds** to navigate and hunt. They emit clicks that bounce off objects, creating a "mental map" of their surroundings.
- **Habitat:** They are strictly **freshwater** mammals. Unlike oceanic dolphins, they cannot survive in saline water.
- **Vulnerability:** They are found in the Ganges-Brahmaputra-Meghna and Karnaphuli-Sangu systems across India, Nepal, and Bangladesh.

CONCEPT BUILDER**Why the Habitat Shift is Alarming:**

- **Connectivity & Gene Pool:** Dams and barrages act as physical barriers, fragmenting dolphin populations. This leads to inbreeding and a narrowed gene pool, making the species more susceptible to disease and climate shifts.
- **Synergistic Biodiversity Loss:** Low water levels create "land bridges" to river islands. This allows terrestrial predators (dogs, jackals) to reach previously safe nesting grounds of rare birds like the **Indian Skimmer** and **Black-bellied Tern**, destroying their eggs.
- **Anthropogenic Pressure:** The migration toward the Yamuna confluence puts dolphins in areas with higher pollution levels and heavier boat traffic, increasing the risk of accidental strikes and entanglement in fishing nets.

MCQs**Q.1) Why is the Ganges River Dolphin commonly referred to as the "Susu"?**

[1] It is a local term meaning "Guardian of the Water."

[2] It refers to the unique sound the dolphin makes when breathing.

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[3] It is the name of the first village where it was discovered in 1801.

[4] It refers to the chocolate brown color of the dolphin calves.

Q.2) Which of the following river systems is NOT a natural habitat for the Ganges River Dolphin?

[1] Brahmaputra–Meghna

[2] Karnaphuli–Sangu

[3] Indus–Jhelum

[4] Ganges–Son

Q.3) Consider the following statements regarding the Ganges River Dolphin:

1. It is India's National Aquatic Animal and is listed as 'Critically Endangered' by the IUCN.

2. It is a strictly freshwater species and cannot survive in the ocean.

3. Females are generally larger in size than males.

Which of the statements given above is/are correct?

[1] 1 and 2 only

[2] 2 and 3 only

[3] 1 and 3 only

[4] 1, 2, and 3

Q.4) The recent migration of dolphins from the Chambal to the Yamuna confluence is primarily attributed to:

[1] An increase in the population of prey fish in the Yamuna.

[2] Drastic reduction in Chambal's water flow below the 3-meter survival threshold.

[3] A sudden rise in the water temperature of the Chambal River.

[4] The implementation of a new dolphin safari project in the Yamuna.

Q.5) How does low water level in rivers like the Chambal indirectly affect birds like the Indian Skimmer?

[1] The birds lose their primary source of drinking water.

[2] Land bridges allow land predators to reach and destroy island nesting sites.

[3] The dolphins compete with the birds for the same nesting space.

[4] The lack of water prevents the birds from cooling their feathers.

[ANSWERS]

Q.1: **[2]** | Q.2: **[3]** (The Indus has a separate species, the Indus River Dolphin) | Q.3: **[2]** (Status is Endangered, not Critically Endangered) | Q.4: **[2]** | Q.5: **[2]**

2. Arunachal Pradesh

Context

In April 2026, China attempted to "standardize" names of locations in Arunachal Pradesh. India officially rejected this, calling it a mischievous attempt to manufacture baseless narratives. China claims Arunachal Pradesh as "**Zangnan**" (**South Tibet**), while India maintains it is an integral, inalienable part of the Indian Union.

BACKGROUND CONCEPT

The Border Dispute & The McMahon Line

- **The McMahon Line:** Proposed at the **1914 Simla Convention** between British India and Tibet. It serves as the effective border between India and China in the eastern sector.
- **China's Stance:** Beijing rejects the McMahon Line, labeling it an "illegal colonial imposition." They argue that since Tibet was not a sovereign state in 1914, it had no authority to sign a boundary treaty.
- **Geopolitics of Renaming:** China uses "standardized names" to create a digital and cartographic trail to support its claims in international forums—a tactic often termed "**Salami Slicing**" or "**Lawfare**."

CONCEPT BUILDER

Evolution of Arunachal Pradesh:

- **Ancient Context:** Known as the **Prabhu Mountains** in the *Mahabharata*. Archaeological sites like **Ita Fort** and **Bhismaknagar** prove long-standing cultural and administrative ties with the Indian heartland.
- **NEFA Era:** Prior to 1972, it was the **North-East Frontier Agency**, managed directly by the Ministry of External Affairs.
- **Statehood: 1972:** Renamed Arunachal Pradesh and made a Union Territory.
 - **1987:** Became the **24th State** of India.

Geographic and Strategic Importance:

- **The "Water Tower":** Home to the **Lohit River** (Brahmaputra tributary) and massive hydroelectric potential (e.g., Kalai-II project).
- **Biodiversity:** Features **Namdapha National Park**, spanning from subtropical forests to alpine meadows.
- **Security:** Shares international borders with **Bhutan, Myanmar, and China**.

MCQs

Q.1) What was Arunachal Pradesh administratively known as prior to becoming a Union Territory in 1972?

- [1] South Tibet Region
- [2] Eastern Himalaya Province
- [3] North-East Frontier Agency (NEFA)
- [4] Brahmaputra Frontier Tract

Q.2) China rejects the McMahon Line primarily because:

- [1] It was drawn using inaccurate satellite data.
- [2] It considers the 1914 Simla Convention an illegal colonial imposition.
- [3] The line passes through the middle of the Itanagar capital.
- [4] It excludes the Lohit River basin from Tibet.

Q.3) Which of the following sites in Arunachal Pradesh is associated with 14th-century archaeological remains?

- [1] Tawang Monastery
- [2] Ita Fort
- [3] Namdapha National Park
- [4] Kalai-II Project site

Q.4) Consider the following statements regarding the geography of Arunachal Pradesh:

1. It shares international borders with Bhutan, Myanmar, and China.
2. The Lohit River is a major tributary of the Brahmaputra.
3. Traditional "Jhum" (slash and burn) cultivation is no longer practiced in the state.

Which of the statements given above is/are correct?

- [1] 1 and 2 only
- [2] 2 and 3 only
- [3] 1 and 3 only
- [4] 1, 2, and 3

Q.5) In the context of the naming dispute, why does India reject China's "standardization" of names in Arunachal Pradesh?

- [1] Because the names are written in a difficult script.
- [2] Because renaming is viewed as a mischievous attempt to manufacture baseless territorial claims.
- [3] Because India wants to rename Chinese cities in retaliation.
- [4] Because it violates the 1987 Statehood Act.

[ANSWERS]

Q.1: [3] | Q.2: [2] | Q.3: [2] | Q.4: [1] (Jhum is still a significant practice) | Q.5: [2]

Banking and Finance

1. Unified Payments Interface (UPI)

Source: News on Air

Context

On **April 11, 2026**, the Unified Payments Interface (UPI) celebrated its **10th anniversary**. Since its pilot launch in 2016, it has matured from a bold experiment into the primary nervous system of India's economy, setting an all-time high of **22.64 billion transactions in March 2026**.

What Makes UPI Unique?

UPI is an instant, real-time payment system developed by the **National Payments Corporation of India (NPCI)**. It operates under the regulatory framework of the **Reserve Bank of India (RBI)**.

- **VPA (Virtual Payment Address):** The "secret sauce" of UPI. Users can send or receive money using a simple ID (e.g., name@bank) without ever revealing their account number or IFSC code.
- **Interoperability:** Unlike closed "wallets" where both parties need the same app, UPI allows a PhonePe user to pay a Google Pay merchant instantly.
- **The India Stack:** UPI is the "Payments Layer" of the India Stack, sitting atop the **JAM Trinity** (Jan Dhan, Aadhaar, and Mobile).

Background Concept: Digital Public Infrastructure (DPI)

To truly understand UPI's success, one must understand **Digital Public Infrastructure (DPI)**. DPI refers to blocks or platforms such as digital identification, payment infrastructure, and data exchange solutions that help countries deliver vital services to their people.

- **Open Standards:** Just as the internet is built on open protocols like HTTP, UPI is built on open APIs. This encourages competition among apps (GPay, Paytm, PhonePe) while maintaining a shared "highway."
- **Financial Democracy:** By making transactions "free" for consumers and small merchants (the Zero MDR policy), India bypassed the expensive credit card networks that dominate Western economies.

"Your only competition is yesterday's version of you."

- **Real-Time Settlement:** While many international bank transfers take days, UPI settles funds between banks in **seconds**, 24/7/365.

Exam Angle: Common Trap Areas

1. **NPCI vs. RBI:** NPCI is the developer/umbrella organization; **RBI** is the regulator. Do not swap them in descriptive answers.
2. **Wallet vs. Interface:** UPI is **not** a wallet. It is an interface that moves money directly between bank accounts.
3. **European Entry:** While many countries are in talks, **France** was the official "first entry" for UPI into Europe.
4. **UPI Lite:** This is specifically for small-value **on-device** transactions to reduce the success-rate burden on bank servers.

MCQ

Q1) Which international body recognized UPI as the world's largest real-time payment system by volume?

[1] World Bank [2] WTO [3] IMF [4] ADB

Q2) The "JAM Trinity" is the foundation of UPI. What does "M" stand for?

[1] Money [2] Mobile [3] MUDRA [4] Management

Q3) India's UPI daily transaction volume recently surpassed which global giant?

[1] Mastercard [2] Visa [3] PayPal [4] SWIFT

Answers: Q1: [3], Q2: [2], Q3: [2]

2. RBI's Stance on SFB to Universal Bank Conversion (Ujjivan & Jana)

Source: Mint

Context

On **April 13, 2026**, the Reserve Bank of India (RBI) returned the universal banking license applications of **Ujjivan Small Finance Bank** and **Jana Small Finance Bank**. This move serves as a critical reminder that while the path to becoming a full-service bank is open, the regulatory bar for portfolio resilience remains exceptionally high.

The "Return" Order

The RBI's decision centers on the qualitative evolution of the banks' balance sheets rather than just quantitative milestones.

- **The Action:** Applications returned for Ujjivan and Jana SFBs.
- **The Primary Reason:** High concentration in microfinance; a lack of sufficient loan book diversification.
- **The Status of Peers:** **AU Small Finance Bank** successfully secured approval in 2025, setting the gold standard for this transition.

BACKGROUND CONCEPT

SFB vs. Universal Bank: The Transition Path

- **Small Finance Banks (SFBs):** Created to further financial inclusion by providing basic banking activities to unserved sections (small farmers, micro-industries).
- **The 60% Rule:** SFBs must lend at least **60%** of their Adjusted Net Bank Credit (ANBC) to the **Priority Sector (PSL)**.
- **Universal Banks:** These are "full-service" banks (like SBI or HDFC) that have no restricted area of operations. They have higher capital requirements but more flexibility in corporate lending and

international operations.

- **Eligibility for Conversion:** Per RBI guidelines (April 2024), an SFB can apply for a Universal Bank license if it has:
 1. A minimum net worth of **₹1,000 crore**.
 2. Scheduled status with a satisfactory track record for **5 years**.
 3. Listed status on a stock exchange.
 4. Net profit in the last two financial years and a **Gross NPA $\leq$ 3%** and **Net NPA $\leq$ 1%** for the last two years.

MCQs

Q.1) As per the recent RBI communication in April 2026, why was Ujjivan SFB's application for a universal bank license returned?

- [1] Failure to maintain the minimum CRAR (Capital Adequacy Ratio).
- [2] High percentage of Gross Non-Performing Assets (GNPA).
- [3] Insufficient diversification of the loan portfolio.
- [4] Lack of a listed entity on the stock exchange.

Q.2) What is the minimum net worth required for a Small Finance Bank to apply for conversion into a Universal Bank?

- [1] ₹200 crore
- [2] ₹500 crore
- [3] ₹1,000 crore
- [4] ₹2,000 crore

Q.3) Which of the following Small Finance Banks has successfully received RBI approval to transition into a Universal Bank as of 2025–26?

- [1] Jana Small Finance Bank
- [2] AU Small Finance Bank
- [3] Equitas Small Finance Bank
- [4] Capital Small Finance Bank

Q.4) Upon converting to a Universal Bank, the Priority Sector Lending (PSL) target for the entity would typically change from 75% to:

- [1] 50%
- [2] 40%
- [3] 60%
- [4] 25%

Q.5) The "Diversification" mentioned by the RBI for Ujjivan and Jana SFBs primarily refers to reducing the dominance of which sector in their loan books?

- [1] Infrastructure lending
- [2] Unsecured Microfinance loans
- [3] Foreign exchange trading
- [4] Government securities

[ANSWERS]

Q.1: [3] | Q.2: [3] | Q.3: [2] | Q.4: [2] | Q.5: [2]

Agriculture

1. Reforming India's Fertilizer Policy

Source: IE

Context

The recent volatility in West Asia has served as a wake-up call for India's agricultural sector. With a **70% import dependency** for fertilizers and their feedstocks, India's food security is currently tethered to global geopolitical stability.

The Critical Numbers: A Fiscal and Environmental Snapshot

The current subsidy regime has created a "perfect storm" of economic and ecological challenges.

Parameter	Data Detail	Strategic Impact
Import Dependency	70% (Includes finished products and raw materials)	High vulnerability to maritime chokepoints like the Strait of Hormuz.
Urea Economics	Domestic Price: <\$70/t vs. Global Price: \$795/t	Massive arbitrage (over 10x) drives smuggling and industrial diversion.
Efficiency Gap	Granular Urea: 35–40% NUE	60% of applied urea is wasted, polluting air and groundwater.
Climate Impact	273x potency	Nitrous oxide from excess nitrogen is far more damaging than \$CO_2\$.

The Current Framework: A Hybrid System

India currently manages fertilizers through a dual-track approach that yields mixed results.

- **Urea (Strict Control):** The government fixes the Maximum Retail Price (MRP). Manufacturers are reimbursed for the gap between production cost and this low MRP.
- **P&K (Semi-Deregulated):** Under the **Nutrient Based Subsidy (NBS)**, a fixed subsidy is provided per nutrient, allowing for some price flexibility.
- **The DBT Paradox:** Subsidy is released to companies via **Aadhaar-authenticated PoS machines**. While this tracks sales, it does not stop the "over-purchase" of cheap urea.

Core Challenges: The Triple Burden

The existing policy creates three primary categories of distress:

1. **Fiscal Instability:** The Union Budget is at the mercy of global LNG (Liquefied Natural Gas) prices, which fuel domestic urea plants.
2. **Ecological Decay:** The skewed N-P-K ratio (Nitrogen-Phosphorus-Potassium) leads to soil acidification and "dead" soil microbiomes.
3. **Governance Leakage:** The price gap encourages urea diversion to the plywood and dye industries, essentially "subsidizing" private industrial profit with taxpayer money meant for farmers.

The Path Forward: From Subsidy to Empowerment

To secure "Fertilizer Sovereignty," experts suggest a shift toward **Direct Benefit Transfer (DBT)** and technological innovation.

- **Quantitative Rationing:** Reducing urea supply to states by **10–15%** and using land records to allocate specific quotas per farmer.
- **Direct Cash Transfer:** Merging **PM-KISAN** with fertilizer subsidies to provide a per-acre payment. This allows the market price of fertilizers to find its true level, discouraging waste.
- **Alternative Nutrients:** Promoting **Triple Super Phosphate (TSP)** over DAP can eliminate unnecessary

nitrogen content.

- **The Liquid Revolution:** Shifting the subsidy focus to **Liquid Urea**, which boasts a **90% Nutrient Use Efficiency (NUE)** when applied via drip irrigation (fertigation).

MCQs

Q.1) What is the primary reason for the low Nutrient Use Efficiency (NUE) of traditional granular urea in India?

- [1] High cost of application
- [2] Loss due to leaching and atmospheric volatilization
- [3] Lack of moisture in Indian soils
- [4] High moisture content in the urea bags

Q.2) Which "Trinity" of data is essential for implementing the proposed 'Direct Cash Transfer' in fertilizer policy?

- [1] PAN, GST, and Land Records
- [2] Aadhaar, Bank Accounts (PM-KISAN), and Land Records
- [3] Soil Health Cards, Weather Data, and PDS IDs
- [4] KCC numbers, Satellite imagery, and Rainfall data

Q.3) Why is Triple Super Phosphate (TSP) considered a better alternative to DAP (Di-ammonium Phosphate) in the current reform context?

- [1] It is cheaper to import from West Asia.
- [2] It saves on the 18% Nitrogen content found in DAP, reducing the urea subsidy burden.
- [3] It can be applied without using water.
- [4] It does not require a Point of Sale (PoS) verification.

Answers: Q.1: [2] | Q.2: [2] | Q.3: [2]

FIVE TO REMEMBER · 14 APRIL 2026

1. **NEFA Era:** Prior to 1972, it was the **North-East Frontier Agency**, managed directly by the Ministry of External Affairs. Arunachal Pradesh
2. **The Status of Peers:** **AU Small Finance Bank** successfully secured approval in 2025, setting the gold standard for this transition. RBI's Stance on SFB to Universal Bank Conversio...
3. **Real-Time Settlement:** While many international bank transfers take days, UPI settles funds between banks in **seconds**, 24/7/365. Unified Payments Interface (UPI)
4. **Critical Threshold:** Dolphins require a minimum of **3 meters of water depth** to survive, a level the Chambal is currently failing to maintain due to upstream irrigation and industrial extraction. Habitat Shift of the Ganges River Dolphin (2026)
5. **Quantitative Rationing:** Reducing urea supply to states by **10-15%** and using land records to allocate specific quotas per farmer. Reforming India's Fertilizer Policy

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DAY 13 OF 23

15 April 2026

Wednesday · 28 items · 5 topics

International Affairs 1 · National Affairs 5 · Banking and Finance 5 · Agriculture 1 · Facts To Remember 16

Daily Current Affairs Quiz**15 April, 2026****International Affairs****1. Military Escalation In The Middle East: Human Development Impacts Across Asia And The Pacific: UNDP Report**

Source: TH

Context

According to the **United Nations Development Programme (UNDP)** report released on April 14, 2026, the ongoing military escalation in West Asia poses a significant threat to India's socioeconomic stability. The report highlights how India's deep integration with the Gulf region—through energy, trade, and labor—makes it highly susceptible to external shocks.

Socioeconomic Impact on India

The conflict is projected to cause a measurable decline in India's developmental progress:

- **Poverty Escalation:** The number of people pushed into poverty is expected to rise from roughly **400,000 to 2.5 million**.
- **Poverty Rate:** Under the most severe 28-day conflict scenario, India's poverty rate is estimated to climb to **24.2%** (from a pre-crisis level of 23.9%).
- **HDI Stagnation:** India is projected to lose between **0.03 and 0.12 years** of Human Development Index (HDI) progress due to the crisis.

Key Economic Vulnerabilities

The report identifies three primary channels through which the conflict affects the Indian economy:

1. Energy and Agriculture

- **Import Dependency:** India meets **90% of its oil needs** through imports, with over 40% of crude and 90% of LPG coming from West Asia.
- **Fertilizer Crisis:** More than **45% of India's fertilizer imports** originate in West Asia. Furthermore, 85% of domestic urea production relies on imported regasified LNG.
- **Kharif Season Risk:** While India currently holds a buffer of **6.114 million tonnes of urea**, a prolonged disruption in June would severely impact the **Kharif (monsoon)** sowing season.

2. Trade and Supply Chain

- **Market Exposure:** West Asian markets account for **14% of India's exports** and **20.9% of its imports**.
- **Logistics:** Disruptions in the Strait of Hormuz are expected to drive up raw material costs for **medical devices by 50%**, while wholesale medicine prices have already increased by **10–15%**.
- **Commodity Impact:** Roughly **\$48 billion** in non-oil exports—including basmati rice, tea, apparel, and gems and jewelry—are at risk due to freight surcharges and route diversions.

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3. Remittances and Labor

- **Largest Global Exposure:** India has the largest absolute exposure to Gulf labor markets, with **9.37 million Indians** residing in GCC countries as of late 2024.
- **Remittance Inflow:** These migrants contribute **38–40% of India's total inward remittances**. A slowdown in the Gulf economy directly weakens the purchasing power of millions of households in India.

MSMEs and Informal Employment

A critical concern highlighted by the UNDP is the impact on the **informal sector**, which accounts for roughly **90% of Indian employment**.

- Small firms in **hospitality, food processing, construction, and steel manufacturing** are particularly vulnerable to rising input costs and supply shortages.
- Limited financial buffers and constrained access to credit mean that MSMEs may face reduced working hours or business interruptions, leading to widespread job losses for informal and migrant workers.

Multiple Choice Questions (MCQs)

1. According to the UNDP report, what is the estimated rise in the number of people living in poverty in India post-crisis?

- A) 1.5 million
- B) 2.5 million
- C) 5.0 million
- D) 8.8 million

2. India relies on West Asian countries for what percentage of its total LPG imports?

- A) 40%
- B) 45%
- C) 85%
- D) 90%

3. Which critical farming input in India is 85% dependent on imported regasified LNG for domestic production?

- A) Potash
- B) Phosphate
- C) Urea
- D) Pesticides

4. What percentage of India's total inward remittances is contributed by the 9.37 million Indians residing in GCC countries?

- A) 14–20%
- B) 38–40%
- C) 50–55%
- D) 20.9%

5. Why are MSMEs in India considered particularly vulnerable to the West Asia conflict according to the report?

- A) They are primary exporters of crude oil
- B) They operate with limited financial buffers and rely on imported energy inputs

- C) They are excluded from the GST framework
- D) They primarily employ highly skilled, formal labor with high credit access

Answers

1. **B) 2.5 million** (Rising from a base of approximately 400,000.)
2. **D) 90%** (While crude oil imports from the region are at 40%, LPG is much higher at 90%.)
3. **C) Urea** (Domestic production is heavily reliant on imported LNG.)
4. **B) 38–40%** (Representing a significant portion of India's foreign exchange and household income.)
5. **B) They operate with limited financial buffers and rely on imported energy inputs** (Given that 90% of employment is informal, this sector lacks the resilience to absorb sudden price shocks.)

National Affairs

1. Amaravati Quantum Reference Facilities (AQRF)

Source: TH

Context

The launch of the **Amaravati Quantum Reference Facilities (AQRF)** on **April 14, 2026**, signifies India's strategic pivot from being a software-heavy tech player to a **sovereign hardware** manufacturer. This initiative is the anchor of the broader "**Amaravati Quantum Valley**" project, aimed at making India self-reliant in the "deep tech" space.

Two Specialized Nodes: 1S and 1Q

The AQRF is split into two distinct facilities to serve both academic and industrial needs:

- **Amaravati 1S (SRM University, Neerukonda)**: Focused on **education and research**, this facility allows students and scientists to deconstruct quantum systems and learn the hardware fundamentals.
- **Amaravati 1Q (Medha Towers, Gannavaram)**: Focused on **commercialization and testing**, this node provides industrial-grade testbeds for startups and corporations to certify quantum devices.

The "Sovereign Hardware" Strategy

Most quantum computers globally are "black boxes"—proprietary systems where the internal hardware is hidden. AQRF breaks this by:

- **Open Access**: Providing researchers direct access to critical components like **cryogenic systems, amplifiers, and control electronics**.
- **Supply Chain Localization**: Building a domestic supply chain for specialized equipment, such as **dilution refrigerators** (which cool processors to -273°C) and **superconducting circuits**.
- **National Consortium**: The project is a joint effort involving **TIFR (Tata Institute of Fundamental Research)**, **IISc (Indian Institute of Science)**, and the **DRDO**.

Why Quantum Hardware Matters

Traditional computers use bits (0 or 1). Quantum computers use **qubits**, which can exist in multiple states simultaneously due to **superposition** and **entanglement**. This allows them to solve complex problems—like drug discovery, climate modeling, and breaking high-level encryption—millions of times faster than today's supercomputers.

MCQs

Q.1) Which of the following best describes the 'Amaravati 1Q' facility?

- [1] An educational hub for undergraduate students.
- [2] An industrial testbed at Medha Towers for testing and certifying quantum devices.

"One clear hour a day outruns a distracted five."

[3] A manufacturing unit for traditional silicon semiconductors.

[4] A research center for agricultural quantum biology.

Q.2) The AQRF initiative is a key component of which long-term state roadmap?

[1] Vision 2020

[2] Digital India 2.0

[3] Swarna Andhra 2047

[4] PM-Gati Shakti

Q.3) Why is 'Cryogenics' a critical part of the quantum supply chain mentioned in the AQRF plan?

[1] It is used to power the quantum processors.

[2] It is necessary to cool quantum processors to near absolute zero (-273°C) to keep qubits stable.

[3] It prevents the computers from catching fire during heavy processing.

[4] It is required for the high-speed cooling of data center servers.

Q.4) Which national defense organization is part of the consortium executing the AQRF?

[1] ISRO

[2] DRDO

[3] HAL

[4] BARC

Answers: Q.1: [2] | Q.2: [3] | Q.3: [2] | Q.4: [2]

2. Ambedkar Jayanti

Context

The commemoration of **Ambedkar Jayanti (April 14)** is a reminder of the intellectual and moral foundation upon which modern India is built. Dr. B.R. Ambedkar was not just the "Chief Architect" of the Constitution; he was a global pioneer in the fields of economics, legal philosophy, and human rights.

The Intellectual Powerhouse

While often remembered for his social activism, Babasaheb was one of the most sophisticated economists and legal minds of the 20th century.

- **The RBI Connection:** His thesis, *The Problem of the Rupee: Its Origin and Its Solution*, provided the conceptual framework for the **Hilton Young Commission**, which eventually led to the establishment of the **Reserve Bank of India (RBI)** in 1935.
- **Labor Reforms:** As the Labor Member in the Viceroy's Executive Council (1942–46), he was responsible for reducing working hours from **12 to 8 hours a day**, introducing Equal Pay for Equal Work, and establishing the concept of Provident Fund and Labor Unions.
- **The Hindu Code Bill:** His resignation in 1951 over the stalled Hindu Code Bill remains a landmark moment in Indian feminism. He viewed the legal empowerment of women—specifically regarding inheritance and marriage—as inseparable from the total reform of Indian society.

Key Milestones & Constitutional Safeguards

Ambedkar's vision was to transform India from a "political democracy" into a **"social democracy."**

- **The Poona Pact (1932):** A historic agreement with Mahatma Gandhi that abandoned separate electorates for the "Depressed Classes" in exchange for increased **reserved seats** in provincial legislatures.

- **Article 17:** A crowning achievement of the Constitution, which formally **abolishes untouchability** and forbids its practice in any form.
- **Article 32:** He famously described the "Right to Constitutional Remedies" as the "**Heart and Soul of the Constitution**," ensuring that fundamental rights are enforceable by the judiciary.

The Weapons of Change

His writings served as the ideological backbone for the anti-caste movement:

1. **Mooknayak (1920) & Bahishkrit Bharat (1927):** Journals used to amplify the voices of the marginalized.
2. **Annihilation of Caste (1936):** Originally a speech he was never allowed to give, it argued that social reform must precede political and economic reform.
3. **The Buddha and His Dhamma:** This final work redefined Buddhism as a path of social justice, emphasizing **Liberty, Equality, and Fraternity**.

MCQs

Q.1) Dr. B.R. Ambedkar's seminal work 'The Problem of the Rupee' is credited with influencing the establishment of which Indian institution?

- [1] The Finance Commission
- [2] The Reserve Bank of India (RBI)
- [3] The Planning Commission
- [4] The Securities and Exchange Board of India (SEBI)

Q.2) Which significant event took place at Deekshabhoomi, Nagpur, on October 14, 1956?

- [1] The signing of the Poona Pact
- [2] The launch of the Mahad Satyagraha
- [3] The conversion of Dr. Ambedkar and his followers to Buddhism
- [4] The final drafting of Article 17

Q.3) Dr. Ambedkar resigned from the Union Cabinet in 1951 primarily due to the failure of which legislative measure?

- [1] The First Amendment Bill
- [2] The Hindu Code Bill
- [3] The Minimum Wages Act
- [4] The Representation of the People Act

Q.4) Which article did Dr. Ambedkar describe as the 'Heart and Soul' of the Indian Constitution?

- [1] Article 14 (Equality before law)
- [2] Article 17 (Abolition of untouchability)
- [3] Article 21 (Right to life)
- [4] Article 32 (Constitutional Remedies)

Answers: Q.1: [2] | Q.2: [3] | Q.3: [2] | Q.4: [4]

3. Startup India Fund of Funds 2.0 (FoF 2.0)

Context

The notification of the **Startup India Fund of Funds 2.0 (FoF 2.0)** on **April 13, 2026**, represents a strategic evolution in India's venture capital landscape. By committing **₹10,000 crore**, the government is shifting its

focus from general startup support to specialized areas like **Deep Tech** and **Indigenous Manufacturing**.

How the "Fund of Funds" Model Works

A "Fund of Funds" does not provide money directly to a startup. Instead, it acts as a **Cornerstone Investor** to provide credibility and capital to professional investment firms.

1. **Level 1:** The Government (DPIIT) allocates money to the **SIDBI** (Small Industries Development Bank of India), which manages the FoF.
2. **Level 2:** SIDBI invests in SEBI-registered **Alternative Investment Funds (AIFs)**—essentially private Venture Capital (VC) firms.
3. **Level 3:** These AIFs raise additional private capital (usually 2x to 4x of the government's contribution) and then invest the combined pool into **Individual Startups**.

Strategic Shifts in FoF 2.0

While the original 2016 scheme laid the groundwork, the 2.0 version introduces several high-impact changes:

- **Finance Commission Alignment:** The ₹10,000 crore corpus is synchronized across the **16th and 17th Finance Commission cycles**, ensuring long-term fiscal predictability.
- **Focus on Deep Tech:** There is a specific mandate to fund startups in "globally competitive technologies" (Quantum, AI, Space-tech). This aligns perfectly with the **Amaravati Quantum Reference Facility (AQRF)** initiative you reviewed.
- **Support for "Smaller" AIFs:** To democratize the VC ecosystem, FoF 2.0 encourages smaller, niche funds that often focus on tier-2/3 cities or specialized sectors like Agri-tech.
- **Co-investment Framework:** For the first time, an umbrella framework allows government and institutional investors to **co-invest** directly alongside VCs in high-potential startups, providing a "double-booster" of capital.

MCQs

Q.1) Which Nodal Department is responsible for the oversight of the Startup India Fund of Funds 2.0 (FoF 2.0)?

- [1] Department of Financial Services (DFS)
- [2] Department for Promotion of Industry and Internal Trade (DPIIT)
- [3] Department of Economic Affairs (DEA)
- [4] Department of Science and Technology (DST)

Q.2) Under the FoF 2.0 model, the government invests in which specific type of entities to reach individual startups?

- [1] Public Sector Banks
- [2] SEBI-registered Alternative Investment Funds (AIFs)
- [3] Local Municipal Corporations
- [4] Foreign Stock Exchanges

Q.3) The FoF 2.0 corpus is spread across which two Finance Commission cycles?

- [1] 14th and 15th
- [2] 15th and 16th
- [3] 16th and 17th
- [4] 17th and 18th

Q.4) What is a new 'Key Feature' introduced in FoF 2.0 that distinguishes it from the previous version?

"One clear hour a day outruns a distracted five."

- [1] Investment only in state-owned startups.
- [2] A Co-investment Framework for institutional investors.
- [3] A ban on investing in manufacturing startups.
- [4] The requirement to only use cash for transactions.

Answers: Q.1: [2] | Q.2: [2] | Q.3: [3] | Q.4: [2]

4. e-SafeHER Programme

Context

Launched on **April 13, 2026**, the **e-SafeHER Programme** is a strategic collaboration between the **Ministry of Electronics and Information Technology (MeitY)**, **C-DAC**, and the **Reliance Foundation**. It represents a significant step toward securing India's rural digital frontier by focusing specifically on the safety of women.

Programme Overview

The initiative is anchored under MeitY's **Information Security Education and Awareness (ISEA)** framework, which is currently in its third phase (Phase III). It aims to bridge the "security divide" for women who are rapidly entering the digital economy.

- **Primary Goal:** To empower **one million women** as "Cyber Sakhis" by **2029**.
- **Operational Hub:** **C-DAC Hyderabad** leads the technical development and localization of content.
- **Outreach Partner:** **Reliance Foundation** leverages its grassroots network and Self-Help Groups (SHGs) for delivery.

The "Cyber Sakhi" Model

The heart of the programme is the **peer-led, community-based model**.

1. **Selection:** Active women members from local **Self-Help Groups (SHGs)** are identified.
2. **Training:** They undergo intensive training in cyber hygiene, financial fraud prevention, and safe social media usage.
3. **Peer Education:** These "Cyber Sakhis" (Cyber Friends) then educate other women in their villages, creating a localized, trusted safety net.

MCQs

1. Which organization is the primary technical partner responsible for developing the localized training modules for e-SafeHER?

- A) NITI Aayog
- B) C-DAC (Centre for Development of Advanced Computing)
- C) ISRO
- D) National Informatics Centre (NIC)

2. The e-SafeHER programme is a specialized initiative under which larger MeitY framework?

- A) Digital India Bhashini
- B) Information Security Education and Awareness (ISEA)
- C) Cyber Surakshit Bharat
- D) Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA)

3. What is the target number of women to be empowered by the year 2029 under this initiative?

- A) 100,000
- B) 500,000

- C) 1 Million
- D) 5 Million

4. How does the programme reach the "remotest rural regions" without building new infrastructure?

- A) By using mobile satellite vans.
- B) By leveraging existing Women's Self-Help Groups (SHGs).
- C) By setting up temporary tents in village markets.
- D) By mailing physical handbooks to every household.

5. Which two states were selected for the initial phased implementation of e-SafeHER?

- A) Gujarat and Maharashtra
- B) Uttar Pradesh and Bihar
- C) Madhya Pradesh and Odisha
- D) Kerala and Tamil Nadu

Answers

1. **B) C-DAC**
2. **B) ISEA**
3. **C) 1 Million**
4. **B) Leveraging SHGs**
5. **C) Madhya Pradesh and Odisha**

5. Exercise DUSTLIK

Context

The 7th edition of **Exercise DUSTLIK** (2026) marks another milestone in the growing strategic partnership between India and Uzbekistan. This year's exercise is particularly significant as it continues to evolve from a basic infantry training program into a complex, multi-domain military engagement.

Core Overview

Exercise DUSTLIK is an annual bilateral exercise that alternates hosting duties between the two nations. It provides a unique opportunity for the Indian Army to operate in the strategic landscapes of Central Asia.

- **2026 Host:** Uzbekistan (**Gurumsaray Field Training Area**, Namangan).
- **Participants:** Indian Armed Forces and Uzbekistan Armed Forces.
- **Previous Edition:** Held in Pune, India (2025).

Strategic Objectives

The exercise is designed to address common security challenges in the region, particularly focusing on:

- **Semi-Mountainous Warfare:** Training in terrains that mirror the geographical realities of both Central Asia and Northern India.
- **Counter-Terrorism Operations:** Enhancing the ability to neutralize Unlawful Armed Groups through joint special operations.
- **Inter-Service Synergy:** For the first time in recent editions, there is a heightened focus on integrating **Air Force** components alongside Army units to ensure comprehensive battlefield coordination.

Multiple Choice Questions (MCQs)

1. Where is the 7th edition (2026) of Joint Military Exercise DUSTLIK being conducted?

- A) Pune, India
- B) Namangan, Uzbekistan

- C) Pithoragarh, India
- D) Termez, Uzbekistan

2. Exercise DUSTLIK primarily focuses on which type of combat environment?

- A) Desert and arid plains
- B) High-altitude glacial warfare
- C) Semi-mountainous terrain
- D) Amphibious and maritime operations

Answers

1. **B) Namangan, Uzbekistan** (Specifically the Gurumsaray Field Training Area.)
2. **C) Semi-mountainous terrain** (This reflects the shared geography of the participating nations.)

Banking and Finance

1. IMF Lifts India FY27 Growth to 6.5%

Source: BS

Context

The IMF's **World Economic Outlook (April 14, 2026)** presents a rare "divergence" in the global landscape: while the world economy faces a significant slowdown, India has received a marginal upgrade.

This upgrade is primarily driven by a "Trade-Off" between **Geopolitical Conflict** and **Trade Liberalization**.

India's FY27 Upgrade: The "Sovereign Trade" Boost

The IMF raised India's FY27 growth forecast to **6.5%** (a 10-basis point increase from its January estimate).

- **The US Tariff Factor:** A landmark reduction in additional US tariffs on Indian goods—slashing them from **50% to 10%**—is the primary driver. This move significantly lowers the cost of Indian exports to the world's largest economy, offsetting the global energy crisis.
- **Momentum Carryover:** The IMF also revised India's FY26 (2025-26) growth to **7.6%**, noting that strong momentum from the previous year is acting as a buffer against the West Asia shocks.
- **Domestic Resilience:** Unlike many other emerging markets, India's domestic consumption remains robust, supported by the rural demand shifts analyzed by Chandrasekar K.

Comparison of FY27 India Projections (%)

India remains a "relative bright spot," but there is a clear range of expert opinions:

Institution	Forecast (%)	Sentiment
S&P Global	7.1	Most Optimistic (Base Case)
RBI	6.9	Bullish on Domestic Demand
ADB	6.9	Bullish on US Tariff Impact
World Bank	6.6	Moderate Resilience
IMF	6.5	Cautiously Optimistic (Upgraded)
OECD	6.1	Concern over Global Trade

MCQs

Q.1) What is the primary reason the IMF upgraded India's FY27 growth forecast despite the West Asia conflict?

- [1] Discovery of new domestic oil reserves

[2] Reduction in US tariffs on Indian goods from 50% to 10%

[3] A sudden increase in the birth rate

[4] Complete cessation of all imports

Q.2) According to S&P Global, a sustained rise in crude oil to \$130 per barrel could cut India's growth by how much?

[1] 10 basis points

[2] 40 basis points

[3] 80 basis points

[4] 200 basis points

Q.3) The IMF's 2026 global growth forecast was pared down to what percentage in the April 2026 WEO?

[1] 3.4%

[2] 3.3%

[3] 3.1%

[4] 2.0%

Q.4) Which category of nations did the IMF identify as likely to feel the "deleterious impact" of the West Asia conflict most severely?

[1] G7 Advanced Economies

[2] Emerging Markets and Developing Economies (EMDEs) [3] Nordic Countries

[4] Landlocked African Nations

Answers: Q.1: [2] | Q.2: [3] | Q.3: [3] | Q.4: [2]

2. Fitch upgrades Shriram Finance long term foreign currency ratings to BBB-

Source: BS

Context

The upgrade of **Shriram Finance (SFL)** by **Fitch Ratings** to **BBB-** (Investment Grade) from **BB+** is a significant milestone for India's non-banking financial sector. This shift, occurring on **April 14, 2026**, is directly tied to a massive capital infusion from Japan's **MUFG Bank**.

Why the "BBB-" Rating Matters

In the world of credit ratings, moving from **BB+** to **BBB-** represents the leap from "Speculative" (Junk) grade to **"Investment Grade."**

Metric	Pre-Infusion (BB+)	Post-Infusion (BBB-)
Category	Speculative / High-Yield	Investment Grade
Debt-to-Equity	4.2x	2.5x
Funding Access	Standard NBFC channels	Lower cost of funds; Global markets
Short-Term IDR	B	F3

Strategic Impact & Synergy

Fitch views SFL as a key growth vehicle for MUFG in India's fast-growing SME and retail lending segments.

- **Lower Borrowing Costs:** Investment-grade status typically allows a company to borrow money at lower interest rates, directly boosting profitability.
- **Market Dominance:** SFL maintains a dominant franchise in **used commercial vehicle financing**.
- **Local Domestic Ratings:** Domestically, agencies like CRISIL, ICRA, and India Ratings have already

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upgraded SFL to **AAA/Stable**, the highest possible local credit rating.

Multiple Choice Questions (MCQs)

1. Which global bank's 20% stake acquisition triggered the Fitch rating upgrade for Shriram Finance?

- A) SoftBank
- B) MUFG Bank
- C) HSBC
- D) DBS Bank

2. To what specific rating did Fitch upgrade Shriram Finance's Long-Term Issuer Default Rating (IDR)?

- A) AA+
- B) BBB-
- C) AAA
- D) BB+

3. What was the impact of the ₹40,000 crore capital infusion on Shriram Finance's debt-to-tangible equity ratio?

- A) It increased from 2.5x to 4.2x
- B) It remained stagnant at 3.0x
- C) It declined from 4.2x to 2.5x
- D) It was reduced to 0.5x

4. According to Fitch, what is Shriram Finance's core established local franchise segment?

- A) High-end Real Estate lending
- B) Used Commercial Vehicle financing
- C) Personal loans for government employees
- D) Infrastructure project financing

5. How will MUFG Bank exercise shareholder oversight in Shriram Finance?

- A) By taking over the CEO position
- B) By nominating two board directors and placing six employees
- C) By merging Shriram Finance into its domestic branches
- D) By restricting all lending to the SME sector

Answers

1. **B) MUFG Bank** (The Japanese lender invested nearly ₹40,000 crore for a 20% stake.)
2. **B) BBB-** (This moves the company into the investment-grade category.)
3. **C) It declined from 4.2x to 2.5x** (The lower leverage significantly strengthens the company's capital base.)
4. **B) Used Commercial Vehicle financing** (This remains one of SFL's strongest standalone credit profiles.)
5. **B) By nominating two board directors and placing six employees** (This structure ensures strategic coordination and governance.)

3. Utkarsh 2029

Source: BL

Context

"One clear hour a day outruns a distracted five."

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The Reserve Bank of India (RBI) launched its medium-term strategy, **Utkarsh 2029**, in April 2026. This roadmap governs the central bank's priorities for the three-year period ending in March 2029, focusing on digital transformation, global leadership, and financial inclusion.

The 6 Pillars of Utkarsh 2029

The strategy is built upon 49 specific deliverables categorized under these foundational pillars:

1. **Robust Regulations:** Strengthening the stability of the financial system.
2. **Customer Centricity & Inclusive Finance:** Prioritizing user protection and reaching the unbanked.
3. **Competitive Markets:** Fostering efficiency in financial markets.
4. **Effective Technology:** Adopting cutting-edge tech for banking operations.
5. **Future-Ready Organisation:** Internal capacity building and modernization.
6. **Global Integration:** Expanding the footprint of Indian payment systems like UPI internationally.

Strategic High-Impact Projects

Under this framework, the RBI is focusing on several high-tech initiatives:

1. Unified Lending Interface (ULI)

Similar to how UPI transformed payments, **ULI** is designed to transform credit. It provides a "plug-and-play" digital architecture that allows for the seamless flow of data (land records, satellite data, etc.) from multiple providers to lenders. This reduces the time for credit appraisal, particularly for small farmers and rural borrowers.

2. Project Sa-Mudra

This framework aims to overhaul the **currency management system**. It focuses on modernizing the logistics of physical currency distribution and management using advanced tracking and automated systems to ensure efficiency and security.

3. CBDC (Digital Rupee) & Global Expansion

A primary goal is to scale the **Central Bank Digital Currency (CBDC)**. By using the Digital Rupee for cross-border transactions, the RBI aims to reduce the cost and time associated with international remittances. Additionally, the strategy pushes for the global acceptance of **UPI**, linking it with the fast-payment systems of other nations.

4. Indigenous AI & LLM

The RBI plans to build its own **Large Language Model (LLM)**. This AI tool will be used internally to enhance data analysis, regulatory supervision, and operational efficiency, ensuring that the central bank remains technologically sovereign.

Multiple Choice Questions (MCQs)

1. What is the primary focus of the 'Unified Lending Interface (ULI)' mentioned in Utkarsh 2029?

- A) International stock trading
- B) Streamlining digital credit access for underserved segments
- C) Managing physical cash logistics
- D) Monitoring social media for financial rumors

2. Which project under Utkarsh 2029 is specifically dedicated to the modernization of currency management?

- A) Project Sa-Mudra
- B) Project Digital Rupee
- C) Project ULI
- D) Project Bhashini

3. How many 'deliverables' and 'pillars' form the core structure of Utkarsh 2029?

- A) 50 deliverables and 5 pillars
- B) 49 deliverables and 6 pillars
- C) 30 deliverables and 10 pillars
- D) 100 deliverables and 3 pillars

4. The RBI's plan to develop an indigenous Large Language Model (LLM) is intended for:

- A) Public use as a search engine
- B) Internal operational efficiency and data analysis
- C) Managing the personal bank accounts of citizens
- D) Replacing all physical bank branches

5. What is a key objective of expanding the CBDC (Central Bank Digital Currency) under this strategy?

- A) To eliminate the use of physical currency by 2028
- B) To make cross-border payments more efficient and cost-effective
- C) To provide free internet to all rural areas
- D) To replace the Unified Payments Interface (UPI)

Answers

1. **B) Streamlining digital credit access for underserved segments** (ULI aims to digitize the appraisal process for rural and small-scale credit.)
2. **A) Project Sa-Mudra** (This framework handles the modernization of the physical currency cycle.)
3. **B) 49 deliverables and 6 pillars** (As outlined in the official April 2026 notification.)
4. **B) Internal operational efficiency and data analysis** (The AI tool is designed to assist the RBI's regulatory and supervisory functions.)
5. **B) To make cross-border payments more efficient and cost-effective** (CBDC is seen as a way to simplify international settlements.)

4. SEBI Launches Three New IT Platforms**Context**

In March 2026, the **Securities and Exchange Board of India (SEBI)** introduced three specialized IT platforms designed to modernize the regulatory landscape. These initiatives, launched under the leadership of Chairman Tuhin Kanta Pandey, focus on transparency, speed, and advanced security oversight.

SEBI's New Regulatory Technology (RegTech) Suite

The three platforms address distinct operational challenges within the Indian capital markets:

1. SUPCOMS 2.1 (Single Universal Platform for Communications)

This platform marks a major shift in how SEBI interacts with regulated entities.

- **The Shift:** It moves away from fragmented, traditional email-based communication.
- **The Benefit:** All interactions—queries, submissions, and responses—are centrally tracked and accessible. This ensures a "single version of truth" and significantly improves the ease of doing business by reducing lost communications.

2. e-Adjudication Portal

This portal digitizes the **quasi-judicial** arm of SEBI, which handles legal disputes and enforcement actions.

- **Paperless Proceedings:** The entire lifecycle of an adjudication matter—from the issuance of notices to the final order—is managed digitally.
- **Efficiency:** It eliminates physical paperwork, allowing for faster hearings and more transparent tracking of legal cases for the involved parties.

3. Cyber-Sec Audit Compliance (C-SAC)

Recognizing the growing threat of cyber-attacks on financial infrastructure, SEBI launched this **AI-powered** oversight tool.

- **Automated Analysis:** Instead of manual reviews, C-SAC uses Artificial Intelligence to scan cyber audit reports submitted by stock exchanges, depositories, and other entities.
- **Actionable Insights:** It automatically flags compliance gaps and potential risk areas, allowing SEBI to intervene before a security vulnerability can be exploited.

Multiple Choice Questions (MCQs)

1. Which SEBI platform is specifically designed to replace traditional email-based communication with a centralized digital thread?

- A) C-SAC
- B) SCORES 2.0
- C) SUPCOMS 2.1
- D) e-Adjudication Portal

2. The e-Adjudication Portal launched by SEBI primarily facilitates which type of proceedings?

- A) Initial Public Offering (IPO) approvals
- B) Quasi-judicial and enforcement matters
- C) Annual General Meetings of listed companies
- D) Recruitment of SEBI officers

3. What is the primary technological driver behind the C-SAC (Cyber-Sec Audit Compliance) platform?

- A) Blockchain
- B) Artificial Intelligence (AI)
- C) Quantum Computing
- D) Edge Computing

4. What is a key objective of the newly launched IT platforms according to SEBI?

- A) To increase the physical paperwork for stockbrokers
- B) To boost the ease of doing business and strengthen cybersecurity
- C) To decentralize all regulatory data across different states
- D) To eliminate the need for any audits in the financial sector

5. Which entity's cyber audit reports will be analyzed by the C-SAC platform?

- A) Only individual retail investors
- B) SEBI-regulated entities like stock exchanges and intermediaries
- C) Foreign central banks
- D) Ministry of External Affairs

Answers

1. **C) SUPCOMS 2.1** (It serves as a single universal platform for all external communications.)

2. **B) Quasi-judicial and enforcement matters** (The portal makes the adjudication process paperless and transparent.)
3. **B) Artificial Intelligence (AI)** (AI is used for the automated analysis of complex audit reports.)
4. **B) To boost the ease of doing business and strengthen cybersecurity** (These are the dual goals of the March 2026 digital push.)
5. **B) SEBI-regulated entities like stock exchanges and intermediaries** (C-SAC is designed to monitor the security compliance of the infrastructure it regulates.)

Agriculture

1. Digital tracking of urea sales

Source: Mint

Context

The Ministry of Chemicals and Fertilizers is developing a centralized digital platform to reform how urea and DAP (Diammonium Phosphate) are sold and tracked in India. This move, as reported by *Mint*, aims to curb the massive diversion of subsidized fertilizers for industrial use and hoarding, which cost the national exchequer **₹1.24 trillion** in subsidies last fiscal year.

What is Urea?

Urea is an organic compound with the chemical formula **$\text{CO}(\text{NH}_2)_2$** . It is a colorless, odorless, and highly water-soluble substance. Urea is one of the most important nitrogen-containing compounds and plays a vital role in both **biological systems** and **agriculture**.

Urea was first synthesized artificially by Friedrich Wöhler in 1828, marking a major milestone in organic chemistry.

The Digital Tracking Mechanism

The core of the reform is a new mobile application that will transition the fertilizer supply chain from a traditional retail model to a **"Digital-First"** approach.

- **Biometric Authentication:** Sales will require authentication through **Aadhaar-based biometrics** or mobile OTPs to ensure that the person buying the fertilizer is a verified farmer.
- **Advance Ordering:** Farmers will be able to check real-time availability at nearby retailers and place advance orders via the app. This is designed to eliminate the "panic buying" and long queues often seen during the Kharif and Rabi sowing peaks.
- **Phased Integration:** While the initial pilot focuses on sales tracking, the system will eventually integrate **land records and crop details** to calculate a "fertilizer entitlement" based on the farmer's actual acreage.

Learning from the States

The Centre's plan is modeled after successful state-level interventions that have already managed to align supply with actual demand:

- **Haryana's "Meri Fasal Mera Byora":** This system serves as the primary blueprint. It links Aadhaar to land and crop data to prevent farmers from buying more urea than their land technically requires.
- **Telangana & Rajasthan:** These states have also implemented similar inventory management systems that have successfully reduced "leakage" to non-agricultural sectors (such as plywood or dye manufacturing).

MCQs

Q.1) The new digital fertilizer tracking system is heavily modeled after which state's "Meri Fasal Mera

Byora" system?

- [1] Punjab
- [2] **Haryana**
- [3] Uttar Pradesh
- [4] Gujarat

Q.2) Approximately what percentage of India's total DAP (Diammonium Phosphate) needs are met through imports?

- [1] 15%
- [2] 32%
- [3] **60%**
- [4] 90%

Q.3) What is the primary method proposed for verifying a farmer's identity during a fertilizer sale on the new app?

- [1] Voter ID card
- [2] Ration Card
- [3] **Aadhaar-based biometric or OTP authentication**
- [4] PAN card verification

Q.4) Why is the conflict in West Asia cited as a reason for the "urgency" of these fertilizer reforms?

- [1] West Asia is India's largest export market for wheat.
- [2] **West Asia provides nearly two-thirds of India's urea imports.**
- [3] The conflict has led to a shortage of farm laborers in India.
- [4] West Asia is the primary supplier of tractors to India.

Answers: Q.1: [2] | Q.2: [3] | Q.3: [3] | Q.4: [2]

Facts To Remember

1. VP C. P. Radhakrishnan Releases Constitution in Sindhi

Vice President C. P. Radhakrishnan released the updated Constitution of India in Sindhi on April 10, 2026. The edition is available in both Devanagari and Persian scripts to promote linguistic inclusivity. It enhances accessibility, democratic participation, and aligns with the vision of Viksit Bharat 2047.

2. Doordarshan-ICCR Sign MoU for Cultural Promotion

Doordarshan and Indian Council for Cultural Relations signed an MoU to promote Indian culture globally. ICCR will provide cultural content while Doordarshan ensures multi-platform dissemination. The agreement enables long-term content sharing and will remain valid for three years.

3. Gujarat Signs MoU for Indo-Taiwan Industrial Park

The Gujarat government signed an MoU with Allegiance International to develop an industrial park in Sanand-Dholera. The project focuses on boosting semiconductor and electronics manufacturing. It is expected to attract over ₹1,000 crore in FDI over five years.

4. HUDCO & NBCC Sign MoUs for Delhi Projects

Housing and Urban Development Corporation and NBCC (India) Limited signed two MoUs for redevelopment and asset monetisation. Projects include redevelopment at Bhikaji Cama Place and funding support initiatives. The collaboration leverages financing and execution strengths of both entities.

5. India–Uzbekistan Exercise DUSTLIK 2026 Begins

India and Uzbekistan launched the 7th edition of Exercise DUSTLIK 2026 in Namangan. The exercise focuses on joint operations in semi-mountain terrain and tactical drills. It enhances interoperability and defence cooperation between both nations.

6. India–Myanmar Sign MoU for School Project

India and Myanmar signed an MoU to construct a school in Nay Pyi Taw. The project focuses on early childhood development under India's Neighbourhood First policy. It strengthens bilateral ties and supports local community infrastructure.

7. Paytm Introduces Biometric UPI & Cardless ATM

Paytm enabled biometric authentication for UPI payments and ATM withdrawals. The system enhances security under RBI's new 2-factor authentication rules. Transaction limits are ₹5,000 for UPI and ₹10,000 for cardless ATM withdrawals.

8. CARI Bengaluru Gets ISO 15189:2022 Accreditation

The Central Ayurveda Research Institute, Bengaluru, became the first CCRAS institute to receive ISO 15189:2022 accreditation. The certification ensures global standards in medical laboratory quality and competence. It marks a transition to a centre of excellence in diagnostics.

9. Ismaïl Omar Guelleh Re-elected President of Djibouti

Ismaïl Omar Guelleh was re-elected for a sixth term in Djibouti. He secured 97.81% votes amid opposition boycott. The result reflects continued political dominance in the country.

10. NASA Artemis II Crew Returns to Earth

NASA successfully completed the Artemis II mission. The crew travelled around the moon and returned after a 10-day journey. The mission set records for distance and conducted a historic ISS communication.

11. Asian Wrestling Championships 2026

The 2026 Asian Wrestling Championships were held in Bishkek, Kyrgyzstan. India ranked 5th with 17 medals, while Iran topped the standings. The event featured 324 wrestlers across multiple disciplines.

12. Asian Boxing Championships 2026

The Asian Boxing Championships 2026 took place in Ulaanbaatar, Mongolia. India secured 2nd position with 16 medals, while Kazakhstan topped the table. The event also served as a qualifier for major global competitions.

13. Asha Bhosle Passes Away

Legendary singer Asha Bhosle passed away at 92. She recorded over 12,000 songs in multiple languages across an eight-decade career. She was honoured with the Padma Vibhushan and Dadasaheb Phalke Award.

14. Col. Sonam Wangchuk Passes Away

Mahavir Chakra awardee Sonam Wangchuk passed away at 61. He played a key role in the 1999 Kargil War in Ladakh. His contributions earned him national recognition and honour.

15. National Safe Motherhood Day – April 11

National Safe Motherhood Day is observed on April 11 in India. It promotes maternal healthcare and safe delivery practices. The day honours Kasturba Gandhi and raises awareness on maternal welfare.

16. World Parkinson's Day – April 11

World Parkinson's Day is observed on April 11 to raise awareness about Parkinson's disease. It commemorates James Parkinson who first described the disease. The 2026 theme is "Bridge the Care Gap".

FIVE TO REMEMBER · 15 APRIL 2026

1. **HDI Stagnation:** India is projected to lose between **0.03 and 0.12 years** of Human Development Index (HDI) progress due to the crisis. *Military Escalation In The Middle East: Human D...*
2. **Momentum Carryover:** The IMF also revised India's FY26 (2025-26) growth to **7.6%**, noting that strong momentum from the previous year is acting as a buffer against the West Asia shocks. *IMF Lifts India FY27 Growth to 6.5%*
3. **B) MUFG Bank** (The Japanese lender invested nearly ₹40,000 crore for a 20% stake.) *Answers*
4. **B) 49 deliverables and 6 pillars** (As outlined in the official April 2026 notification.) *Utkarsh 2029*
5. **B) To boost the ease of doing business and strengthen cybersecurity** (These are the dual goals of the March 2026 digital push.) *SEBI Launches Three New IT Platforms*

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DAY 14 OF 23

16 April 2026

Thursday · 21 items · 3 topics

National Affairs 3 · Banking and Finance 4 · Facts To Remember 14

Daily Current Affairs Quiz**16 April, 2026****National Affairs****1. The Constitution (131st Amendment) Bill, 2026**

Source: TOI

Context

The **Constitution (131st Amendment) Bill, 2026**, represents the most significant structural change to the Indian Parliament in over 50 years. By amending **Articles 81, 82, and 334A**, the Bill aims to modernize representation to reflect India's current demographic and social reality.

Core Legislative Changes

The Bill introduces three primary shifts in the constitutional framework:

- **Expansion of the Lok Sabha:** The ceiling for the House is raised to **850 members**. This includes **815 members** representing States and **35 members** from Union Territories.
- **Decoupling from the 2026 Census:** Previously, the 84th Amendment (2001) froze delimitation until the first Census after 2026. This Bill deletes that "proviso" in **Article 82**, allowing the government to use the latest published data (currently the 2011 Census) to redraw boundaries immediately.
- **Fast-tracking Women's Reservation:** It amends **Article 334A** to remove the link between the 1/3rd reservation and the *post-2026* Census. This allows women's reservation to take effect as soon as the 2026 Delimitation exercise is complete.

The Core Shift: Population vs. Development

The tension in the new Bills arises from **Article 81(2)(a)** of the Constitution, which mandates that the number of seats allocated to a state must be proportional to its population.

- **The Northern Gain:** States in the "Hindi Heartland" (UP, Bihar, MP, Rajasthan) have maintained higher fertility rates. Under an 850-seat House based on the 2011 Census, their collective share would jump from **38.1% to 43.1%**.
- **The Southern Loss:** Conversely, the five southern states, which successfully met national family planning and health goals, would see their representation shrink from **24.3% to 20.7%**.

Demographic Roots of Asymmetry

The driver of this reallocation is the **Total Fertility Rate (TFR)**. The "replacement level" for a stable population is 2.1 children per woman.

- **Below Replacement (The South):** States like Kerala and Tamil Nadu have TFRs between **1.5 and 1.8**.
- **Above Replacement (The North/East):** Bihar (3.0), Meghalaya (2.9), and Uttar Pradesh (2.4) continue to grow at a faster rate.

The data suggests that the very states that helped achieve India's population stabilization goals are the ones whose parliamentary voice will be diluted.

"If it has a number in it, it can be a question."

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The Delimitation Commission 2026

To execute these changes, a new Commission will be formed with specific powers and composition:

Feature	Details
Chairmanship	A serving or retired Supreme Court Judge .
Ex-officio Members	Chief Election Commissioner and respective State Election Commissioners.
Associate Members	5 MPs and 5 MLAs per state (to provide local context, but no voting rights).
Finality of Orders	Once published in the Gazette, orders have the force of law and cannot be challenged in any court .

Mechanisms for Representation

- **Rotation of Seats:** The 33% seats reserved for women will not be permanent for specific constituencies. Instead, they will be **rotated** across different constituencies in a State/UT after every delimitation exercise to ensure broad geographic representation over time.
- **Ratio Correction:** By increasing the House size, the Bill seeks to lower the number of citizens represented by a single MP, which has grown exponentially since the last seat freeze in 1971.

Multiple Choice Questions (MCQs)

1. What is the proposed total strength of the Lok Sabha under the Constitution (131st Amendment) Bill, 2026?

- A) 543
- B) 815
- C) 850
- D) 750

2. Which specific Article is being amended to allow delimitation before the first Census after 2026?

- A) Article 370
- B) Article 82
- C) Article 44
- D) Article 110

3. Who serves as the Chairperson of the proposed Delimitation Commission 2026?

- A) The Prime Minister of India
- B) The Speaker of the Lok Sabha
- C) A serving or retired Supreme Court Judge
- D) The Home Minister

4. How will the seats reserved for women be managed across different elections?

- A) They will be fixed permanently to specific districts.
- B) They will be allotted by rotation among different constituencies.
- C) They will be decided by a lottery every year.
- D) Only Union Territories will have reserved seats.

5. What is the legal status of the orders issued by the Delimitation Commission once published?

- A) They can be overturned by a High Court.
- B) They require a second vote in Parliament to become active.
- C) They have the force of law and cannot be challenged in any court.
- D) They are mere recommendations that the Cabinet can ignore.

Answers

1. **C) 850** (815 from States + 35 from UTs.)
2. **B) Article 82** (Deleting the third proviso is the key to immediate delimitation.)
3. **C) A serving or retired Supreme Court Judge** (Ensures judicial oversight of the boundary-drawing process.)
4. **B) They will be allotted by rotation among different constituencies.**
5. **C) They have the force of law and cannot be challenged in any court.** (This ensures the election cycle is not delayed by litigation.)

2. "Ease of Doing Research & Development in India" and the "Survey Report on Ease of Doing R&D in India."

Source: PIB

Context

In April 2026, **NITI Aayog** released two landmark reports designed to transform India into a global innovation hub: "*Ease of Doing Research & Development (R&D) in India*" and the "*Survey Report on Ease of Doing R&D in India*".

Released by NITI Aayog Vice Chairman **Suman Bery** and Union Minister **Dr. Jitendra Singh**, these documents provide a strategic blueprint to eliminate bureaucratic hurdles and foster a more agile scientific community.

The 4 Pillars of R&D Reform

The reports are built upon four fundamental pillars identified through extensive consultation with over 850 scientists and 400 institutional leaders:

1. **Funding:** Moving toward more flexible grant management and multi-year funding cycles to provide financial stability for long-term projects.
2. **Governance:** Empowering institutional leaders and reducing administrative interference in scientific decision-making.
3. **Regulatory Frameworks:** Simplifying the compliance burden, particularly for ethical clearances and the import of specialized scientific equipment.
4. **Research Translation:** Bridging the "lab-to-market" gap by incentivizing partnerships between academia and the private sector.

Strategic Recommendations

The reports propose several actionable shifts to modernize the ecosystem:

- **Early-Career Support:** Dedicated fellowships and mentorship programs to prevent "brain drain" and keep young talent within the domestic research pipeline.
- **Private Sector Integration:** Introducing tax incentives and co-funding models to increase the percentage of GDP spent on R&D by Indian corporations.
- **Administrative Simplification:** Transitioning to digital, single-window clearance systems for research-related approvals.
- **Strengthening Innovation Clusters:** Promoting regional R&D hubs where universities, startups, and large industries can share infrastructure.

Multiple Choice Questions (MCQs)

1. Who released the "Ease of Doing R&D in India" reports in April 2026?

- A) The Prime Minister of India
- B) Suman Bery and Dr. Jitendra Singh

- C) The Governor of the Reserve Bank of India
- D) The CEO of NITI Aayog

2. How many key "pillars" do the reports outline for improving the R&D ecosystem?

- A) Three
- B) Four
- C) Five
- D) Six

3. Which of the following is NOT one of the four key pillars mentioned in the NITI Aayog reports?

- A) Funding
- B) Governance
- C) International Tourism
- D) Research Translation

4. The reports were based on insights gathered from approximately how many scientists and researchers?

- A) 100
- B) 500
- C) 850
- D) 2,000

5. What is the primary objective of the "Research Translation" pillar?

- A) Translating scientific papers into local languages.
- B) Moving research outcomes from laboratories to commercial markets.
- C) Translating foreign patents into Indian law.
- D) Increasing the number of science students in schools.

Answers

1. **B) Suman Bery and Dr. Jitendra Singh** (Representing NITI Aayog and the Ministry of Science & Technology, respectively.)
2. **B) Four** (Funding, Governance, Regulatory Frameworks, and Research Translation.)
3. **C) International Tourism** (The pillars focus strictly on the research and innovation infrastructure.)
4. **C) 850** (Combined with outreach to 400 institutional leaders over a nine-month period.)
5. **B) Moving research outcomes from laboratories to commercial markets.** (This addresses the critical gap in turning innovations into viable products or services.)

3. First-Ever Comprehensive National Bat Conservation Assessment

Source: TOI

The Indian Express report from April 16, 2026, highlights the findings of India's **first-ever comprehensive National Bat Conservation Assessment**. The report, compiled by a coalition of wildlife biologists and the Ministry of Environment, Forest and Climate Change, warns that India's bat populations are facing unprecedented threats while suffering from a lack of scientific data.

Key Findings of the Assessment

1. Species at Risk

India is home to **135 species of bats**, accounting for roughly 10% of global bat diversity.

- **Threat Levels:** The assessment flags that nearly **25% of Indian bat species** are currently categorized

as "Threatened" or "Near Threatened" under local ecological parameters.

- **The "Data Dark Spot":** For over **40% of species**, there is insufficient data to even determine their conservation status. These are classified as "Data Deficient," meaning they could be sliding toward extinction without scientists realizing it.

2. Major Threats to Habitats

The assessment identifies three primary drivers of population decline:

- **Habitat Loss & Fragmentation:** Rapid urbanization and deforestation are destroying natural roosting sites like old-growth trees and traditional forests.
- **Cave Disturbance:** Many insectivorous bats rely on subterranean caves. Unregulated mining, quarrying, and "cave tourism" are forcing colonies to abandon their homes.
- **Climate Change:** Heatwaves are increasingly leading to "mass die-offs" of fruit bats (Flying Foxes), which are highly sensitive to temperatures exceeding 45°C.

3. Ecological & Economic Importance

The report emphasizes that bats are "ecological linchpins" rather than just pests or disease carriers:

- **Pest Control:** Insectivorous bats save the Indian agricultural sector billions of rupees annually by consuming crop-destroying pests like moths and beetles.
- **Pollination:** Large fruit bats are primary pollinators for economically important trees, including **durian, wild bananas, and agave**.
- **Seed Dispersal:** They are responsible for "forest regeneration," dropping seeds across vast distances that birds cannot cover.

Multiple Choice Questions (MCQs)

1. According to the National Bat Conservation Assessment, approximately how many bat species are found in India?

- A) 50
- B) 135
- C) 250
- D) 500

2. What percentage of Indian bat species are currently categorized as "Data Deficient"?

- A) 10%
- B) 25%
- C) 40%
- D) 60%

3. Which of the following is cited as a major reason for mass die-offs of fruit bats in India?

- A) Pesticide poisoning
- B) Extreme heatwaves
- C) Over-hunting for food
- D) Spread of White-nose syndrome

4. How do insectivorous bats primarily contribute to the Indian economy?

- A) By producing guano (fertilizer) for export.
- B) By acting as natural pest controllers for agriculture.
- C) By attracting foreign tourists to caves.
- D) By helping in the production of honey.

5. Under which primary legislation is wildlife protection managed in India?

- A) Environment Protection Act, 1986
- B) Forest Conservation Act, 1980
- C) Wild Life (Protection) Act, 1972
- D) Biological Diversity Act, 2002

Answers

1. **B) 135**
2. **C) 40%**
3. **B) Extreme heatwaves**
4. **B) By acting as natural pest controllers for agriculture.**
5. **C) Wild Life (Protection) Act, 1972**

Banking and Finance

1. RBI Liberalises Branch Rules for NBFCs

Source: BS

Context

The Reserve Bank of India (RBI) has issued a significant regulatory update on **April 15, 2026**, aimed at improving the **operational flexibility** of Non-Banking Financial Companies (NBFCs). By removing the requirement for prior approval for branch expansion, the RBI is shifting toward a more trust-based, "ease of doing business" framework.

The Shift in Policy

Previously, many categories of NBFCs required a formal "regulatory nod" or prior intimation before opening new branches. Under the new rules:

- **General Rule:** NBFCs can now open branches without seeking prior RBI approval, provided they are not under specific restrictive orders.
- **Objective:** To facilitate faster physical expansion and deeper financial inclusion across India.

Calibrated Rules for Deposit-Taking NBFCs

While the rules have been liberalized, the RBI has maintained a **risk-based approach** for NBFCs that accept public deposits. Their ability to expand is now directly linked to two factors: **Net Owned Funds (NOF)** and **Credit Rating**.

NOF Threshold	Credit Rating	Branch Expansion Permission
Up to ₹50 crore	Any	Only within the Home State
Above ₹50 crore	Below AA	Only within the Home State
Above ₹50 crore	AA or Higher	Anywhere in India

Key Takeaways for the Sector

- **Immediate Effect:** These revised norms are active as of April 15, 2026.
- **Strategic Impact:** Larger, high-rated NBFCs (like the recently upgraded Shriram Finance) now have a "green channel" to scale their physical presence nationwide without administrative delays.
- **Regulatory Guardrails:** NBFCs with lower ratings or smaller capital bases remain restricted to their home states to ensure they do not overextend their operational or financial capabilities.

Multiple Choice Questions (MCQs)

1. What is the primary change introduced by the RBI regarding NBFC branch openings?

- A) All NBFCs are now banned from opening new physical branches.
- B) NBFCs no longer need prior RBI approval to open branches, unless specifically restricted.
- C) Only government-owned NBFCs can open branches without approval.
- D) NBFCs must now pay a fee for every new branch they open.

2. For a deposit-taking NBFC to open branches anywhere in India, what is the minimum Credit Rating required?

- A) BBB
- B) A+
- C) AA
- D) AAA

3. If a deposit-taking NBFC has Net Owned Funds (NOF) exceeding ₹50 crore but a credit rating below AA, where can it open branches?

- A) Anywhere in India.
- B) Only in metropolitan cities.
- C) Only within the state where its registered office is located.
- D) Only in rural districts.

4. The new RBI guidelines for NBFC branch expansion are effective from:

- A) January 1, 2027
- B) April 15, 2026
- C) May 1, 2026
- D) The start of the next financial year

5. Why has the RBI retained a "calibrated approach" specifically for deposit-taking NBFCs?

- A) To prevent them from competing with private banks.
- B) To ensure expansion is based on financial strength and credit profile to protect depositors.
- C) To encourage them to shift to a purely digital banking model.
- D) To limit the growth of the shadow banking sector.

Answers

1. **B) NBFCs no longer need prior RBI approval to open branches, unless specifically restricted.**
2. **C) AA** (A rating of AA or higher is the threshold for national expansion.)
3. **C) Only within the state where its registered office is located.** (Both NOF > ₹50cr and a high rating are required for pan-India access.)
4. **B) April 15, 2026** (The norms came into force with immediate effect.)
5. **B) To ensure expansion is based on financial strength and credit profile to protect depositors.** (Since these firms handle public money, the RBI maintains stricter oversight on their growth.)

2. Sebi Allows 50% Tweak in IPO Size

Source: Mint

Context

The **Securities and Exchange Board of India (SEBI)** has introduced a significant relaxation for companies

planning their stock market debuts. In a move to support the primary market during the current "funding winter" and geopolitical instability, SEBI is now allowing issuers to drastically alter their IPO size without the bureaucratic hurdle of refiling their draft documents.

The New "50% Latitude" Rule

Previously, the **Issue of Capital and Disclosure Requirements (ICDR)** regulations were quite rigid regarding fresh capital.

Feature	Old Rule	New Rule (Until Sept 30, 2026)
Fresh Issue Size Change	>20% change required refiling a fresh DRHP.	Up to 50% change allowed without refiling.
Offer for Sale (OFS)	50% threshold already existed.	Remains 50%.
Approval Validity	12 months from observation letter.	Extended until September 30, 2026 .

Key Guardrails

- **Object of Issue:** The core reason for raising funds (e.g., debt repayment, Capex) must remain identical.
- **Justification:** Companies must provide a valid rationale to SEBI for the size change on a case-by-case basis.
- **Certification:** Lead managers (Investment Bankers) must certify that all other regulatory disclosures remain compliant.

Why the Relaxation?

The move follows a request from the **Association of Investment Bankers of India (AIBI)**, citing several headwinds:

- **Market Volatility:** The Nifty dropped **11.3%** in March 2026, causing large players like **PhonePe** to defer their listings.
- **Geopolitical Tensions:** Ongoing military escalation in West Asia has soured investor appetite for risky assets.
- **Low Activity:** In April so far, only one mainboard IPO worth **₹150 crore** has been launched, a sharp decline from previous months.

Multiple Choice Questions (MCQs)

1. Under the new SEBI guidelines, by what maximum percentage can a company now tweak its IPO size without refiling the DRHP?

- A) 20%
- B) 33%
- C) 50%
- D) 75%

2. Until which date are these relaxed IPO norms currently applicable?

- A) December 31, 2025
- B) April 1, 2026
- C) September 30, 2026
- D) March 31, 2027

3. What is the "core condition" stipulated by SEBI for allowing a change in the issue size?

- A) The company must change its headquarters.
- B) The objective of the issue must remain unchanged.
- C) The company must be a Deep Tech startup.

- D) The issue must be at least ₹10,000 crore in size.

4. Which organization flagged the difficulties in capital mobilization that led to this SEBI decision?

- A) NITI Aayog
- B) Association of Investment Bankers of India (AIBI)
- C) Reserve Bank of India (RBI)
- D) Ministry of Finance

5. How must a company disclose a revision in its IPO size to the general public?

- A) Through a private email to shareholders.
- B) Through a public addendum.
- C) By withdrawing the IPO entirely.
- D) Via a television advertisement only.

Answers

1. **C) 50%** (An increase from the previous 20% limit.)
2. **C) September 30, 2026** (Aligning with the extended validity of existing DRHPs.)
3. **B) The objective of the issue must remain unchanged** (For example, if the money was meant for debt repayment, it cannot suddenly be shifted to a new acquisition.)
4. **B) Association of Investment Bankers of India (AIBI)**
5. **B) Through a public addendum** (Ensuring transparency for all potential retail and institutional investors.)

Facts To Remember

1. PM Narendra Modi Visits Uttarakhand & Uttar Pradesh

Prime Minister Narendra Modi visited Uttarakhand and Uttar Pradesh on April 14, 2026. He inaugurated the Delhi–Dehradun Economic Corridor and reviewed key infrastructure and environmental initiatives. The visit focused on connectivity, sustainability, and regional development.

2. DoP & PMML Sign MoU for Heritage Preservation

The Department of Posts signed an MoU with Pradhan Mantri Sangrahalaya. The collaboration promotes India's democratic heritage through exhibitions and philatelic initiatives. It also includes outreach programs and commemorative releases.

3. MoL&E Partners with Porter & Gigin Technologies

The Ministry of Labour and Employment signed MoUs with Porter and Gigin Technologies. The initiative aims to generate lakhs of job opportunities via the NCS portal. It strengthens digital job matching and supports gig and logistics employment.

4. Indian Army Launches Radio Sikkim Sundari

The Indian Army launched 'Radio Sikkim Sundari' in East Sikkim near the India–China border. It is the first border village community radio station in the state. The initiative promotes connectivity, awareness, and socio-economic development.

5. IAF & GE Aerospace Sign Engine Facility Deal

The Indian Air Force signed an agreement with GE Aerospace. The deal establishes a domestic depot for

F404 engines used in Tejas aircraft. It enhances India's maintenance, repair, and overhaul (MRO) capabilities.

6. 9th Indian Ocean Conference Held in Mauritius

The 9th Indian Ocean Conference was held in Port Louis, Mauritius. It focused on regional cooperation under the SAGAR vision. S. Jaishankar represented India at the event.

7. UPI Hits 228.5 Billion Transactions in 2025

According to Worldline, UPI processed 228.5 billion transactions in 2025. The total transaction value reached ₹299.74 trillion. This reflects strong growth in digital payments and merchant adoption.

8. FIFA World Cup 2026 Pixel Credit Card Launched

Visa and HDFC Bank launched a FIFA World Cup 2026-themed Pixel Credit Card. The card offers rewards like match tickets and travel packages. It is accessible via PayZapp for existing and new users.

9. Nizar Amedi Elected President of Iraq

Nizar Mohammed Saeed Amedi was elected as Iraq's new President. He secured victory after a second-round runoff in parliament. The election saw strong participation from lawmakers.

10. New Gecko Species Discovered in Assam

Researchers discovered a new gecko species named *Cyrtodactylus raimonaensis* in Assam. The species was found near Raimona National Park. It adds to biodiversity knowledge in Northeast India.

11. Badminton Asia Championships 2026

The 2026 Badminton Asia Championships were held in Ningbo, China. South Korea topped the medal tally while India secured fourth position. Indian player Ayush Shetty won a historic silver medal.

12. International Day of Human Space Flight – April 12

The United Nations observes this day to mark the beginning of human space exploration. It commemorates Yuri Gagarin's historic flight in 1961. The day highlights the role of space science in sustainable development.

13. International Day for Street Children – April 12

This day raises awareness about challenges faced by street children globally. The 2026 theme is "Protect, not Punish". It promotes dignity, rights, and inclusion of vulnerable children.

14. Maharashtra Signs MoU with Vingroup

Vietnam's Vingroup signed an MoU with Maharashtra for \$6.5 billion investment. The plan includes smart townships and electric mobility projects. It supports Maharashtra's vision of becoming a \$1 trillion economy.

FIVE TO REMEMBER · 16 APRIL 2026

1. **The Northern Gain:** States in the "Hindi Heartland" (UP, Bihar, MP, Rajasthan) have maintained higher fertility rates. Under an 850-seat House based on the 2011 Census, their collective share would jump from **38.1% to 43.1%**. *The Constitution (131st Amendment) Bill, 2026*
2. **Market Volatility:** The Nifty dropped **11.3%** in March 2026, causing large players like **PhonePe** to defer their listings. *Sebi Allows 50% Tweak in IPO Size*
3. Visa and HDFC Bank launched a FIFA World Cup 2026-themed Pixel Credit Card. The card offers rewards like match tickets and travel packages. It is accessible via PayZapp for existing and new users. *FIFA World Cup 2026 Pixel Credit Card Launched*
4. **C) 850** (Combined with outreach to 400 institutional leaders over a nine-month period.) *"Ease of Doing Research & Development in India"...*
5. **Threat Levels:** The assessment flags that nearly **25% of Indian bat species** are currently categorized as "Threatened" or "Near Threatened" under local ecological parameters. *First-Ever Comprehensive National Bat Conservat...*

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17 & 18 April 2026

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Daily Current Affairs Quiz
17 & 18 April, 2026**National Affairs****1. The National Rural Livelihood Mission (NRLM)****Context**

The **National Rural Livelihood Mission (NRLM)**, launched in 2011, has transitioned from a domestic poverty alleviation scheme into a cornerstone of India's **development diplomacy**. By exporting its institutional architecture—specifically the **Self-Help Group (SHG)** model—India is providing a contextually relevant alternative to Western development templates for the Global South.

The Scale of Success

The NRLM has achieved unprecedented scale, particularly in integrating rural women into the formal economy:

- **Outreach:** Active in **742 districts**, reaching over **100 million households**.
- **Mobilization:** More than **9 million SHGs** established.
- **Financial Inclusion:** Over **₹12 lakh crore** in bank linkages enabled.
- **The "Lakshpati Didi" Effect:** Over **20 million women** now earn an annual income exceeding **₹1,00,000**.
- **Fiscal Backing:** The **Union Budget 2026–27** allocated **₹19,200 crore** to the mission, cementing its status as a flagship initiative.

Why the Model is "Portable" to Africa

Policymakers from nations such as **Ethiopia, Tanzania, Malawi, Kenya, and Rwanda** are increasingly adopting the Indian model for several key reasons:

- **Cost-Effectiveness:** The model relies on community-driven processes and local cadres rather than heavy capital investment.
- **Informal Economy Alignment:** SHGs thrive in environments where microenterprise and livelihood diversification are essential.
- **Trust-Based Credit:** The system uses pooled savings and peer learning, creating financial discipline without traditional collateral.
- **Institutional Building:** Unlike simple cash-transfer schemes, the NRLM builds long-term community capacity and strengthens local governance.

Impact on South–South Cooperation

The NRLM marks a shift in India's foreign policy, moving from providing resources to **exporting institutional knowledge**:

- **Peer Learning:** African delegations focus on "operational mechanics"—how to scale cadres and sustain credit linkages.
- **Diplomatic Entry Points:** The SHG framework opens doors for collaboration in **digital governance**,

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agriculture, and financial architecture.

- **Strategic Suggestion:** The establishment of a **Rural Livelihoods Knowledge Exchange Platform** could further institutionalize these linkages between Indian state missions and African governments.

Multiple Choice Questions (MCQs)

1. What is the proposed allocation for the NRLM in the Union Budget 2026–27?

- A) ₹10,000 crore
- B) ₹15,500 crore
- C) ₹19,200 crore
- D) ₹25,000 crore

2. As of mid-2025, how many households has the NRLM reached?

- A) 50 million
- B) 75 million
- C) 100 million
- D) 150 million

3. Which of the following African countries was NOT mentioned as having sent delegations to study the NRLM?

- A) Ethiopia
- B) Nigeria
- C) Rwanda
- D) Malawi

4. What is a "Lakhpatti Didi" in the context of the NRLM?

- A) A woman who has borrowed ₹1 lakh from a bank.
- B) An SHG member earning an annual income of over ₹1,00,000.
- C) A woman banking correspondent serving 1,000 households.
- D) A government official managing rural credits.

Answers

1. **C) ₹19,200 crore**
2. **C) 100 million**
3. **B) Nigeria** (Delegations from Ethiopia, Tanzania, Malawi, Kenya, and Rwanda were specifically cited.)
4. **B) An SHG member earning an annual income of over ₹1,00,000.**

2. The National Backward Classes Finance & Development Corporation (NBCFDC)

Source: News on Air

Context

The **National Backward Classes Finance & Development Corporation (NBCFDC)** has achieved a significant milestone by recording its highest-ever disbursement of **₹613 crore** in FY 2025–26. This 16% year-on-year growth underscores the government's intensifying focus on financial inclusion and self-reliance for marginalized communities.

Institutional Framework

The NBCFDC is a specialized vehicle designed to provide low-cost credit to those who typically lack access to mainstream banking.

- **Legal Status:** A **Not-for-Profit** Government of India Undertaking (Section 8 Company).
- **Nodal Ministry:** Operating under the **Ministry of Social Justice and Empowerment**.
- **Established:** January 13, 1992.
- **Operational Model:** It functions as an apex lending body, routing funds through **State Channelizing Agencies (SCAs)** and partner banks to reach the end-borrowers.

Core Functions & Assistance

The corporation focuses on two main pillars: **Financial Credit** and **Skill Empowerment**.

A. Credit Schemes

NBCFDC provides loans at highly concessional interest rates for:

- **Agriculture & Allied Activities:** Purchase of equipment, livestock, or irrigation tools.
- **Small Business & Artisans:** Support for traditional occupations and micro-enterprises.
- **Education Loans:** Financing for technical and professional courses in India and abroad.
- **Micro Finance:** Small-ticket loans specifically targeting **Self-Help Groups (SHGs)**.

B. Skill Development (PM-DAKSH)

Under the **PM-DAKSH Yojana**, the corporation facilitates vocational training and upskilling. This ensures that beneficiaries do not just receive capital, but also the technical competence to run a sustainable business.

Beyond OBCs: An Expanded Mandate

While its name suggests a focus only on Other Backward Classes (OBCs), the NBCFDC has evolved into a broad social safety net. Its target groups now include:

- **Economically Backward Classes (EBCs):** Based on income criteria.
- **DNTs:** De-notified, Nomadic, and Semi-Nomadic Tribes.
- **Vulnerable Groups:** Senior Citizens, Transgender persons, and Persons in Destitution (Beggars).

Key Implementation Schemes

The corporation is the implementing agency for several high-impact welfare programs:

- **VISVAS Scheme:** An interest subvention scheme that provides a direct 5% interest waiver to SHGs and individual beneficiaries.
- **National Fellowship for OBCs:** Financial assistance for students pursuing higher education (M.Phil/Ph.D.).

Multiple Choice Questions (MCQs)

1. What is the legal status of the NBCFDC under the Companies Act?

- A) For-profit Public Limited Company
- B) Section 8 Not-for-Profit Company
- C) Statutory Body created by an Act of Parliament
- D) Cooperative Society

2. Which ministry oversees the functioning of the NBCFDC?

- A) Ministry of Finance
- B) Ministry of Skill Development and Entrepreneurship
- C) Ministry of Social Justice and Empowerment
- D) Ministry of Minority Affairs

3. Through which primary channel does the NBCFDC provide credit to individual beneficiaries at the

state level?

- A) Direct Cash Transfers (DBT)
- B) State Channelizing Agencies (SCAs)
- C) Post Offices
- D) Foreign Institutional Investors (FIIs)

4. The NBCFDC facilitates vocational training and upskilling under which flagship government scheme?

- A) PM-Kisan
- B) PM-DAKSH
- C) PM-GatiShakti
- D) PM-Svanidhi

5. Which of the following groups is NOT included in the expanded target mandate of the NBCFDC?

- A) De-notified and Nomadic Tribes
- B) Transgender Persons
- C) Persons in Destitution (Beggars)
- D) Group A Gazetted Officers

Answers

1. **B) Section 8 Not-for-Profit Company**
2. **C) Ministry of Social Justice and Empowerment**
3. **B) State Channelizing Agencies (SCAs)**
4. **B) PM-DAKSH** (Pradhan Mantri Dakshta Aur Kushalta Sampann Hitgrahi.)
5. **D) Group A Gazetted Officers** (The corporation focuses strictly on marginalized and economically weaker sections.)

3. The Union Territories Laws (Amendment) Bill, 2026

Source: News on Air

Context

The **Union Territories Laws (Amendment) Bill, 2026** is a critical legislative bridge that ensures the reforms of the **131st Constitutional Amendment** and the **Delimitation Bill, 2026** are effectively implemented in Union Territories (UTs) with their own legislatures.

Without this Bill, the seat increases and women's reservation would only apply to full states, leaving a legal vacuum in the UTs of **Delhi, Puducherry, and Jammu & Kashmir**.

The Core Objective: Legislative Uniformity

The primary goal is to synchronize the governance of UTs with the new national standards established for the expansion of Parliament.

- **Women's Reservation:** It implements the **Nari Shakti Vandan Adhiniyam**, mandating **33% reservation** for women in the Legislative Assemblies of Delhi, Puducherry, and Jammu & Kashmir.
- **Expansion of Representation:** It integrates the constitutional increase of UT representation in the Lok Sabha, which has been raised from **20 to 35 members**.

Strategic Policy Shifts

The 2026 Bill introduces specific deviations from previous legal frameworks to expedite these reforms:

- **The Census Pivot:** Traditionally, women's reservation and delimitation were expected to follow the first

census after 2023. This Bill removes that wait-time, allowing for changes to proceed based on the **2011 Census** data.

- **Delimitation Authority:** It grants the **Delimitation Commission of 2026** the specific power to redraw assembly constituencies within these UTs.
- **Rotational Mechanism:** To ensure fairness, seats reserved for women in these UT assemblies will be **rotated** across different constituencies in successive election cycles.

Multiple Choice Questions (MCQs)

1. Which specific Union Territories are primarily covered under the Union Territories Laws (Amendment) Bill, 2026?

- A) Chandigarh, Ladakh, and Lakshadweep
- B) Delhi, Puducherry, and Jammu & Kashmir
- C) Daman & Diu and Dadra & Nagar Haveli
- D) All 8 Union Territories equally

2. The Bill increases the maximum number of UT representatives in the Lok Sabha from 20 to how many members?

- A) 25
- B) 30
- C) 35
- D) 45

3. According to the Bill, the delimitation and women's reservation in UTs will be based on which census data?

- A) 2001 Census
- B) 2011 Census
- C) 2021 Census
- D) 2027 Census

4. What is the primary purpose of the "Rotational Reservation" feature mentioned in the Bill?

- A) To ensure men and women alternate as Chief Ministers.
- B) To ensure reserved seats for women are moved to different constituencies in successive elections.
- C) To rotate the capital of the Union Territory every five years.
- D) To change the total number of seats in every election.

5. The Bill is designed to extend the provisions of which major Constitutional Amendment?

- A) 101st Amendment (GST)
- B) 128th Amendment (Women's Reservation in States)
- C) 131st Amendment (Parliamentary Expansion & Reservation)
- D) 73rd Amendment (Panchayati Raj)

Answers

1. **B) Delhi, Puducherry, and Jammu & Kashmir** (These are the UTs with Legislative Assemblies.)
2. **C) 35** (Aligning with the broader parliamentary expansion.)
3. **B) 2011 Census** (The Bill delinks the process from the future 2027 census to allow immediate implementation.)
4. **B) To ensure reserved seats for women are moved to different constituencies in successive elections.**

5. **C) 131st Amendment** (It serves as the enabling legislation for this amendment at the UT level.)

4. CAFE-III (Corporate Average Fuel Efficiency Phase III)

Source: ET

Context

The consensus on **CAFE-III (Corporate Average Fuel Efficiency Phase III)** marks a decisive step in India's automotive policy, balancing aggressive decarbonization targets with industry feasibility. These norms shift the focus from individual vehicle performance to a manufacturer's **total fleet impact**, effectively forcing a portfolio-wide transition toward electrification and hybridization.

Understanding CAFE-III Mechanics

Unlike emission standards like BS-VI (which focus on pollutants like \$NO_x\$ or particulate matter), CAFE norms target **\$CO_2\$ efficiency** and **fuel consumption**.

- **The Formula:** It is a mass-based target. The heavier a manufacturer's average fleet, the more \$CO_2\$ they are technically allowed to emit, but the overall "slope" of this allowance is being tightened.
- **The "Flatter Curve" Strategy:** By removing the 3g/km relief for lightweight cars, the government has created a "flatter" regulatory slope. This prevents small-car makers from having an unfair advantage while ensuring that heavier SUVs face stricter pressure to adopt hybrid or electric powertrains.

The Power of "Super Credits"

To help manufacturers meet the steep reduction from **113 g/km to 78.9 g/km**, the government utilizes a multiplier system. This makes every "green" sale significantly more valuable for regulatory compliance.

Technology	Multiplier	Strategic Impact
Battery EV (BEV)	3.0	Selling 1 EV "cancels out" the high emissions of 3 traditional petrol cars.
Plug-in Hybrid (PHEV)	2.5	Encourages vehicles with significant electric-only range.
Strong Hybrid	1.6	Incentivizes the transition for mass-market buyers not yet ready for full EVs.

Multiple Choice Questions (MCQs)

1. What is the target fleet-average \$CO_2\$ emission level for automakers by the end of CAFE-III (FY32)?

- A) 113 g/km
- B) 95.5 g/km
- C) 78.9 g/km
- D) 50.0 g/km

2. Which vehicle category is covered under the CAFE-III norms?

- A) L-category (Two-wheelers)
- B) M1-category (Passenger vehicles < 3,500kg)
- C) N3-category (Heavy commercial trucks)
- D) Agricultural Tractors

3. Under the Super Credit Scheme, what is the multiplier for a Battery Electric Vehicle (BEV)?

- A) 1.5
- B) 2.0
- C) 2.5
- D) 3.0

4. Why was the proposed "3g/km relief" for small petrol cars (under 909kg) scrapped in the final

consensus?

- A) Small cars were found to be more polluting than SUVs.
- B) To ensure a "flatter curve" and a fairer playing field for all manufacturers.
- C) Because small cars are being banned from cities.
- D) To encourage the export of small cars.

5. Which body is responsible for establishing and monitoring the CAFE standards in India?

- A) NITI Aayog
- B) Bureau of Indian Standards (BIS)
- C) Bureau of Energy Efficiency (BEE)
- D) Central Pollution Control Board (CPCB)

Answers

1. **C) 78.9 g/km**
2. **B) M1-category (Passenger vehicles < 3,500kg)**
3. **D) 3.0**
4. **B) To ensure a "flatter curve" and a fairer playing field for all manufacturers.**
5. **C) Bureau of Energy Efficiency (BEE)** (Under the Ministry of Power.)

5. The Urban Challenge Fund (UCF)

Source: TNIE

Context

The **Urban Challenge Fund (UCF)** and its companion, the **Credit Repayment Guarantee Sub-Scheme (CRGSS)**, represent a fundamental shift in how India finances its urban future. By moving away from purely grant-based models, the government is pushing Urban Local Bodies (ULBs) to become financially disciplined and "market-ready."

The Strategy: "De-risking" Over "Grant-giving"

The UCF functions as a **catalytic instrument**. Instead of the Union Government funding the entire project, it provides just enough capital (25%) to make the project "bankable" for private investors and commercial banks.

- **Implementation Window:** FY 2025–26 to FY 2030–31.
- **The 4x Leverage Principle:** With a seed investment of **₹1 lakh crore**, the government aims to trigger a total infrastructure spend of **₹4 lakh crore**.

Funding Architecture & Allocation

The central outlay is divided into three distinct buckets to ensure projects are not just funded, but also well-planned and secure for lenders.

Component	Allocation	Strategic Purpose
Project Funding	₹90,000 Crore	Direct capital for infrastructure (limited to 25% of total cost).
Capacity Building	₹5,000 Crore	Preparing Detailed Project Reports (DPRs) and improving city credit ratings.
CRGSS	₹5,000 Crore	Acting as a safety net for lenders in smaller or higher-risk cities.

The CRGSS: Empowering Tier-II & Tier-III Cities

A major hurdle for smaller cities is their perceived risk by banks. The **Credit Repayment Guarantee Sub-Scheme (CRGSS)** solves this by:

- Providing **guarantees to lenders** (banks/financial institutions).

- Encouraging credit flow to cities in **hilly areas**, the **North-East**, and smaller urban centers that lack the high credit ratings of metros like Mumbai or Hyderabad.

Multiple Choice Questions (MCQs)

1. What is the maximum percentage of a project's cost that can be covered by Central Assistance under the UCF?

- A) 15%
- B) 25%
- C) 50%
- D) 75%

2. Which ministry is responsible for the implementation of the Urban Challenge Fund?

- A) Ministry of Finance
- B) Ministry of Rural Development
- C) Ministry of Housing and Urban Affairs (MoHUA)
- D) Ministry of Home Affairs

3. What is the primary purpose of the Credit Repayment Guarantee Sub-Scheme (CRGSS)?

- A) To provide direct cash transfers to urban residents.
- B) To offer guarantees to lenders to help smaller cities access market credit.
- C) To pay off the existing debts of all municipal corporations.
- D) To fund the construction of new government offices.

4. How much of the total ₹1 lakh crore outlay is earmarked for project preparation and capacity building?

- A) ₹1,000 crore
- B) ₹5,000 crore
- C) ₹10,000 crore
- D) ₹90,000 crore

5. Under the UCF, what is the minimum percentage of funding that MUST be mobilized through municipal bonds, bank loans, or PPPs?

- A) 25%
- B) 33%
- C) 50%
- D) 100%

Answers

1. **B) 25%**
2. **C) Ministry of Housing and Urban Affairs (MoHUA)**
3. **B) To offer guarantees to lenders to help smaller cities access market credit.**
4. **B) ₹5,000 crore**
5. **C) 50%** (This ensures the projects are market-linked and not solely dependent on government grants.)

Banking and Finance

1. India slipped to 6th spot in IMF GDP rankings despite strong growth

Context

It is a bit of a paradox: how can an economy be the "fastest-growing" but still lose its spot on the leaderboard? According to the **IMF's April 2026 World Economic Outlook**, India has indeed slipped to the 6th spot, falling behind the United Kingdom and Japan.

However, this isn't due to a domestic slowdown. It's the result of a **"statistical storm"** where currency math and data updates collided.

The "Dollar vs. Rupee" Math

Global GDP rankings are calculated in US Dollars. Even if India's economy grows significantly in Rupee terms, that growth can be erased in the rankings if the Rupee loses value against the Dollar.

- **Nominal Growth:** India recorded a healthy ~9% nominal growth in Rupee terms.
- **Currency Depreciation:** The Rupee weakened from 84.6 per USD in 2024 to 88.5 in 2025.
- **The Result:** When you convert those trillions of Rupees into Dollars at a weaker exchange rate, the final "Dollar GDP" looks smaller. Meanwhile, the British Pound remained relatively stable, allowing the UK to "leapfrog" back into 5th place.

The Base Year Revision

In February 2026, India updated its GDP base year from 2011–12 to 2022–23. While this ensures data reflects modern economic realities, it had a surprising side effect:

- **The Downward Adjustment:** The new methodology revealed that previous estimates had slightly overstated the size of the economy.
- **The Shrinkage:** Nominal GDP for FY26 was revised downward from ₹357 trillion to ₹345.5 trillion.
- **Impact:** This 2.8% to 3.8% reduction in the "base" size made it easier for Japan and the UK to stay ahead in the rankings.

The Numbers at a Glance (2025 Estimates)

Country	GDP (US\$ Trillion)	Status
Japan	\$4.44	4th Largest
UK	\$4.00	5th Largest
India	\$3.92	6th Largest

Is this a long-term setback?

Economists view this as a statistical shift rather than a structural failure. India remains the fastest-growing major economy, and the IMF projections suggest this "slip" is temporary:

- **2027:** India is forecast to regain the 4th spot, reaching \$4.58 trillion.
- **2028:** India is projected to surpass Japan to become the 3rd largest economy.

Multiple Choice Questions

1. According to the IMF's April 2026 report, what is India's current GDP ranking?

- A) 4th
- B) 5th
- C) 6th
- D) 3rd

2. Which currency factor primarily contributed to India's drop in the dollar-denominated GDP ranking?

- A) Rupee appreciation

- B) Rupee depreciation
- C) Stability of the Japanese Yen
- D) Hyperinflation in the US

3. What was the new base year adopted for India's GDP calculation in 2026?

- A) 2011–12
- B) 2015–16
- C) 2022–23
- D) 2024–25

4. By which year is India projected to surpass Japan to become the world's 3rd largest economy?

- A) 2026
- B) 2027
- C) 2028
- D) 2035

5. Why did the GDP base revision affect India's ranking?

- A) It increased the nominal GDP by 10%
- B) It led to a downward adjustment in the estimated size of the economy
- C) It changed the currency from Rupee to Dollar
- D) It excluded the service sector from calculations

Answers

1. C) 6th
2. B) Rupee depreciation
3. C) 2022–23
4. C) 2028
5. B) It led to a downward adjustment in the estimated size of the economy

2. LIC Launches 'MyLIC' and 'Super Sales Saathi' Mobile Applications

Source: TH

Context

The **Life Insurance Corporation of India (LIC)** has taken a major digital leap by launching two specialized mobile applications: **MyLIC** and **Super Sales Saathi**. These apps are designed to modernize India's largest insurer by creating a seamless, paperless interface for both its vast customer base and its massive network of agents.

MyLIC: The Customer's Digital Hub

This application serves as a comprehensive self-service portal for policyholders, aiming to reduce the need for physical visits to LIC branches.

- **Policy Management:** A unified dashboard allows users to monitor multiple policies, track survival benefits, and check maturity dates in real-time.
- **Financial Transactions:** Facilitates instant premium payments, applications for policy loans, and the revival of lapsed policies.
- **e-KYC Integration:** Streamlines the verification process, making it entirely paperless and significantly faster.
- **Claims Support:** Provides a digital pathway for filing and tracking the status of insurance claims.

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Super Sales Saathi: Empowering the Field Force

Recognizing that agents are the backbone of its business, LIC developed this app to optimize the efficiency of its intermediaries and sales teams.

- **Sales Enablement:** Includes AI-driven "customer nudges," digital product kits, and interactive explainers to help agents pitch the right products to the right clients.
- **Operational Efficiency:** Real-time tracking of policy status and automated follow-up reminders ensure that agents stay connected with their customers.
- **Performance Analytics:** A dedicated dashboard helps agents monitor their sales targets, achievements, and commissions, fostering a data-driven approach to their work.

Strategic Significance

By launching these apps, LIC is addressing several modern insurance challenges:

- **Digital Accessibility:** Bringing insurance services to the fingertips of a younger, tech-savvy demographic.
- **Paperless Initiatives:** Aligning with broader environmental and administrative goals by digitizing documentation and KYC.
- **Operational Speed:** Shifting from "branch-first" to "mobile-first" allows for quicker policy issuance and faster claim settlements.

Multiple Choice Questions (MCQs)

1. What is the primary target audience for the "Super Sales Saathi" app?

- A) High-net-worth investors
- B) LIC agents and intermediaries
- C) Medical examiners for insurance
- D) Corporate HR departments

2. Which of the following features is NOT a part of the MyLIC application?

- A) Unified Policy Dashboard
- B) Online Premium Payments
- C) e-KYC for verification
- D) Real-time tracking of global stock markets

3. How does the "Super Sales Saathi" app assist agents in customer outreach?

- A) By providing free insurance coupons.
- B) Through AI-based customer nudges and digital product kits.
- C) By allowing them to bypass mandatory KYC.
- D) By automatically deducting premiums from agent bank accounts.

4. What is a key goal of LIC's paperless service initiative through these apps?

- A) To increase the cost of insurance.
- B) To improve customer convenience and speed of service.
- C) To eliminate the need for any insurance agents.
- D) To restrict services to metro cities only.

5. Which feature of MyLIC allows a policyholder to restore a policy that has stopped due to non-payment of premiums?

- A) Policy Loan
- B) Revival of lapsed policies

- C) e-KYC Update
- D) Claims-related support

Answers

1. **B) LIC agents and intermediaries**
2. **D) Real-time tracking of global stock markets** (The app focuses strictly on LIC policy and benefit management.)
3. **B) Through AI-based customer nudges and digital product kits.**
4. **B) To improve customer convenience and speed of service.**
5. **B) Revival of lapsed policies**

3. SEBI's Fit and Proper Person Criteria

Context

The **Securities and Exchange Board of India (SEBI)** notified significant amendments to the **"Fit and Proper Person"** criteria on **April 15, 2026**. These changes represent a shift toward a more nuanced, evidence-based approach to regulatory disqualification, ensuring that market intermediaries are not penalized prematurely by the mere initiation of legal proceedings.

Shift from "Automatic" to "Conviction-Based" Disqualification

The primary goal of the amendment is to prevent the "weaponization" of legal complaints and to protect the business continuity of intermediaries during lengthy legal battles.

Legal Status	Previous Norms	Revised Norms (April 2026)
Filing of FIR / Complaint	Could trigger automatic disqualification.	No automatic disqualification.
Filing of Chargesheet	Often led to "not fit and proper" status.	No automatic disqualification.
Conviction	Moral turpitude only.	Expanded: Conviction for <i>any</i> economic offence or securities law violation.

Key Procedural Changes

- **Principles of Natural Justice:** SEBI has explicitly introduced a provision for a **"reasonable opportunity of being heard."** This ensures that an intermediary can present their case before being officially declared "not fit and proper."
- **Winding-up Proceedings:** Previously, the mere *initiation* of winding-up (liquidation) proceedings could disqualify a person. Under the new rules, only an **actual winding-up order** passed by a court or tribunal will attract disqualification.
- **Securities Law Violations:** The scope of disqualification upon conviction has been widened to include specific violations of the SEBI Act, SCRA (Securities Contracts Regulation Act), and the Depositories Act, even if they don't involve "moral turpitude."

Multiple Choice Questions (MCQs)

1. Which of the following will NO LONGER lead to automatic disqualification under the revised SEBI "Fit and Proper" norms?

- A) A final conviction for a securities law violation.
- B) The filing of an FIR or a criminal complaint.
- C) A court order for winding up a company.
- D) Being declared a "willful defaulter" by the RBI.

2. On which date did SEBI notify these revised amendments to the Fit and Proper framework?

- A) April 1, 2026
- B) April 9, 2026
- C) April 15, 2026
- D) September 30, 2026

3. Under the new norms, what specific legal threshold must be met for an economic offence to trigger disqualification?

- A) Filing of a complaint by a competitor.
- B) Mere mention in a chargesheet.
- C) An actual conviction.
- D) An inquiry by the local police.

4. What is the status of "winding-up proceedings" as a ground for disqualification under the April 2026 norms?

- A) Disqualification is triggered as soon as proceedings are initiated.
- B) Disqualification is only triggered once an actual winding-up order is issued.
- C) Winding-up is no longer a ground for disqualification even after a final order.
- D) Only the initiation of proceedings attracts disqualification, not the final order.

5. Which fundamental legal principle is reinforced by the requirement of a "reasonable opportunity of being heard" before a disqualification?

- A) Caveat Emptor (Buyer Beware)
- B) Principles of Natural Justice
- C) Double Jeopardy
- D) Res Judicata

Answers

1. **B) The filing of an FIR or a criminal complaint.**
2. **C) April 15, 2026**
3. **C) An actual conviction.** (The scope now includes all economic offences and securities law violations.)
4. **B) Disqualification is only triggered once an actual winding-up order is issued.**
5. **B) Principles of Natural Justice** (Ensuring fairness in administrative and regulatory decisions.)

4. Indian banks' credit portfolio resilient amid West Asia conflict: CRISIL

Context

This CRISIL report (April 17, 2026) offers a critical update on the **resilience of the Indian banking sector** amidst the ongoing West Asia conflict. While the overall picture is stable, the report highlights a "two-speed" asset quality trend: corporate and retail sectors are holding firm, while MSMEs are entering a period of localized stress.

The Macro Picture: GNPA Trajectory

India's banking sector has undergone a massive "cleanup" over the last decade. The **Gross Non-Performing Assets (GNPA)** ratio—a key measure of bad loans—is at its lowest in years.

- **The Trend:** From a peak of **11% in FY18**, GNPA's dropped to **2.3% in FY25** and are projected to hit a decadal low of **~2% by March 2026**.
- **Conflict Impact:** Even with the West Asia war approaching its second month, CRISIL expects GNPA's to only see a minor "settling" at **2.0–2.2% in FY27**. This indicates that the shock is currently being absorbed

by healthy bank balance sheets.

Where is the Risk?

The report breaks down the ₹170+ trillion Indian credit market into three primary buckets:

Segment	Share of Credit	GNPA Forecast (FY27)	Status
Corporate	36%	1.2% – 1.3%	Stable: Healthy balance sheets provide a "buffer" against oil and gas shocks.
Retail	33%	1.1% – 1.3%	Stable: Secured loans (housing/auto) are solid; unsecured books are finally stabilizing.
MSME	19%	3.4% – 3.6%	Under Pressure: Vulnerable to supply chain disruptions and input cost hikes.

The "Seasoning" of MSME Portfolios

CRISIL identifies two reasons why MSME bad loans might rise from **3.2% to 3.6%**:

1. **Direct Conflict Impact:** Small businesses lack the "financial muscle" to absorb the rise in crude oil and freight costs (as also noted in the UNDP poverty report).
2. **Portfolio Seasoning:** Over the last three years, MSME lending grew at a massive **20% CAGR**. "Seasoning" refers to the aging of these new loans. Statistically, the risk of default increases as a loan portfolio ages through its mid-cycle.

The RELIEF Framework

To prevent a "cascading impact" on banks, the government has introduced the **RELIEF (Resilience & Logistics Intervention for Export Facilitation)** framework.

- **Purpose:** To support exporters and MSMEs struggling with the **Hormuz/Suez** logistics crisis.
- **Expected Measures:** Extension of credit guarantee schemes (similar to the ECLGS used during the pandemic) and working capital support to manage "elongated" payment cycles.

Exam-Ready Revision MCQs

Q.1) According to CRISIL, what was the approximate GNPA level of Indian banks in FY18 compared to the FY27 projection?

- [1] 2.3% in FY18; 11% in FY27
- [2] 11% in FY18; 2-2.2% in FY27
- [3] 5% in FY18; 5% in FY27
- [4] 0% in FY18; 2% in FY27

Q.2) In the context of the CRISIL report, what does "Seasoning of the portfolio" refer to?

- [1] Adding spices to agricultural export loans.
- [2] The aging of a loan portfolio, which reveals its true risk profile over time.
- [3] Reducing the interest rate on loans during the monsoon.
- [4] The process of recovering bad debts through the IBC.

Q.3) Which segment of bank credit is expected to see the highest GNPA percentage (3.4-3.6%) in FY27?

- [1] Corporate Segment
- [2] Retail Segment
- [3] MSME Segment
- [4] Agriculture Segment

Q.4) What is the 'RELIEF' framework primarily designed to facilitate?

- [1] Relief for bank employees' working hours.
- [2] Logistics and resilience for exporters and MSMEs during the conflict.
- [3] Direct cash transfers to urban consumers.
- [4] Debt waivers for large corporate houses.

Answers: Q.1: [2] | Q.2: [2] | Q.3: [3] | Q.4: [2]

Facts To Remember

1. Constitution Amendment Bill, part of delimitation package, defeated

A united Opposition on Friday defeated the Constitution (131st Amendment) Bill, 2026, which sought to redistribute Lok Sabha seats on the basis of the 2011 Census to expedite the implementation of women's reservation.

2. PM Narendra Modi Visits Karnataka on April 15, 2026

Prime Minister Narendra Modi visited Karnataka on April 15, 2026. He inaugurated the Guru Bhairavaikya Mandira at Adichunchanagiri Mutt in Mandya. He also presented a nine-point agenda for "Viksit Karnataka" and released a spiritual book.

3. India's First Chip Fabrication Plant Approved

The Ministry of Commerce and Industry notified India's first semiconductor fabrication plant at Dholera SEZ. The project by Tata Group involves an investment of ₹91,000 crore. It aims to strengthen domestic semiconductor manufacturing and reduce import dependence.

4. MeitY Constitutes AI Governance Group

The Ministry of Electronics and Information Technology formed the Artificial Intelligence Governance and Economic Group (AIGEG). The body will guide AI policy and coordination across ministries. It will be chaired by Ashwini Vaishnaw.

5. Rajya Sabha Reconstitutes Vice-Chairpersons Panel

The Rajya Sabha reconstituted its panel of Vice-Chairpersons. Six MPs from different parties were nominated to ensure smooth functioning. The panel presides over proceedings in absence of the Chairman and Deputy Chairman.

6. FIU-IND Signs MoUs with SEBI & PFRDA

Financial Intelligence Unit – India signed MoUs with Securities and Exchange Board of India and Pension Fund Regulatory and Development Authority. The agreements enhance financial data sharing and fraud detection. They aim to curb money laundering and terror financing.

7. BRICS Health Working Group Meeting Held

The Ministry of Health and Family Welfare hosted the BRICS Health Working Group Meeting 2026. The meeting focused on public health cooperation and digital health systems. India proposed initiatives on healthy lifestyles and mental wellness.

8. WEF Projects Strong Global Growth

World Economic Forum projected global GDP to grow by USD 56 trillion in five years. Growth will be driven

by AI, quantum computing, and digital transformation. Asia is expected to contribute over 50% of global growth.

9. SEBI Relaxes Norms for Social Stock Exchange

Securities and Exchange Board of India extended NPO registration validity to 3 years. It also reduced minimum subscription for ZCZP instruments to 50%. The move enhances fundraising flexibility for non-profits.

10. World Bank Launches 'Water Forward' Initiative

World Bank launched 'Water Forward' to improve water security. The initiative targets 1 billion people by 2030. It focuses on sustainable water access and climate resilience.

11. N. Alim Yusuf Wins WWF Award

Indian botanist N. Alim Yusuf received the WWF National Award. He developed an AI-based app to detect invasive plant species. The innovation supports biodiversity conservation in Kerala.

12. Bloomberg Billionaires Index 2026

According to Bloomberg, Gautam Adani became Asia's richest person. He surpassed Mukesh Ambani in net worth rankings. Globally, Elon Musk retained the top position.

13. ISRO SAC & ATREE Sign MoU

Indian Space Research Organisation partnered with ATREE for sustainable land management. The initiative will map ecosystems using satellite and field data. It supports climate action and land degradation neutrality goals.

14. New Reed Snake Species Discovered

A new species 'Calamaria garoensis' was discovered in Meghalaya. It belongs to the reed snake genus and is non-venomous. The discovery highlights biodiversity richness in Northeast India.

15. N. Ramachandran Passes Away

N. Ramachandran passed away at 77. He served as President of the Indian Olympic Association and World Squash Federation. He played a key role in promoting squash in India.

16. World Chagas Disease Day – April 14

World Chagas Disease Day raises awareness about a neglected tropical disease. It commemorates Carlos Chagas who discovered the disease. The 2026 theme focuses on protecting future generations.

17. National Fire Service Day – April 14

National Fire Service Day honours firefighters who died in the 1944 Bombay Dock Explosion. It promotes fire safety awareness across India. The week-long campaign emphasizes prevention and preparedness.

18. Odisha Signs MoU for Marine Spatial Planning

Odisha signed an MoU with National Centre for Coastal Research. The initiative focuses on sustainable coastal development and marine ecosystem protection. It is part of the India-Norway ocean management collaboration.

FIVE TO REMEMBER · 17 & 18 APRIL 2026

1. **Fiscal Backing:** The **Union Budget 2026–27** allocated **₹19,200 crore** to the mission, cementing its status as a flagship initiative. The National Rural Livelihood Mission (NRLM)
2. **VISVAS Scheme:** An interest subvention scheme that provides a direct 5% interest waiver to SHGs and individual beneficiaries. The National Backward Classes Finance & Develop...
3. **The Census Pivot:** Traditionally, women's reservation and delimitation were expected to follow the first census after 2023. This Bill removes that wait-time, allowing for changes to proceed based on the **2011 Census** data. The Union Territories Laws (Amendment) Bill, 20...
4. **The Trend:** From a peak of **11% in FY18**, GNPA's dropped to **2.3% in FY25** and are projected to hit a decadal low of **~2% by March 2026**. Indian banks' credit portfolio resilient amid W...
5. **The 4x Leverage Principle:** With a seed investment of **₹1 lakh crore**, the government aims to trigger a total infrastructure spend of **₹4 lakh crore**. The Urban Challenge Fund (UCF)

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DAY 16 OF 23

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33 items · 4 topics

National Affairs 5 · Banking and Finance 4 · Agriculture 1 · Facts To Remember 23

Daily Current Affairs Quiz
19 & 20 April, 2026**National Affairs****1. National Monetisation Pipeline (NMP) 2.0**

Source: BS

Context

The government has launched the second phase of the **NMP**, identifying a fresh set of "brownfield" assets worth over **₹5 lakh crore** for private investment. Unlike the first phase which focused on roads and power, NMP 2.0 prioritizes **Urban Infrastructure, Warehousing, and Sports Stadiums**.

Background Concepts**Q: What is a "Brownfield Asset"?**

A: These are existing, government-owned operational assets (like a highway or a gas pipeline) that are already generating revenue but are underutilized. Monetizing these is safer for investors than "Greenfield" (new) projects because the construction risk is zero.

Q: How does "Asset Monetisation" differ from "Privatization"?

A: In **Asset Monetisation**, the government retains **ownership** of the land and the asset. It only leases the "right to operate and earn" to a private player for a fixed period (e.g., 30 years). In **Privatization**, the government sells the ownership and the asset permanently.

Q: What is the "Core vs. Non-Core" distinction?

A: Under NMP 2.0, only **Core Assets** (directly related to the agency's primary function, like rail tracks for Railways) are leased. **Non-Core Assets** (like vacant land or staff quarters) are usually sold or redeveloped through different schemes like the **Special Economic Zones (SEZ)** framework.

Key Features & Scale

- **Monetisation Target:** A cumulative target of **₹6 lakh crore** was set for the 4-year period (2022–2025), with NMP 2.0 extending the horizon to 2027.
- **Infrastructure Investment Trusts (InvITs):** A primary vehicle for NMP, allowing retail and institutional investors to buy "units" of infrastructure projects, similar to mutual funds.
- **Recycling of Capital:** The money earned from leasing old assets is immediately reinvested into building new infrastructure under the **PM Gati Shakti** plan.

Conceptual MCQs**Q1. In the context of the National Monetisation Pipeline, what happens to the ownership of the asset?**

- A) It is transferred to the private player permanently.
- B) It remains with the Government of India.
- C) It is split 50–50 between the government and the investor.

D) It is transferred to the World Bank.

Q2. Which of the following is considered a "Brownfield" asset?

- A) A newly planned airport in a rural area.
- B) A bridge that is currently under construction.
- C) An operational railway station requiring modernization.
- D) A forest area being cleared for a highway.

Q3. What is the primary objective of "Capital Recycling"?

- A) To print more currency notes.
- B) To use revenue from existing assets to fund new infrastructure projects.
- C) To encourage citizens to recycle plastic.
- D) To reduce the interest rates on personal loans.

Answers

- **Q1: B** (Explanation: Monetisation involves leasing the rights to operate, not selling the ownership.)
- **Q2: C** (Explanation: Brownfield refers to assets that are already built and operational.)
- **Q3: B** (Explanation: This allows the government to build more without increasing the fiscal deficit.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Investment Models, Infrastructure, Mobilization of Resources)
SSC / Banking	Economic Terms (InvITs, Brownfield vs Greenfield)
State PCS	State-specific asset leasing (e.g., State Highways, Power Discoms)

2. India's First Water-Neutral Railway Depot: Kankaria, Ahmedabad

Context

The **Kankaria Coaching Depot** in Ahmedabad, Gujarat, has officially become India's first '**water-neutral**' railway depot. Through advanced recycling systems, the depot now offsets its entire operational water consumption, drastically reducing its reliance on municipal freshwater.

The Impact: This serves as a blueprint for the "**Green Railways**" mission, aiming for net-zero carbon and water-positive operations across the Indian Railways network.

Background Concepts

Q: What does "Water-Neutral" mean in an industrial context?

A: Water neutrality is achieved when the amount of water used by a facility is equal to or less than the amount of water it recycles, recharges, or returns to the environment. At Kankaria, nearly 100% of the water used for washing train coaches is captured, treated, and reused.

Q: What is "Phytoremediation"?

A: It is a decentralized, eco-friendly wastewater treatment process that uses **living plants** to clean up soil, air, and water contaminated with hazardous chemicals. Specialized aquatic plants are used to absorb pollutants, heavy metals, and organic matter from the washing runoff, acting as a natural biological filter.

Q: How does UV Disinfection work in this cycle?

A: After the plants and sand filters remove physical particles and chemicals, **Ultraviolet (UV) light** is used to neutralize any remaining bacteria or pathogens. This ensures that the recycled water is safe for staff to

handle and high enough in quality to prevent scaling or damage to the train coaches.

Key Features & Environmental Scale

- **Massive Conservation:** The depot saves approximately **1.60 lakh litres** of water every single day.
- **Annual Savings:** Over a year, this amounts to roughly **5.84 crore litres**, equivalent to filling more than 23 Olympic-sized swimming pools.
- **Cost Efficiency:** By shifting to recycled water, the railway has significantly lowered its operational costs associated with purchasing freshwater and managing sewage discharge.
- **Multi-Stage Purification:** The treatment plant combines biological wetlands with technical filtration (Carbon and Sand) to ensure a robust, fail-safe water supply.

Conceptual MCQs

Q1. Where is India's first water-neutral railway depot located?

- A) Mumbai (Chhatrapati Shivaji Maharaj Terminus)
- B) New Delhi (Anand Vihar)
- C) Ahmedabad (Kankaria)
- D) Chennai (Perambur)

Q2. Which "eco-friendly" biological process is used at Kankaria to absorb pollutants from wastewater?

- A) Desalination
- B) Phytoremediation
- C) Nuclear Irradiation
- D) Reverse Osmosis (RO)

Q3. What is the primary benefit of achieving "Water Neutrality" for Indian Railways?

- A) To make trains move faster.
- B) To reduce dependence on freshwater and promote sustainable infrastructure.
- C) To eliminate the need for train staff.
- D) To increase the ticket price for passengers.

Answers

- **Q1: C** (Explanation: Kankaria Depot in Ahmedabad is the pioneer in achieving this sustainability milestone.)
- **Q2: B** (Explanation: Phytoremediation uses plants to naturally purify water, making it more sustainable than chemical-heavy treatments.)
- **Q3: B** (Explanation: It directly supports the national goal of environmental conservation and reducing the utility burden on local municipalities.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Environmental Conservation, Sustainable Infrastructure)
SSC / Banking	Current Affairs (National Firsts, Railway Milestones)
State PCS	GPSC (Gujarat-specific infrastructure and environmental initiatives)

3. The RELIEF (Resilience & Logistics Intervention for Export Facilitation) Scheme

Source: PIB

Context

"The best time to revise was yesterday. The next best is now."

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The **RELIEF (Resilience & Logistics Intervention for Export Facilitation)** scheme is a strategic "war-buffer" mechanism designed to protect India's export momentum from the escalating volatility in the West Asian trade corridor.

As of **April 17, 2026**, the government expanded its geographical footprint to include **Egypt and Jordan**, recognizing that the logistical disruptions from the regional conflict have spilled over into the wider North Africa-West Asia route.

Why RELIEF?

The scheme was born out of a critical need to prevent **"Imported Logistics Inflation"** for Indian traders. Since February 2024, maritime routes in the Gulf and Red Sea have faced:

- **War Risk Surcharges:** Massive spikes in insurance premiums for ships entering the region.
- **Freight Volatility:** Shifting routes around the Cape of Good Hope increasing time and fuel costs.
- **Liquidity Crunch:** MSMEs often lack the capital to absorb these sudden 50–100% hikes in shipping costs.

Detailed Scheme Architecture

The scheme operates with a **₹497 Crore** outlay under the broader **Export Promotion Mission (EPM)** and is implemented by **ECGC Limited**.

Component	Target Group	Key Benefit
Component I	Existing ECGC Policyholders	100% risk coverage for war/political loss; premiums frozen at pre-war rates.
Component II	New Exporters (Post-March 16, 2026)	95% risk coverage backstop for those taking fresh Whole Turnover Policies.
Component III	Non-Insured MSMEs	50% reimbursement of extraordinary surcharges (capped at ₹50 Lakh).

Strategic Geographical Coverage

Initially focused on the immediate Gulf, the list now covers **12 countries** critical for India's energy and commodity trade:

- **Original List:** UAE, Saudi Arabia, Kuwait, Qatar, Oman, Bahrain, Iraq, Iran, Israel, Yemen.
- **Recent Additions (April 2026):** **Egypt and Jordan**.

Conceptual MCQs

Q1. Which nodal agency is responsible for the implementation of the RELIEF scheme?

- A) DGFT (Directorate General of Foreign Trade)
- B) ECGC Limited
- C) EXIM Bank
- D) Federation of Indian Export Organisations (FIEO)

Q2. Under Component III, what is the maximum reimbursement limit for an individual MSME exporter?

- A) ₹10 Lakh
- B) ₹25 Lakh
- C) ₹50 Lakh
- D) ₹1 Crore

Q3. The RELIEF scheme is part of which larger mission launched with a ₹25,060 crore outlay for 2025–2031?

- A) Make in India 2.0

- B) Export Promotion Mission (EPM)
- C) Atmanirbhar Bharat Abhiyaan
- D) PM Gati Shakti

Answers

- **Q1: B** (ECGC acts as the primary insurer and reimbursement facilitator.)
- **Q2: C** (The cap of ₹50 Lakh ensures that the benefits are distributed among a larger pool of small exporters.)
- **Q3: B** (The EPM is the umbrella mission for all integrated export support, including the RELIEF scheme.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Indian Economy: Export-led growth, Trade Logistics)
RBI Grade B	Finance & Management (Export Credit, Risk Management)
SSC / Banking	Current Affairs (New Schemes, Nodal Agencies, Outlay)

4. The VAANI (Vibrant Advocacy for Advancement and Nurturing of Indian Languages) Scheme

Source: TOI

Context

The launch of the **3rd edition of the AICTE-VAANI** scheme in April 2026 marks a significant step in democratizing technical education in India. By breaking the "language barrier" in high-tech domains, the scheme aims to ensure that students from diverse linguistic backgrounds can master emerging technologies in their native tongues.

About the VAANI Scheme

VAANI (Vibrant Advocacy for Advancement and Nurturing of Indian Languages) is a flagship initiative of the **All India Council for Technical Education (AICTE)**. Its primary goal is to foster an ecosystem where technical knowledge is not restricted to English speakers but is accessible in the 22 scheduled Indian languages.

Key Features of the Third Edition (2026–27)

- **Financial Outlay:** An annual budget of **₹4 crore** has been dedicated to this phase.
- **Event Support:** The scheme supports **200 conferences, seminars, and workshops** annually.
- **Institutional Funding:** Each selected institution receives **₹2 lakh per event** to host 2–3 day academic programs.
- **Linguistic Scope:** Programs must be conducted in any of the **22 languages** listed in the **Eighth Schedule** of the Constitution.
- **Emerging Domains:** The scheme focuses on **16 cutting-edge sectors**, including:
 - Artificial Intelligence (AI) & Machine Learning
 - Quantum Technology (QT)
 - Cybersecurity
 - Hydrogen Energy
 - Space and Defence
 - Agrotech & Sustainable Farming

Conceptual MCQs

Q1. Which body is responsible for implementing the VAANI scheme?

- A) UGC (University Grants Commission)
- B) AICTE (All India Council for Technical Education)
- C) NITI Aayog
- D) CSIR (Council of Scientific & Industrial Research)

Q2. How many emerging technology areas are covered under the 3rd edition of the VAANI scheme?

- A) 8
- B) 12
- C) 16
- D) 22

Q3. What is the maximum financial assistance provided to an institution for a single 2–3 day event?

- A) ₹50,000
- B) ₹1 Lakh
- C) ₹2 Lakh
- D) ₹4 Crore

Answers

- **Q1: B** (AICTE operates under the Ministry of Education to regulate technical and management education.)
- **Q2: C** (The scheme identifies 16 specific domains, from Hydrogen Energy to Cybersecurity.)
- **Q3: C** (₹2 lakh is provided per event; the ₹4 crore figure is the total annual outlay for all 200 events.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Issues related to Education/Human Resources); GS-3 (Tech development)
SSC / Banking	Current Affairs (Schemes, Full forms, and Appointments)
UGC NET	Paper 1 (Higher Education System: Governance, Polity, and Admin)

5. The River Basin Management (RBM) Scheme

Source: ET

Context

- **The Approval:** The Government of India has approved the continuation of the **River Basin Management (RBM) Scheme** for the period **2026–27 to 2030–31**.
- **Financial Outlay:** The budget has been significantly increased to **₹2,183 crore**, up from ₹1,276 crore in the previous cycle, highlighting the urgency of water security.
- **Strategic Focus:** The scheme shifts from localized water projects to a **basin-level approach**, treating entire river systems as single hydrological units.

Background Concepts

Q: What is a "Basin-Level Approach"?

A: Traditional water management focuses on specific dams or canals. A basin-level approach treats the entire geographical area drained by a river and its tributaries (the basin) as one system. This ensures

that an action upstream (like a dam) is scientifically balanced with its impact downstream (like siltation or flow reduction).

Q: What is "Springshed Management"?

A: In hilly regions like the Himalayas or the North East, water is often sourced from natural springs rather than large rivers. Springshed management involves protecting the "recharge area" (where rainwater soaks into the ground) to ensure these springs don't dry up, providing "lean season" water security to tribal and mountain communities.

Q: What is the "Surplus vs. Deficit" challenge in Interlinking?

A: India experiences a "spatial mismatch" in water. The North and East often have **surplus** water (leading to floods), while the South and West face **deficits** (leading to droughts). The **Interlinking of Rivers (ILR)** aims to move water from surplus basins to deficit basins through a network of canals and reservoirs.

Key Features & Data

- **Massive Infrastructure Pipeline:** The National Water Development Agency (NWDA) has identified **30 river link projects**; Feasibility Reports are ready for 26, and Detailed Project Reports (DPRs) for 15.
- **Strategic Vulnerability:** Focuses heavily on the **Indus Basin** and **North Eastern Region**, ensuring water security in border states which is critical for international water diplomacy.
- **Flood Mitigation:** Includes high-priority projects like the protection of **Majuli Island** (the world's largest river island) from erosion by the Brahmaputra.
- **Technology First:** Extensive use of **LiDAR** (Light Detection and Ranging) and drone surveys to create high-resolution digital maps for flood forecasting and irrigation planning.

Challenges in Governance

- **Inter-State Disputes:** Water is a State subject in many aspects, leading to legal friction over water-sharing (e.g., Cauvery or Krishna disputes), which slows down inter-basin transfers.
- **Data Deficit:** Historically, the lack of real-time monitoring led to "runoff deficits"—where even 100% snowpack in the mountains didn't result in the expected river flow due to unknown mid-way losses.
- **Ecological Balance:** Building large-scale dams and canals often risks the health of river ecosystems and the biodiversity (like the Ganges River Dolphin) that depends on them.

Conceptual MCQs

Q1. Which organization is primarily responsible for planning the "Interlinking of Rivers" (ILR) projects in India?

- A) Central Water Commission (CWC)
- B) National Water Development Agency (NWDA)
- C) Brahmaputra Board
- D) NITI Aayog

Q2. What is the main objective of using LiDAR technology in the RBM scheme?

- A) To clean the river water using laser light.
- B) To create high-resolution digital elevation models for better flood forecasting and basin planning.
- C) To track the migration patterns of river fish.
- D) To measure the depth of groundwater in desert areas.

Q3. How does "Springshed Management" help hilly communities?

- A) It builds large thermal power plants near springs.
- B) It rejuvenates natural springs by protecting their recharge zones, ensuring water during dry seasons.

- C) It converts natural springs into commercial bottled water plants.
- D) It helps in diverting spring water to metro cities.

Answers

- **Q1: B** (Explanation: The NWDA is the dedicated agency under the Ministry of Jal Shakti for the study and implementation of inter-basin water transfers.)
- **Q2: B** (Explanation: LiDAR allows for extremely accurate mapping of terrain, which is essential for predicting where floodwaters will go.)
- **Q3: B** (Explanation: Springs are the lifelines of the Himalayas; scientific management ensures they remain perennial sources of water.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-1 (Geography: Distribution of Resources); GS-3 (Disaster Management & Environment)
SSC / Banking	Government Schemes, Outlays, and Ministry details
State PCS	Focus on North East (APSC) and North India (JKPSC) water security

Banking and Finance

1. Maritime Insurance Pool

Source: ET

Context

The Government of India has approved a **₹129.8 billion (\$1.4 billion)** guarantee to establish a domestic maritime insurance pool. Geopolitical tensions and international sanctions have led global reinsurers to withdraw coverage or hike premiums, risking the continuity of India's trade, particularly in energy and essential commodities.

Duration: The pool is set for an initial **10-year term**, with a provision for a 5-year extension.

Background Concepts

Q: What is a "Maritime Insurance Pool"?

A: It is a collective fund created by multiple insurance companies (often backed by the government) to share the risks associated with shipping. By pooling resources, they can provide coverage for high-risk scenarios—like war zones or sanctioned routes—where individual private insurers might refuse to provide protection.

Q: What is "Reinsurance" and why is GIC Re involved?

A: Reinsurance is "insurance for insurance companies." When a local insurer covers a massive ship, they pass part of that risk to a bigger entity (the reinsurer) to avoid bankruptcy in case of a total loss. **GIC Re** is India's state-backed reinsurer. When global reinsurers withdraw, GIC Re and the government must step in to provide this "backstop."

Q: How does this maintain "Sovereignty"?

A: Without domestic insurance, Indian ships rely on Western-led "P&I Clubs" (Protection and Indemnity). If these clubs withdraw cover due to foreign sanctions (e.g., on oil trade), Indian ships are grounded. A domestic pool ensures India can continue its strategic trade regardless of external diplomatic pressures or foreign sanctions.

Key Features & Scale

- **Government Guarantee:** The ₹129.8 billion serves as a financial safety net, ensuring that claims can be paid even if the pool's collected premiums are insufficient during a major crisis.
- **Inflation Adjustment:** Alongside this, the government announced a **2% increase** in inflation-linked allowances (Dearness Allowance) for employees, responding to the **3.40% CPI** rise in March.
- **Strategic Autonomy:** This move follows similar initiatives in the aviation sector, aiming to reduce dependence on the London-based insurance markets.

Conceptual MCQs

Q1. What is the primary reason the Indian government approved the maritime insurance pool?

- A) To lower the cost of luxury cruise tickets.
- B) To ensure trade continuity despite global sanctions and geopolitical tensions.
- C) To replace the Indian Navy with private security.
- D) To nationalize all private shipping companies.

Q2. Which organization is India's only state-backed reinsurer mentioned in the context?

- A) LIC
- B) GIC Re
- C) SEBI
- D) New India Assurance

Q3. What was India's Consumer Price Index (CPI) inflation rate in March 2026?

- A) 2.0%
- B) 3.21%
- C) 3.40%
- D) 5.1%

Answers

- **Q1: B** (Explanation: The pool acts as a buffer against the withdrawal of international coverage during wars or sanctions.)
- **Q2: B** (Explanation: General Insurance Corporation of India (GIC Re) provides the necessary reinsurance support to primary insurers.)
- **Q3: C** (Explanation: The text notes a rise to 3.40% year-on-year in March.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Energy Security, Economy, International Trade)
Banking	Current Affairs (Financial Terms, New Government Funds)
State PCS	Economic Geography (Port-led development & trade)

2. Association of Mutual Funds in India (AMFI)

Source: The Hindu

Context

Analysis of five-year data reveals that the **Association of Mutual Funds in India (AMFI)** spent nearly **90%** of its investor awareness funds on digital media campaigns (Google, Facebook) and advertising agencies.

While campaigns like "Mutual Fund Sahi Hai" are highly visible, experts and regulators are questioning whether the money is being used for genuine **financial literacy** or merely for **brand promotion**.

What is Association of Mutual Funds in India (AMFI)?

The **Association of Mutual Funds in India (AMFI)** is the apex non-profit, self-regulatory organization representing all Asset Management Companies (AMCs) registered with SEBI. Established in 1995, it acts as the primary watchdog and representative body for the Indian mutual fund industry.

As of **April 2026**, AMFI oversees an industry that has grown six-fold in a decade, with assets under management (AUM) crossing **₹73.73 lakh crore**.

Core Objectives & Functions

- **Setting Standards:** AMFI defines the Code of Conduct and ethical business guidelines for fund houses and intermediaries to ensure fair practice.
- **Investor Education:** It spearheads the massive "**Mutual Funds Sahi Hai**" campaign to promote long-term investing and financial literacy across India.
- **ARN Management:** It is the sole authority for issuing and managing the **AMFI Registration Number (ARN)**, which is mandatory for any individual or entity wishing to sell or distribute mutual funds.
- **Regulatory Interaction:** AMFI represents the industry's interests in discussions with **SEBI**, the **RBI**, and the Government of India.

Background Concepts

Q: What is the "SEBI Mandate" for Investor Awareness?

A: The Securities and Exchange Board of India (SEBI) requires Asset Management Companies (AMCs) to set aside **0.02% of their Assets Under Management (AUM)** annually for investor education. This is essentially "investor money" being reinvested to teach them about markets.

Q: What is the "Mutual Fund Sahi Hai" Campaign?

A: Launched by AMFI, this is a mass-media campaign aimed at demystifying mutual funds for the general public. It often uses "celebrity endorsements" (like cricketers) to build trust. Critics argue that while it increases "awareness," it doesn't necessarily teach "risk-reward" ratios or technical literacy.

Q: What is the difference between "Promotion" and "Education"?

A: **Promotion** focuses on encouraging people to buy a product (e.g., "Mutual funds are right for you"). **Education** focuses on teaching the mechanics, such as the difference between Equity and Debt, the impact of expense ratios, and the risks of market volatility.

Conceptual MCQs

Q1. According to SEBI norms, what percentage of AUM must be set aside for investor awareness?

- A) 0.05%
- B) 0.02%
- C) 1.00%
- D) 0.10%

Q2. Which body is responsible for managing the pooled investor awareness funds from various AMCs?

- A) RBI
- B) AMFI
- C) Ministry of Finance
- D) NITI Aayog

Q3. What is a primary criticism of the current investor awareness expenditure?

- A) The fund is too small to make an impact.
- B) It focuses more on digital promotion than on risk-reward education and school curriculum.
- C) The money is being spent only on print newspapers.
- D) SEBI has banned the use of celebrities in ads.

Answers

- **Q1: B** (Explanation: SEBI mandates 2 basis points (0.02%) of AUM for these initiatives.)
- **Q2: B** (Explanation: AMFI acts as the industry lobby group that pools half of the mandated 0.02% for national campaigns.)
- **Q3: B** (Explanation: Critics argue that "awareness" campaigns are often superficial and don't provide deep financial education.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Indian Economy, Capital Markets, Regulatory Bodies)
SSC / Banking	Financial Awareness (SEBI norms, AMFI, AUM definitions)
RBI Grade B	Finance & Management (Investor Protection and Education)

3. Stagflationary Risks

Source: BS

Context

- While retail inflation (**CPI**) sits at a seemingly manageable **3.4%**, the Wholesale Price Index (**WPI**) has surged to a 38-month high of **3.88%**.
- **The Base Year Shift:** A critical technical factor is the divergence in measurement: the CPI has transitioned to a **2024 base year**, while the WPI remains on the **2011-12 base year**.
- **Geopolitical Trigger:** The **U.S.-Israeli conflict with Iran** has led to the closure of the Strait of Hormuz, causing crude oil prices to skyrocket by **64%** in a single month (reaching ~\$114/barrel).

Background Concepts

Q: Why is the current CPI called "Deceptively Benign"?

A: Retail inflation (CPI) is being temporarily suppressed by localized supply gluts. Small and Medium Enterprises (**MSMEs**), unable to export due to war-induced shipping disruptions, are dumping products in the domestic market. This lowers prices for consumers now, but masks the massive **rise in input costs** that will eventually force prices up.

Q: What is "Imported Inflation"?

A: Since India imports nearly **90% of its crude oil** and **50% of its natural gas**, any increase in global prices or a **depreciation of the Rupee** (which fell ~3% in March) makes these essential goods more expensive. This "imports" inflation directly into the Indian economy, affecting everything from fertilizers to pharmaceutical raw materials.

Q: What are "Stagflationary Risks"?

A: Stagflation occurs when an economy faces **stagnant growth** (slowdown) and **high inflation** simultaneously. With the IMF trimming India's FY27 growth forecast to **6.2%** due to global recession risks, and WPI signaling rising costs, India faces the threat of prices rising even as the economy cools.

Conceptual MCQs

Q1. Which index currently uses 2024 as its base year for calculating inflation in India?

- A) Wholesale Price Index (WPI)
- B) Consumer Price Index (CPI)
- C) Index of Industrial Production (IIP)
- D) Gross Domestic Product (GDP) Deflator

Q2. What is the primary cause of the "Imported Inflation" discussed in the March 2026 context?

- A) Excessive domestic demand for luxury goods.
- B) Rupee appreciation against the US Dollar.
- C) High global crude oil prices combined with Rupee depreciation.
- D) A bumper harvest in the agricultural sector.

Q3. How are MSMEs currently influencing the "benign" CPI reading?

- A) By increasing their profit margins to record highs.
- B) By redirecting export-oriented goods to the domestic market, creating a temporary supply glut.
- C) By stopping all production until the war ends.
- D) By shifting their entire manufacturing base to the U.S.

Answers

- **Q1: B** (Explanation: As of 2026, the CPI has moved to a 2024 base year, while WPI still utilizes 2011-12.)
- **Q2: C** (Explanation: India's heavy reliance on dollar-denominated fuel imports makes it vulnerable to both global price hikes and currency weakness.)
- **Q3: B** (Explanation: Blocked export routes have forced goods back into India, artificially lowering retail prices despite rising costs for producers.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Inflation, Energy Security, International Relations)
SSC / Banking	Current Affairs (CPI/WPI Data, Economic Terms)
RBI Grade B	Macroeconomic Management (Monetary Policy & Stagflation)

4. The RBI Master Directions on Facility for Exchange of Notes and Coins

Context

The **RBI Master Directions on Facility for Exchange of Notes and Coins**, effective from **April 1, 2026**, consolidate all previous guidelines to ensure the public has seamless, free, and non-discriminatory access to currency exchange services.

By mandating that **all bank branches**—not just those with currency chests—provide these services, the RBI aims to reinforce its **Clean Note Policy**.

Key Highlights of the Master Direction

1. Mandatory Universal Services

Every bank branch in India is now legally required to provide the following services to both customers and non-customers:

- **Fresh Currency:** Issuance of fresh or good-quality notes and coins of all denominations.
- **Soiled & Mutilated Notes:** Acceptance and exchange of soiled, mutilated, or imperfect notes.
- **Coin Acceptance:** Accepting coins and notes for either transaction (deposits/payments) or exchange.

- **Small Denominations:** Branches cannot refuse to accept small denomination notes or coins.

2. Classification of "Unfit" Notes

The RBI distinguishes between notes based on the degree of damage, which determines whether you get **full value**, **half value**, or **nothing** in return.

Category	Description	Exchange Value
Soiled Note	Dirty due to normal wear and tear; includes two-piece notes where both pieces belong to the same note and no essential feature is missing.	Full Value
Mutilated Note	A note where a portion is missing or it is composed of more than two pieces.	Adjudicated Value (Full/Half/Zero)
Imperfect Note	Wholly or partially obliterated, shrunk, washed, or altered, but not necessarily mutilated.	Adjudicated Value

The "Essential Features" Rule

For a note to be considered for a refund, it must have its **Essential Features** intact. If these are missing or undecipherable, the bank may reject the note.

- **Issuing Authority** (Reserve Bank of India)
- **Guarantee and Promise Clause**
- **Signature of the Governor**
- **Mahatma Gandhi Portrait / Ashoka Pillar Emblem**
- **Watermark**

Conceptual MCQs

Q1. According to the 2026 Master Direction, what is the exchange value for a "Soiled Note" presented at a bank counter?

- A) 50% of the face value.
- B) Full face value.
- C) 75% of the face value.
- D) No value; it is only accepted for deposit.

Q2. Which of the following is NOT considered an "Essential Feature" of a banknote for adjudication?

- A) Mahatma Gandhi's portrait.
- B) The Governor's signature.
- C) The year of printing.
- D) The Ashoka Pillar emblem.

Q3. If a person presents 50 pieces of mutilated notes worth ₹10,000, how should the bank proceed?

- A) Exchange them immediately over the counter.
- B) Refuse the exchange as it exceeds the 20-piece limit.
- C) Accept them against a receipt and credit the value within 7 days.
- D) Ask the person to visit an RBI Regional Office.

Answers

- **Q1: B** (Soiled notes, even if in two pieces, are exchanged for full value as long as they are complete.)
- **Q2: C** (While the year is on the note, the RBI lists the Issuing Authority, Guarantee, Signature, Portrait/Emblem, and Watermark as "Essential.")

- **Q3: C** (For bulk exchanges exceeding 20 pieces or ₹5,000, banks provide a receipt and process the payment later.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Finance (Currency Management, Clean Note Policy)
Banking (PO/Clerk)	GA/Banking Awareness (Customer Service Norms)
UPSC CSE	GS-3 (Indian Economy: Monetary Policy/Banking)

Agriculture

1. Fixing India's Fertiliser Subsidy

Source: BS

Context

- India's fertiliser subsidy bill crossed **₹1.87 trillion** by February 2026, exceeding the Budget's revised estimates even before the fiscal year ended.
- **The Imbalance:** Heavily subsidised Urea (selling at **₹270 per 45-kg bag**) versus high global prices (~\$850/tonne) has led to an agronomic crisis.
- **The Goal:** To transition from "blanket subsidies" that encourage overuse to a system of **direct farmer support** and price rationalization.

Background Concepts

Q: What is the N:P:K Ratio and why does it matter?

A: It represents the proportion of **Nitrogen (N), Phosphorus (P), and Potassium (K)** in soil. The ideal ratio is roughly **4:2:1**. Because Urea (Nitrogen) is so much cheaper than P and K, Indian farmers over-apply it, leading to a distorted ratio of **10.9:4.1:1**, which degrades soil health and reduces crop yields over time.

Q: What is the Nutrient-Based Subsidy (NBS) Regime?

A: Under NBS, the government fixes a subsidy amount based on the nutrient content (N, P, K, and S) of the fertiliser, rather than fixing the retail price of the product itself. While P and K fertilisers are under NBS, **Urea remains outside it**, which is why its price stays artificially low and disconnected from market reality.

Q: What is "Price Arbitrage" in this context?

A: Arbitrage occurs when there is a massive gap between the subsidised domestic price and the high global/industrial price. This creates a "fundamental incentive" for **leakage and diversion**, where agricultural Urea is illegally diverted to industries (like plywood or chemical manufacturing) or smuggled across borders for profit.

Key Challenges & Proposed Reforms

- **Fiscal Sustainability:** The subsidy is one of the largest recurring government expenses. Reducing leakages could redirect funds toward **irrigation** and **soil health investments**.
- **Technology vs. Pricing:** While tools like **AgriStack** and **Point-of-Sale (PoS)** authentication track sales, they cannot stop "overuse" because the price signal is still broken.
- **Direct Benefit Transfer (DBT):** Experts suggest moving to a **per-acre cash transfer** directly to farmers' bank accounts. This protects farmer income while allowing the price of Urea to rise to market levels, discouraging waste.
- **Soil Health Integration:** Linking subsidy eligibility or amounts to **Soil Health Card** data would ensure that farmers apply only what the land actually needs.

Conceptual MCQs

Q1. What is the current N:P:K ratio in India as per the latest reports, compared to the ideal 4:2:1?

- A) 4:2:1 (Ideal)
- B) 10.9:4.1:1
- C) 2:1:1
- D) 20:10:5

Q2. Why is Urea currently excluded from the Nutrient-Based Subsidy (NBS) regime?

- A) It contains no nutrients.
- B) It is too expensive to manufacture locally.
- C) Political sensitivity regarding direct price increases for farmers.
- D) It is only used for industrial purposes.

Q3. What is the primary advantage of shifting to a "Direct Benefit Transfer" (DBT) for fertilisers?

- A) It makes fertilisers completely free for everyone.
- B) It removes the incentive for overuse and diversion while protecting farmer income.
- C) It prevents farmers from buying any fertilisers.
- D) It increases the government's administrative burden.

Answers

- **Q1: B** (Explanation: The extreme skew toward Nitrogen is driven by the heavy subsidy on Urea compared to other nutrients.)
- **Q2: C** (Explanation: While technically sound, bringing Urea under NBS is politically challenging as it would lead to a visible price hike.)
- **Q3: B** (Explanation: By giving cash instead of cheap products, the market price signals stay intact, encouraging efficient use.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Issues related to Direct & Indirect Farm Subsidies; Buffer Stocks & Food Security)
SSC / Banking	Economic Terms (NBS, DBT, Fiscal Deficit)
State PCS	Agrarian Economy & Soil Health Schemes

Facts To Remember

1. Odisha gets Indias 1st advanced 3D chip unit

Heterogeneous Integration Packaging Solutions Pvt Ltd (3D Glass Solutions) kicked off work on Sunday on Indias first advanced 3D glass chip packaging unit at Info Valley in Odishas Bhubaneswar.

2. MeitY Selects 10 Startups Under IndiaAI ISG Programme

In April 2026, the Ministry of Electronics and Information Technology selected 10 AI startups for the second cohort of the IndiaAI Startups Global Acceleration Programme, aimed at boosting global exposure and innovation in AI.

3. AICTE Launches 3rd Edition of VAANI Scheme

In April 2026, the All India Council for Technical Education launched the third edition of the VAANI scheme to promote Indian languages in technical education across 22 scheduled languages and emerging technology domains.

4. Herbalife India & IIT Madras Sign MoU for CoE

On April 17, 2026, Herbalife India partnered with Indian Institute of Technology Madras to establish India's first Centre of Excellence on plant cell fermentation for sustainable health innovation.

5. MoMSME Signs MoU with NLDL

On April 17, 2026, the Ministry of Micro, Small and Medium Enterprises signed an MoU with NLDL Logistics Data Services Limited to enable real-time data exchange and improve MSME logistics efficiency.

6. DGFT Authorises Banks to Import Gold & Silver

In April 2026, the Directorate General of Foreign Trade authorised 17 banks to import gold and silver till March 2029 under updated Foreign Trade Policy provisions.

7. World Bank Approves Loan for Rajasthan Highway Project

On April 13, 2026, the World Bank approved a USD 225 million loan to upgrade 800 km of highways and enhance infrastructure resilience in Rajasthan.

8. CheQ & AU SFB Launch LED Credit Card

In April 2026, CheQ and AU Small Finance Bank launched India's first LED-enabled credit card powered by NFC technology for enhanced digital payments.

9. JSW Steel & POSCO Plan Joint Venture

In April 2026, JSW Steel and POSCO approved a 50:50 joint venture to set up a 6 MTPA integrated steel plant in Odisha.

10. Sayani Gupta Named Harvard SAA Person of the Year

In April 2026, Sayani Gupta was awarded 'Person of the Year' by Harvard SAA for her contribution to arts and South Asian representation.

11. USA Unveils Space Nuclear Power Plan

In April 2026, the Office of Science and Technology Policy launched a plan to deploy nuclear reactors in space, with National Aeronautics and Space Administration targeting a Moon reactor by 2030.

12. NASA to Launch Rosalind Franklin Rover in 2028

In April 2026, National Aeronautics and Space Administration announced that SpaceX will launch the Rosalind Franklin rover to Mars in 2028 to search for subsurface life.

13. NITI Aayog Launches 'Divya Bharat' Anthology

In April 2026, NITI Aayog released "Divya Bharat: A Window to the Soul of India" to promote tourism through curated cultural and experiential travel content.

14. World Quantum Day 2026 – April 14

World Quantum Day, observed on April 14, promotes awareness of quantum science and its applications,

with the 2026 theme “Shaping the Quantum Workforce”.

15. World Art Day 2026 – April 15

World Art Day is celebrated on April 15 to highlight art’s role in society, with the 2026 theme “A Garden of Expression: Cultivating Community through Art”.

16. World Voice Day 2026 – April 16

World Voice Day, observed on April 16, raises awareness about vocal health and communication, with the 2026 theme “Caring for Our Voices!”.

17. Meghalaya Approves Khasi & Garo as Official Languages

On April 16, 2026, Meghalaya approved Khasi and Garo as official languages to promote regional identity and administrative inclusion.

18. Surya Devbhoomi Challenge 2.0 Flagged Off

On April 16, 2026, CDS Anil Chauhan flagged off the Surya Devbhoomi Challenge 2.0 in Uttarakhand to boost adventure tourism and local employment.

19. India and South Korea sign four MOUs in various fields

Prime Minister Narendra Modi today held delegation-level talks with the President of South Korea, Lee Jae Myung, in New Delhi.

20. 7th edition of India-Uzbekistan joint military exercise DUSTLIK 2026 being conducted at Gurumsaray Field Training Area

The seventh edition of the India-Uzbekistan joint military exercise DUSTLIK 2026 is being conducted at the Gurumsaray Field Training Area at Namangan in Uzbekistan.

21. Indian economy well-positioned to handle ongoing oil shock and West Asia tensions: SBI

The Indian economy is well-positioned to handle the ongoing oil shock and West Asia tensions, with GDP growth projected at 6.8 to 7% in Financial Year '27, according to State Bank of India (SBI) Research. T

22. IOS SAGAR departs Phuket after successful three-day Operational Turnaround

Indian Ocean Ship (IOS) SAGAR has departed Phuket in Thailand on completion of a high-tempo three-day Operational Turnaround.

23. G20 satellite is expected to be launched in 2027: ISRO Chairman

ISRO Chairman V. Narayanan has said that the G20 satellite, designed to study climate and air pollution and monitor weather, is expected to be launched in 2027.

FIVE TO REMEMBER · 19 & 20 APRIL 2026

1. **Monetisation Target:** A cumulative target of **₹6 lakh crore** was set for the 4-year period (2022–2025), with NMP 2.0 extending the horizon to 2027. National Monetisation Pipeline (NMP) 2.0
2. The scheme was born out of a critical need to prevent **"Imported Logistics Inflation"** for Indian traders. Since February 2024, maritime routes in the Gulf and Red Sea have faced: The RELIEF (Resilience & Logistics Intervention...
3. **Event Support:** The scheme supports **200 conferences, seminars, and workshops** annually. The VAANI (Vibrant Advocacy for Advancement and...
4. **Q1: B** (Explanation: The NWDA is the dedicated agency under the Ministry of Jal Shakti for the study and implementation of inter-basin water transfers.) The River Basin Management (RBM) Scheme
5. While retail inflation (**CPI**) sits at a seemingly manageable **3.4%**, the Wholesale Price Index (**WPI**) has surged to a 38-month high of **3.88%**. Stagflationary Risks

Now test yourself: c4scourses.in/daily-quiz/daily-quiz-1920-april-2026/

DAY 17 OF 23

21 April 2026

Tuesday · 24 items · 4 topics

National Affairs 4 · Banking and Finance 2 · Agriculture 1 · Facts To Remember 17

Daily Current Affairs Quiz
21 April, 2026**National Affairs****1. India's Forest Carbon Sink: A 2100 Projection**

Source: TH

Context

- A new modeling study by Indian researchers predicts that India's forests could nearly **double (97% increase)** their carbon storage by 2100 under a high-emissions scenario.
- **The Driver:** The projected growth is fueled by "CO₂ fertilization" and increased precipitation, which enhance photosynthesis and tree growth.
- **The Paradox:** Surprisingly, the most significant gains are expected in **arid and semi-arid zones** (Rajasthan, Gujarat) rather than traditional forest strongholds like the Western Ghats.

Background Concepts**Q: What is "Vegetation Carbon Biomass"?**

A: This refers to the amount of carbon stored in the living parts of plants—trunks, branches, leaves, and roots. Forests act as "carbon sinks" by absorbing atmospheric CO₂ and locking it away in this woody biomass.

Carbon cycle with CO₂ dioxide gas exchange process scheme outline concept

Q: What is "CO₂ Fertilization"?

A: Plants use CO₂ for photosynthesis. Higher concentrations of atmospheric carbon dioxide can act like a "fertilizer," allowing trees to grow faster and use water more efficiently, provided other nutrients and water are available.

Q: Why do the Western Ghats show smaller relative increases?

A: This is due to **ecological saturation**. These regions are already dense with biomass. There is limited physical space and sunlight for significant additional growth compared to "dry margins" where even a small increase in rainfall can trigger a massive relative jump in vegetation.

The Three Pathways to 2100

The study uses different climate models to predict how much more carbon India's vegetation will hold compared to today:

Scenario	Projected Increase by 2100	Driver Focus
Low-Emissions	35%	Sustainable growth, limited climate shift.
Medium-Emissions	62%	Moderate warming and rainfall increase.
High-Emissions	97%	Extreme CO ₂ levels and heavy rainfall.

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Note: All scenarios track similarly until **2030**, with sharp divergence occurring after **2050**.

Key Findings & Regional Forecasts

- **Arid Zones as Gainers:** Rajasthan, Gujarat, and Western Madhya Pradesh are projected to see a **>60% rise** in vegetation carbon.
- **The Lag Effect:** Forests do not respond instantly to wet years. The study found a **2 to 4-year lag** between increased rainfall and measurable increases in woody biomass.
- **Hidden Risks:** Researchers warn that these "gains" are fragile. The models do not fully account for **wildfires, droughts, pests, or human-led deforestation**, which could turn these carbon sinks into carbon sources (releasing \$CO_2\$ back into the atmosphere).

Conceptual MCQs

Q1. According to the study, which regions of India will see the highest *relative* increase in forest carbon storage by 2100?

- A) The Western Ghats and the Northeast.
- B) Desert and semi-arid zones of Rajasthan and Gujarat.
- C) The coastal mangrove forests.
- D) The high-altitude Himalayan belt.

Q2. What are the two primary "interacting forces" driving the projected increase in biomass?

- A) Decreased sunlight and increased soil nitrogen.
- B) Rising precipitation and elevated atmospheric \$CO_2\$.
- C) Cooling temperatures and reduced humidity.
- D) Higher wind speeds and volcanic activity.

Q3. Why is the projected increase in vegetation not necessarily considered a "net good" by scientists?

- A) Because trees release oxygen which is harmful to humans.
- B) Because the growth may be unstable and prone to sudden release via wildfires or pests.
- C) Because carbon storage has no impact on global warming.
- D) Because it will make the deserts too green for camels.

Answers

- **Q1: B** (The "dry margins" have the most room for expansion as rainfall patterns shift.)
- **Q2: B** (More water and more "food" (\$CO_2\$) lead to higher growth rates, known as the \$CO_2\$ fertilization effect.)
- **Q3: B** (Extreme weather events intensified by climate change can destroy these new forests, rapidly releasing all stored carbon back into the air.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Environment: Climate Change, Conservation, Carbon Sinks)
IFS (Forest Service)	Forest Ecology, Carbon Sequestration Modeling
SSC / Banking	General Science (Photosynthesis, \$CO_2\$ trends)

2. G20 Satellite

Source: News on Air

Context

"One page a day is a book a year. Keep going."

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On **April 18, 2026**, during an address at the Engineering Staff College of India in Hyderabad, ISRO Chairman **Dr. V. Narayanan** announced that the proposed **G20 Satellite** is targeted for launch in **2027**. This mission, first proposed by Prime Minister Narendra Modi during India's G20 Presidency, represents a major step in using space technology for global common good.

Technical Overview & Orbit

The satellite is designed to serve as a high-precision Earth observation platform, operating in a specific orbital configuration to ensure maximum data consistency.

- **Orbit Type:** Sun-Synchronous Polar Orbit (SSO).
- **Altitude:** Approximately **720 km** above Earth.
- **Inclination: 98.269 degrees**, allowing it to cover nearly the entire globe.
- **Revisit Time:** The satellite will pass over the same spot every **48 days**, allowing for long-term comparative analysis of environmental changes.

Key Scientific Payloads (Instruments)

To achieve its goals of monitoring pollution and climate, the G20 Satellite will carry four primary high-tech instruments:

1. **EnSAC Sensor:** Designed to measure **harmful trace gases** (like CO_2 and CH_4) in the atmosphere to track global warming and urban pollution.
2. **HyMATHS Instrument:** Tracks **temperature and humidity** profiles to significantly improve localized weather forecasting.
3. **POLSAC Sensor:** Observes **aerosols, dust, and cloud patterns** to study how air quality affects monsoon and rainfall cycles.
4. **SACFF Instrument:** A specialized imaging system for **land and forest monitoring**, capable of early detection of forest fires.

Key Concepts

Q: Why is a "Sun-Synchronous Orbit" (SSO) used for this mission?

A: This orbit ensures the satellite passes over any given point on Earth at the **same local solar time** every day. This constant lighting condition is critical for scientists to compare daily changes in air quality or vegetation without being confused by shadows or different times of day.

Q: What is "Space Diplomacy"?

A: It is the use of space programs to build and improve relations between nations. By leading the G20 Satellite project, India is positioning itself as a **provider of global public goods**, sharing expensive satellite data with other nations to solve common problems like climate change.

Q: How does this satellite help in "Disaster Monitoring"?

A: Through real-time Earth observation, it can track the formation of cyclones, the spread of floods, and the movement of locust swarms or forest fires, providing an **early warning system** to G20 member states.

Conceptual MCQs

Q1. According to ISRO Chairman V. Narayanan, what is the expected launch timeframe for the G20 Satellite? A) Late 2025

B) Early 2026

C) 2027

D) 2030

Q2. Which instrument on the G20 Satellite is specifically tasked with monitoring trace gases like those

responsible for global warming? A) POLSAC

B) HyMATHS

C) EnSAC

D) SACFF

Q3. What is the primary purpose of placing the G20 Satellite in a Sun-Synchronous Orbit? A) To keep it as close to the Sun as possible for solar power.

B) To ensure it passes over the same location at nearly the same local time daily for consistent data.

C) To make it travel faster than other satellites.

D) To avoid space debris found in lower orbits.

Answers

- **Q1: C** (Slated for a 2027 launch to benefit G20 member nations.)
- **Q2: C** (The EnSAC sensor is the primary tool for measuring atmospheric chemical composition.)
- **Q3: B** (Consistent "sun time" allows for accurate daily comparisons of environmental changes.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (International Relations/Diplomacy); GS-3 (Space Tech, Environment)
State PCS	Science & Tech (ISRO missions, Satellite payloads)
SSC / Banking	General Awareness (Current Heads of Organizations, Upcoming launches)

3. Pradhan Mantri Gram Sadak Yojana–III (PMGSY–III)

Context

The Union Cabinet's decision to extend **PMGSY–III** ensures that the momentum of rural infrastructure development continues without a hitch. This extension is particularly critical for projects that faced delays due to difficult terrain or administrative hurdles.

The Strategic Shift of PMGSY–III

PMGSY–III is not just about laying asphalt; it is about **consolidation**. It targets the "Major Rural Links" (MRLs) that act as the backbone for rural productivity.

The Target Destinations

Instead of just connecting a village to a main road, PMGSY–III specifically prioritizes routes that lead to:

- **GrAMs (Gramin Agricultural Markets):** Facilitating faster transport of perishable produce to reduce post-harvest losses.
- **Higher Secondary Schools:** Directly supporting the **NITI Aayog** goal of reducing secondary school dropouts (currently at 11.5%).
- **Healthcare Facilities:** Complementing platforms like **JANANI** by ensuring emergency medical transport can reach rural doorsteps.

Core Evolution of PMGSY

Phase	Launch Year	Primary Objective
PMGSY–I	2000	Provide basic "all-weather" connectivity to eligible unconnected habitations.
PMGSY–II	2013	Upgradation of existing rural road networks to improve overall efficiency.
PMGSY–III	2019	Consolidation of routes linking habitations to Gramin Agricultural Markets (GrAMs), schools, and hospitals.

Key Strategic Updates

- **Extended Timelines:**
 - **Plain Areas:** Completion of roads and bridges extended to **March 2028**.
 - **Hilly/Difficult Areas:** Roads until **March 2028**, while bridges receive a buffer until **March 2029**.
- **Funding Structure:** The transition from a 100% centrally funded model to a **60:40 ratio** (90:10 for North Eastern and Himalayan states) ensures states have "skin in the game," fostering better maintenance and accountability.
- **Targeted Impact:** PMGSY-III isn't just building any road; it targets **Through Routes** and **Major Rural Links (MRLs)**. These are the "arteries" that carry the most traffic and connect farmers directly to markets.

Feature	Phase I & II (Initial)	PMGSY-III (Current)
Funding Ratio	100% Central	60:40 (Center:State); 90:10 for NE/Hilly states.
Primary Goal	Connecting "Unconnected" habitations.	Consolidating through routes and major links.
New Timeline	Ends March 2025	Extended to March 2028 .

Conceptual MCQs

Q1. What is the primary difference between PMGSY-I and PMGSY-III?

- A) Phase I was for urban roads, Phase III is for rural.
- B) Phase I focused on new connectivity, while Phase III focuses on consolidating existing through routes and major links.
- C) Phase I was funded by the World Bank, while Phase III is funded by the RBI.
- D) Phase III only covers hilly areas, whereas Phase I covered the plains.

Q2. Under the current funding pattern for PMGSY-III, what is the share of the Central Government for North Eastern and Himalayan states?

- A) 60%
- B) 75%
- C) 90%
- D) 100%**

Q3. PMGSY-III specifically aims to link rural habitations with which of the following?

1. Gramin Agricultural Markets (GrAMs)
 2. Higher Secondary Schools
 3. Hospitals/Healthcare Facilities
- Select the correct code: A) 1 and 2 only B) 2 and 3 only C) 1 and 3 only **D) 1, 2, and 3**

Answers: Q1: B | Q2: C | Q3: D

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-1 (Indian Culture/Handlooms); GS-3 (Economy: MSME, Textiles)
State PCS	State-specific weaves (Goa's Kunbi, Odisha's Ikat, Assam's Muga)
SSC	Current Affairs (Pageant winners, Government initiatives)

4. Vishwa Sutra

Source: PIB

Context

The **Vishwa Sutra** collection recently debuted at the **61st Femina Miss India** in Bhubaneswar. The collection features 30 distinct Indian handloom weaves, each reimagined through the cultural and design lenses of 30 different nations.

What is Vishwa Sutra?

Vishwa Sutra (meaning "Universal Thread") is a strategic design initiative by the **Ministry of Textiles** to reposition traditional Indian handlooms as a high-fashion, globally relevant commodity. Instead of viewing handlooms as "ethnic wear," this project treats them as a versatile **global fabric**.

- **Launched By:** The Office of the Development Commissioner (Handlooms) under the Ministry of Textiles.
- **Design Partner:** National Institute of Fashion Technology (NIFT).
- **Strategic Platform:** Utilizing the **Miss India** pageant to reach a younger, global demographic and break the stereotype that handlooms are only for traditional occasions.

The "30-30" Design Framework

The core of the project is the artistic pairing of a specific Indian state's weave with the design sensibilities of a specific foreign country.

Indian Weave	Pairing Country	Design Fusion
Odisha Ikat	Greece	Merging Ikat patterns with Greek drapery and forms.
Kanchipuram	Norway	Combining heavy South Indian silk with minimalist Norwegian lines.
Muga Silk	Egypt	The golden silk of Assam meets Egyptian royal silhouettes.
Patola (Gujarat)	Spain	Intricate double-ikat patterns reimagined for Spanish-inspired ensembles.
Kunbi Weave (Goa)	Central Europe	Traditionally a tribal weave, presented as a Central European skirt.

Key Concepts

Q: What is the "Kunbi Weave" spotlighted in the pageant?

A: The Kunbi is a traditional checked weave from **Goa**, historically worn by the Kunbi tribal community. It is known for its sturdy cotton and simple patterns symbolizing "family and seed." In Vishwa Sutra, it was reimagined as a modern silhouette to show that even ancient tribal weaves can work in Western fashion.

Q: How does this support "Women-led Entrepreneurs"?

A: The handloom sector is the second-largest employer in rural India after agriculture, and a vast majority of weavers and allied workers are women. By increasing global demand for these fabrics, the scheme directly impacts the livelihood of millions of women-led small businesses and cooperative societies.

Q: What is the role of NIFT in this scheme?

A: NIFT acts as the bridge between **tradition and market**. They provide the "Trend Forecast" and design expertise to ensure that a 500-year-old weaving technique is cut and styled in a way that appeals to a buyer in Paris, New York, or Dubai.

Conceptual MCQs

Q1. The Vishwa Sutra initiative is a collaboration between the Ministry of Textiles and which academic institution?

- A) IIT Delhi
- B) NIFT (National Institute of Fashion Technology)

- C) National School of Drama
D) IIM Ahmedabad

Q2. In the Vishwa Sutra collection, the Kunbi weave—traditionally from Goa—was reimagined as which silhouette?

- A) A Japanese Kimono
B) A Central European skirt
C) A Greek Tunic
D) An Egyptian Robe

Q3. What is the primary aim of the "30-30 Framework" in the Vishwa Sutra project?

- A) To produce 30 million meters of cloth in 30 days.
B) To pair 30 state-specific Indian weaves with the design sensibilities of 30 different countries.
C) To train 30,000 weavers in 30 different districts.
D) To open 30 new NIFT campuses across 30 states.

Answers

- **Q1: B** (NIFT provides the design and academic framework for the project.)
- **Q2: B** (The Kunbi weave was worn by the Miss India winner, reimagined as a Central European skirt silhouette.)
- **Q3: B** (The framework is designed to showcase the global versatility of Indian textiles.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-1 (Indian Culture/Handlooms); GS-3 (Economy: MSME, Textiles)
State PCS	State-specific weaves (Goa's Kunbi, Odisha's Ikat, Assam's Muga)
SSC	Current Affairs (Pageant winners, Government initiatives)

Banking and Finance

1. SEBI Amends AIF Rules: Expanding Access to Social Impact Funds

Source: BS

Context

- The Securities and Exchange Board of India (SEBI) has notified amendments to the **Alternative Investment Fund (AIF)** Regulations.
- **The Pivot:** The regulator has drastically lowered the entry barrier for individual investors in **Social Impact Funds (SIFs)** to democratize the **Social Stock Exchange (SSE)**.
- **The Goal:** To align the investment size with other retail-friendly social instruments and allow small-scale investors to contribute to Non-Profit Organizations (NPOs).

Key Regulatory Changes

1. Drastic Reduction in Minimum Investment

- **Old Rule:** Individual investors were required to commit a minimum of **₹2 lakh** to invest in a Social Impact Fund.
- **New Rule:** The threshold has been slashed to **₹1,000**.

- **Impact:** This 99.5% reduction shifts SIFs from an "exclusive" high-net-worth product to a "mass-market" retail product.

2. Alignment with ZCZP Instruments

- The move aligns SIF investment sizes with **Zero Coupon Zero Principal (ZCZP)** instruments.
- ZCZP is a unique financial instrument used by NPOs to raise funds. It offers no interest (Zero Coupon) and does not return the principal (Zero Principal) to the investor; it is essentially a structured donation that provides transparency on how the "investment" is used for social causes.

3. "Inoperative" Status for AIFs

- SEBI now permits AIFs to seek **"inoperative" status** if they no longer hold any funds after their tenure (fund life) expires.
- This allows fund houses to reduce administrative and compliance burdens on "empty" funds that have already liquidated their assets and paid out investors, provided they follow prescribed norms.

Understanding the "Social Impact Fund" (SIF)

A Social Impact Fund is a sub-category under **Category I AIFs**. These funds invest in the securities of social enterprises or NPOs that are listed or registered on the Social Stock Exchange. Unlike traditional funds, their primary objective is to generate measurable social or environmental impact alongside a potential (though often limited) financial return.

Conceptual MCQs

Q1. What is the new minimum investment limit for individual investors in Social Impact Funds after the 2026 SEBI amendment?

- A) ₹2 Lakh
- B) ₹50,000
- C) ₹1,000
- D) ₹10,000

Q2. Social Impact Funds fall under which category of Alternative Investment Funds (AIFs)?

- A) Category I
- B) Category II
- C) Category III
- D) Category IV

Q3. What does "Zero Principal" mean in a ZCZP instrument?

- A) The investor gets double the principal back.
- B) The principal amount is never returned to the investor; it is used for social work.
- C) The investor only gets the principal back without any interest.
- D) The investment is entirely safe and guaranteed by the government.

Answers

- **Q1: C** (The limit was reduced from ₹2 lakh to ₹1,000 to boost retail participation.)
- **Q2: A** (Category I AIFs include funds that invest in start-ups, early-stage ventures, and social ventures.)
- **Q3: B** (ZCZP is designed for philanthropy where the "investor" knows the money is a non-refundable contribution to a specific social cause.)

Exam Relevance

Exam Focus Area	Relevance Level
SEBI Grade A	AIF Regulations, Social Stock Exchange, ZCZP details
RBI Grade B	Finance (Financial Markets & Inclusion)

2. RBI Partially Eases Rupee NDF Curbs

Source: Business Standard

Context

- On Monday, April 20, 2026, the RBI partially rolled back the strict "firewall" measures it imposed on April 1 regarding **non-deliverable forwards (NDF)**.
- The Reason:** Stability has returned to the forex market following a volatile March. The RBI perceives a lower **arbitrage risk** now that banks have complied with the April 10 deadline.
- The Signal:** This confirms Governor Sanjay Malhotra's stance that these "desperate measures" were temporary interventions to defend the Rupee during the West Asia conflict, not a permanent policy shift.

The April 20 "Relaxation" Matrix

The RBI is cautiously opening the "back door" for banks to manage existing risks while keeping the speculation valve tightly closed.

Feature	Status (April 1–19)	Status (Starting April 20)
Related-Party Deals	Total Ban	Permitted (Cancellation/Rollover only)
Back-to-Back Route	Prohibited	Permitted
Net Open Position (NOP)	Capped at \$100 Million	Remains Capped at \$100 Million
New Derivative Trades	Barred with related parties	Remains Barred

Key Concepts

- Q: What are Non-Deliverable Forwards (NDF)?**
 - A:** These are foreign exchange derivative contracts settled in a freely traded currency (usually USD) rather than the restricted currency (INR). They allow offshore investors to bet on the Rupee's value without physically holding it.
- Q: What is the "Back-to-Back" Route?**
 - A:** A risk-neutral strategy where a bank offsets a trade with a client by entering an identical, opposite trade with another party (often its own offshore branch). This ensures the bank has **zero net exposure** to market movements.
- Q: What is a Net Open Position (NOP)?**
 - A:** The total "unhedged" foreign currency exposure a bank carries on its books. By keeping this cap at **\$100 million**, the RBI prevents banks from building large speculative positions that could destabilize the Rupee.
- Q: What is Arbitrage Risk?**
 - A:** The risk that traders exploit price differences between the **onshore market** (India) and the **offshore market** (NDF). High arbitrage can drain India's forex reserves and put unintended pressure on the Rupee.
- Q: What are Related-Party Transactions?**
 - A:** Trades between an Indian bank and its own foreign branches or subsidiaries. The relaxation allows these entities to settle or "roll over" (extend) existing hedges for genuine corporate clients.

Conceptual MCQs

Q1. What specific action did the RBI permit in its April 20 relaxation?

- A) Unlimited speculative trading in the NDF market.
- B) Cancellation and rollover of existing contracts via the back-to-back route.
- C) Complete removal of the \$100 million Net Open Position (NOP) cap.
- D) Allowing retail individuals to trade in NDF derivatives.

Q2. Why were the NDF curbs originally introduced in March 2026?

- A) To encourage banks to lend more to the agricultural sector.
- B) To prevent excessive Rupee volatility and arbitrage during the West Asia conflict.
- C) To increase interest rates on savings accounts.
- D) To stop the use of digital currency in India.

Q3. What is the primary purpose of maintaining the \$100 million NOP cap?

- A) To limit the bank's total annual profit.
- B) To ensure banks do not carry excessive unhedged risk that could destabilize the currency.
- C) To force banks to keep more physical cash in their vaults.
- D) To limit the number of employees in the forex department.

Answers

- **Q1: B** (The easing is focused on risk management for existing contracts rather than opening doors for new speculation.)
- **Q2: B** (The Rupee hit record lows in March, and the offshore NDF market was being used to bet against the local currency.)
- **Q3: B** (The NOP is a critical safety valve in currency management used by the RBI to maintain stability.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Finance (Forex Markets, Monetary Policy Tools, NDF)
UPSC CSE	GS-3 (Indian Economy: Exchange Rate Management, RBI's Role)
RBI Grade B	General Awareness (Current RBI Directives, NDF vs Onshore)

Agriculture

1. Accelerating India's High-Value Crop Diversification

Source: PIB

Context

The **Union Budget 2026-27** has pivoted India's agricultural policy toward a "regionally differentiated strategy." The goal is to shift farmers away from water-intensive staples (rice/wheat) into **High-Value Crops (HVCs)** that offer better economic returns, particularly in ecologically sensitive zones like the Himalayas and the North East.

The Economic Power of Horticulture

Horticulture is no longer a "subsidiary" sector; it has become the primary driver of rural income growth.

- **Output Giant:** Total production reached **370.74 million tonnes** in 2024-25, significantly higher than

total foodgrain production.

- **GVO Contribution:** Horticulture contributes **37%** of the Gross Value Output (GVO) in the agricultural sub-sector.
- **Global Rank:** India is the **world's largest** producer of onions/shallots and the **second-largest** in fruits, vegetables, and potatoes.
- **Growth Leader:** With a **4.45%** growth rate over the last decade, it is the fastest-growing segment of Indian agriculture.

Region-Specific Strategic Anchors

Region	Focus Crops	Key Strategic Objective
Coastal Regions	Coconut, Cashew, Cocoa	Replacing aging plantations; branding Indian Cashew as a global premium product.
North East	Agarwood (Oud)	Harnessing the ₹2,000 crore market in Tripura/Assam via CITES-aligned exports.
Himalayan/Hilly	Walnuts, Pine Nuts (Chilgoza)	High-density tribal-led cultivation to boost income in J&K and Himachal.
Pan-India	Intercropping Models	Growing Cocoa under Coconut/Arecanut canopies to maximize land-use efficiency.

Key Concepts

Q: What exactly defines a "High-Value Crop" (HVC)?

A: These are crops (fruits, flowers, spices, medicinal plants) that provide significantly higher **net returns per unit of land**. While a hectare of rice might provide stable income, a hectare of sandalwood or agarwood offers exponential wealth, though with higher risk and longer waiting periods.

Q: What is the "Intercropping Model" mentioned in the Budget?

A: It is a technique where two or more crops are grown together. For example, Cocoa is grown under Coconut trees because Cocoa only needs **40–50% sunlight**. This allows a farmer to get two incomes from the same piece of land.

Q: Why is "CITES" important for Agarwood exports?

A: CITES (Convention on International Trade in Endangered Species) regulates the trade of rare plants. Because Agarwood is highly prized and endangered in the wild, India must follow strict **export quotas** to sell it legally in the global "Oud" market.

Q: What are the "Phytosanitary Standards" mentioned as a challenge?

A: These are international health and hygiene standards for plants. If Indian grapes or cashews have even a trace of unapproved pesticides, they are rejected by markets like the EU or USA. Meeting these is the biggest hurdle for India's **USD 369 million** cashew export industry.

Challenges to Diversification

- **Gestation Period:** Crops like Sandalwood take 15–20 years to mature, creating a "income gap" for small farmers.
- **The "Cold Chain" Gap:** Unlike wheat, tomatoes and flowers rot in days. India currently loses roughly **20–30%** of horticulture value due to poor post-harvest logistics.
- **Land Fragmentation:** With **10 million coconut farmers** owning tiny plots, it is nearly impossible for an individual farmer to set up a processing unit for coconut oil or desiccated powder.

Conceptual MCQs

Q1. Which state in India currently accounts for the largest concentration (nearly 90%) of India's 150

million agarwood trees?

- A) Kerala and Tamil Nadu
- B) Tripura and Assam
- C) Jammu & Kashmir
- D) Karnataka and Andhra Pradesh

Q2. What is the primary reason horticulture is termed an "Employment Engine" in the 2026 Budget?

- A) Because it requires more tractors than traditional farming.
- B) Because it is highly labour-intensive, especially in harvesting and value addition.
- C) Because the government provides a job for every farmer who grows fruit.
- D) Because it is entirely automated.

Q3. According to the data, what is the current share of Horticulture in India's Agricultural Gross Value Output (GVO)?

- A) 10%
- B) 25%
- C) 37%
- D) 50%

Answers

- **Q1: B** (The North East is the global hub for the high-value "Oud" market.)
- **Q2: B** (Unlike cereals which are mechanized, HVCs like flowers and fruits require careful manual handling, creating local rural jobs.)
- **Q3: C** (This high percentage justifies the shift in policy focus away from traditional cereals.)

Exam Relevance

Exam Focus Area	Relevance Level
NABARD Grade A/B	Agriculture & Rural Development (ESI, Horticulture Statistics, Diversification)

Facts To Remember**1. Visakhapatnam zoo to display black panther after 40 years**

A female black panther will be released into an enclosure at the Indira Gandhi Zoological Park (IGZP) in Andhra Pradesh's Visakhapatnam on Tuesday, ending a 40-year gap since the species was last on display at the zoo.

2. Austria Chancellor Christian Stocker Visits India After 42 Years

From April 14–17, 2026, Christian Stocker visited India at the invitation of PM Narendra Modi, marking the first Austrian Chancellor visit in 42 years.

3. Samridh Gram initiative nominated for WSIS Prizes 2026 in Enabling Environment category

Samridh Gram Initiative is being nominated for the World Summit on the Information Society Prizes 2026 under the Enabling Environment category.

4. India–Austria Talks Strengthen Bilateral Cooperation

During the visit, Christian Stocker held bilateral talks with Narendra Modi in New Delhi on global and regional issues.

5. High-Level Meetings with Indian Leadership

Christian Stocker also met President Droupadi Murmu and EAM Subrahmanyam Jaishankar to deepen diplomatic engagement.

6. Revised Budget Allocation for PMGSY–III

The scheme's outlay was increased to Rs 83,977 crore to accelerate rural development projects.

7. Bharat Maritime Insurance Pool Approved by Cabinet

The Union Cabinet approved a Rs 12,980 crore Bharat Maritime Insurance Pool to reduce dependence on foreign insurers.

8. TPEC to Strengthen India's AI Policy Framework

The committee will provide advisory support to improve AI regulation and global participation.

9. BECIL & C-DAC Sign MoU for Digital Transformation

Broadcast Engineering Consultants India Limited and Centre for Development of Advanced Computing signed an MoU to boost digital innovation.

10. ORF–RIS Hosts First BRICS Academic Forum

Observer Research Foundation and Research and Information System for Developing Countries hosted the inaugural BRICS Academic Forum.

11. Singapore Emerges as Top FDI Source for India

According to DPIIT data, Singapore was the largest FDI contributor to India in FY26.

12. Maharashtra Leads in FDI Inflows Among States

Maharashtra received the highest share of FDI inflows, followed by Karnataka.

13. Inflation and Fiscal Deficit Estimates by SBI

The report estimates inflation at 4.5% and fiscal deficit around 4.5–4.6%.

14. Dr. Ch. Srinivasa Rao Receives M.S. Swaminathan Award

Dr. Ch. Srinivasa Rao was awarded for contributions to climate-resilient agriculture.

15. PCI Launches 'Para Elan' Initiative

Paralympic Committee of India launched Para Elan with French Institute in India.

15. Padma Shri Awardee Bhagwandas Raikwar Passes Away

Bhagwandas Raikwar, pioneer of Bundeli martial arts, passed away at 83.

16. World Hemophilia Day 2026 – April 17

World Hemophilia Day is observed globally to raise awareness about bleeding disorders.

FIVE TO REMEMBER · 21 APRIL 2026

1. A new modeling study by Indian researchers predicts that India's forests could nearly **double (97% increase)** their carbon storage by 2100 under a high-emissions scenario. India's Forest Carbon Sink: A 2100 Projection
2. **Higher Secondary Schools:** Directly supporting the **NITI Aayog** goal of reducing secondary school dropouts (currently at 11.5%). Pradhan Mantri Gram Sadak Yojana-III (PMGSY-III)
3. **Q3: B** (The framework is designed to showcase the global versatility of Indian textiles.) Vishwa Sutra
4. **Old Rule:** Individual investors were required to commit a minimum of **₹2 lakh** to invest in a Social Impact Fund. SEBI Amends AIF Rules: Expanding Access to Soci...
5. **Q1: B** (The easing is focused on risk management for existing contracts rather than opening doors for new speculation.) RBI Partially Eases Rupee NDF Curbs

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DAY 18 OF 23

22 April 2026

Wednesday · 26 items · 3 topics

National Affairs 5 · Banking and Finance 5 · Facts To Remember 16

Daily Current Affairs Quiz**22 April, 2026****National Affairs****1. Fourth India–Africa Forum Summit (IAFS) 2026**

Source: The Hindu

Context

New Delhi is set to host the **Fourth India–Africa Forum Summit (IAFS) 2026** in late May. This is a landmark event, occurring more than a decade after the third summit in 2015. The meeting arrives at a critical juncture as India seeks to solidify its role as a leader of the **Global South** amidst global supply chain disruptions caused by the West Asia conflict.

Strategic Objectives of the Summit

India's approach toward Africa has evolved from a "development partner" to a "strategic investor." The summit will focus on five core pillars:

1. **Diplomatic Expansion:** Since 2018, India has opened **16 new missions** in Africa, bringing its total diplomatic presence to **45 countries**. The summit serves as a platform to consolidate this outreach.
2. **Capacity Building & Education:** Highlighting the success of the **IIT Madras Zanzibar campus**, India aims to position itself as a hub for higher education and digital public infrastructure for African nations.
3. **Defence Cooperation:** Moving beyond traditional peacekeeping, the agenda will include maritime security in the Indian Ocean and the export of indigenous defense hardware.
4. **Investment Shift:** Moving away from the less popular **Lines of Credit**, Africa is now demanding **Foreign Direct Investment (FDI)** from Indian conglomerates, particularly in critical minerals and infrastructure.
5. **Supply Chain Resilience:** Unlike the volatile Gulf region, African supply chains have remained remarkably stable despite regional conflicts. India views Africa as a "safe harbor" for critical resource security.

Key Concepts**Q: What is a "Line of Credit" (LoC) in diplomacy?**

A: It is a soft loan provided by one government to another, usually to buy goods and services from the lending country. While India used this for years, many African nations now prefer FDI because LoCs often lead to increased sovereign debt.

Q: What is the "Global South"?

A: A term used to describe nations in Africa, Latin America, and developing Asia that are often excluded from high-level global decision-making. India positions itself as the "voice" of this group, especially after successfully inducting the **African Union (AU)** into the G20.

Q: Why is "Zanzibar" significant in India–Africa ties?

"Rest is part of the plan, not a break from it."WhatsApp channel: whatsapp.com/channel/0029Vao03aUADTO9sOoigE2F · +91 87086 52887 · c4scourses.in · free, share it on

A: It is the location of the first-ever international campus of **IIT Madras**. This represents India's "Soft Power" strategy—exporting high-quality education rather than just raw materials or finished goods.

Conceptual MCQs

Q1. When was the last India–Africa Forum Summit (IAFS–3) held before the upcoming 2026 meeting? A) 2018

B) 2020

C) 2015

D) 2022

Q2. According to analysts like Ajay Dubey, what is the current implementation rate of India's commitments to Africa? A) 100%

B) 75%

C) 40%

D) 15%

Q3. Which major diplomatic milestone since 2018 has expanded India's footprint to 45 African nations?

A) The signing of a free trade agreement with the entire continent.

B) The opening of 16 new diplomatic missions.

C) The construction of a trans-continental railway.

D) Joining the African Union as a permanent member.

Answers

- **Q1: C** (There has been a 11-year gap between the 3rd and 4th summits.)
- **Q2: C** (The "Implementation Gap" remains a major hurdle for Indian diplomacy.)
- **Q3: B** (India has significantly scaled up its physical presence to provide direct diplomatic access.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Bilateral/Regional groupings, Effect of policies on India's interests)
SSC / Banking	Current Affairs (Summits, MEA announcements, New Missions)

2. Samriddh Gram Initiative

Source: News on Air

Context

India's **Samriddh Gram** initiative has been nominated for the prestigious **WSIS Prizes 2026** in the "Enabling Environment" category (AL C6), recognizing its role in leveraging ICT for sustainable rural development.

What is the Samriddh Gram Initiative?

Samriddh Gram (meaning "Prosperous Village") is an integrated **phygital** (physical + digital) service delivery model. It is designed to turn the high-speed fiber backbone of **BharatNet** into a functional utility for rural citizens.

- **Lead Agency:** Department of Telecommunications (DoT), Ministry of Communications.
- **The Hub:** The initiative centers around **Samriddhi Kendras (SK)**—physical community hubs (800–1000 sq. ft.) that provide assisted digital services.
- **First Milestone:** The first official Samriddhi Kendra was recently inaugurated in **Umri Village, Madhya**

Pradesh.

Key Service Pillars of Samriddhi Kendras

Sector	Services Offered
Healthcare	Telemedicine via e-Sanjeevani ; health kiosks for basic diagnostics and vitals monitoring.
Education	AR/VR smart classrooms ; access to Diksha, Swayam, and vocational training labs.
Agriculture	Smart Farming : IoT sensors for soil health, smart pump controllers, and drone-based pesticide spraying.
Governance	Assisted access to e-schemes and integration with ONDC (Open Network for Digital Commerce) for local artisans.
Safety	Village-wide security through Smart CCTV and drone surveillance.
Connectivity	Deployment of PM-WANI public Wi-Fi hotspots and Fiber-to-the-Home (FTTH) connections.

About the WSIS Prizes 2026

The **World Summit on the Information Society (WSIS)** Prizes are the global recognition platform for digital development, managed by the **International Telecommunication Union (ITU)**.

- **Aim:** To honor projects that use Information and Communication Technologies (ICTs) to achieve the **UN Sustainable Development Goals (SDGs)**.
- **India's Nomination:** Samriddh Gram is nominated under **Action Line C6: Enabling Environment**, which focuses on creating the legal, policy, and infrastructure frameworks necessary for a digital society to thrive.
- **Process:** Winners are selected through a global multistakeholder process involving **public voting** and expert evaluation.

Key Concepts: Keyword Q&A

Q: What does "Phygital" mean in this context?

A: It refers to the combination of a physical space (the Samriddhi Kendra building) with digital tools (AR/VR, IoT, Broadband). This is crucial for rural India where people often need "assisted" digital access rather than just a standalone app.

Q: How does this link to BharatNet?

A: BharatNet provides the "highway" (the fiber optic cable). Samriddh Gram provides the "vehicles" (the actual services like healthcare and education) that run on that highway. Without initiatives like this, the fiber remains underutilized.

Q: What is PM-WANI?

A: The **Prime Minister's Wi-Fi Access Network Interface**. It allows small shopkeepers or village centers to set up public Wi-Fi hotspots, democratizing internet access without requiring a massive telecom tower.

Conceptual MCQs

Q1. Under which "Action Line" category has India's Samriddh Gram initiative been nominated for the WSIS Prizes 2026?

- A) C1: Role of governments in ICT
- B) C4: Capacity building
- C) C6: Enabling environment
- D) C7: E-health

Q2. Where was the first Samriddhi Kendra officially inaugurated?

- A) Umri, Madhya Pradesh
- B) Jamtara, Jharkhand
- C) Punsari, Gujarat
- D) Hiware Bazar, Maharashtra

Q3. Which digital commerce platform is Samridhh Gram integrated with to help rural entrepreneurs?

- A) Amazon India
- B) ONDC (Open Network for Digital Commerce)
- C) GeM (Government e-Marketplace)
- D) UPI

Answers

- **Q1: C** (Action Line C6 focuses on the environment created to enable ICT growth.)
- **Q2: A** (The pilot was recently inaugurated in Umri village.)
- **Q3: B** (ONDC allows local village businesses to list their products on a national digital network.)

Exam Relevance

Exam Focus Area	Relevance Level
NABARD Grade A/B	Rural Development (ICT in Agriculture, Rural Infrastructure)
SSC / Banking	Current Affairs (Awards, International Organizations, New Schemes)

3. 3D Glass Semiconductor Packaging

Source: The Indian Express (IE)

Context

The Indian government has laid the foundation stone for the country's first **3D glass chip packaging facility** in **Bhubaneswar, Odisha**. This marks a shift from traditional manufacturing toward mastering **3D Heterogeneous Integration (3DHI)**, a frontier technology in the global chip race.

What is 3D Glass Semiconductor Packaging?

Traditional chips are like single-story houses; 3D glass packaging turns them into high-tech skyscrapers. It uses **glass substrates** (the base layer) instead of traditional organic materials or silicon to stack multiple chip components—like logic, memory, and sensors—vertically.

- **Lead Company:** 3D Glass Solutions (3DGS), a US-based firm.
- **Project Location:** Bhubaneswar, Odisha, India.
- **Capacity:** Designed to produce **70,000 glass panels** and **50 million units** annually.

How it Works: The Vertical Shift

In standard 2D layouts, data has to travel long "horizontal" distances between components. 3D glass packaging changes the architecture:

- **Vertical Stacking:** Different "chiplets" (specialized functional pieces) are stacked on top of each other to save space and increase speed.
- **Through-Glass Vias (TGV):** These are tiny vertical holes drilled into the glass that act as "elevators" for data, allowing signals to travel instantly between layers.
- **The Glass Advantage:** Glass is more rigid than plastic and can withstand the extreme heat generated by AI processors without warping.

Key Features & Advantages

Feature	Advantage
Thermal Stability	Glass handles high temperatures better, preventing AI chips from slowing down (throttling) due to heat.
High Precision	Glass allows for much denser electrical connections than traditional materials.
Low Signal Loss	Glass has superior electrical properties, meaning less energy is wasted as heat during data transfer.
Heterogeneous Integration	It allows engineers to mix different "generations" of chips (e.g., a 3nm logic chip with a 10nm memory chip) in one package.

Key Concepts

Q: What is a "Substrate"?

A: Think of a substrate as the "motherboard" for the chip itself. It provides the mechanical support and the electrical connections that allow the chip to talk to the rest of the device.

Q: What are "Chipselets"?

A: Instead of making one giant, expensive chip, engineers make smaller, specialized pieces (chipselets) and "package" them together. It's like building with LEGO blocks—it's cheaper and more flexible.

Q: Why is "Thermal Stability" important for AI?

A: AI processing requires massive amounts of power, which generates intense heat. If the base material (substrate) expands or warps due to that heat, the connections can break. Glass stays stable under pressure.

Conceptual MCQs

Q1. Where is India's first 3D glass chip packaging facility being established?

- A) Bengaluru, Karnataka
- B) Bhubaneswar, Odisha
- C) Ahmedabad, Gujarat
- D) Hyderabad, Telangana

Q2. What is the primary function of "Through-Glass Vias" (TGV) in 3D packaging?

- A) To cool the chip using liquid nitrogen.
- B) To act as a transparent window to see the chip's interior.
- C) To allow electrical signals to travel vertically between stacked layers.
- D) To prevent the glass from shattering during manufacturing.

Q3. Why is 3D glass packaging considered a solution to the "end of Moore's Law"?

- A) Because it makes transistors even smaller than an atom.
- B) Because it increases computing power through vertical stacking rather than just shrinking transistors.
- C) Because it uses cheaper plastic instead of expensive silicon.
- D) Because glass is faster than electricity.

Answers

- **Q1: B** (Bhubaneswar is becoming a strategic hub for this advanced technology.)
- **Q2: C** (TGVs are the vertical "highways" for data in 3D integration.)
- **Q3: B** (Vertical integration is the industry's primary path forward as physical shrinking hits its limits.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Science & Technology, Indigenization of Technology, IT & Computers)
State PCS	Science & Technology (Odisha-specific infrastructure)

4. Genetically Modified (GM) Mosquitoes

Source: The Hindu (TH)

Context

A landmark study conducted in **Tanzania** (published in *Nature*, December 2025/April 2026) has confirmed that **genetically modified (GM)** mosquitoes can effectively block malaria parasites from **real-world human infections**. This is a significant leap from laboratory-only success to testing against wild parasites circulating in local communities.

The Tanzanian Breakthrough

This research was a collaboration between the **Ifakara Health Institute (IHI)**, Tanzania's **National Institute for Medical Research (NIMR)**, and **Imperial College London**.

- **Local Success:** This is the first time a gene-drive compatible mosquito strain was developed **on African soil by African scientists**.
- **The "Frog & Bee" Strategy:** Scientists modified *Anopheles gambiae* by introducing antimicrobial molecules naturally found in **frogs** (magainins) and **honeybees** (melittin).
- **Real-World Test:** To prove it works, modified mosquitoes were fed blood from local Tanzanian children naturally infected with malaria. The mosquitoes effectively destroyed the parasites in their midgut before they could mature.

Two Primary Genetic Strategies

Strategy	Mechanism	Goal
Population Modification (Replacement)	Adds genes that trigger anti-parasite molecules (antibodies/peptides) when the mosquito bites.	Keep the mosquitoes alive but make them immune to malaria so they can't pass it to humans.
Population Suppression	Targets the doublesex gene to make female offspring sterile.	Cause the local mosquito population to shrink or collapse .

How Gene Drive Bypasses Nature?

In standard Mendelian genetics, a gene has a 50% chance of being passed on. A **Gene Drive** uses **CRISPR-Cas9** to ensure the modified trait is "copied and pasted" onto the partner chromosome, resulting in **over 90% inheritance**. This allows a trait to spread through a wild population rapidly.

Key Concepts

Q: Why do we need GM mosquitoes if we have bed nets?

A: Traditional methods are failing. Mosquitoes are becoming **resistant to insecticides**, and they are changing their behavior (e.g., biting outdoors during the day to avoid indoor nets).

Q: What is the "Split Gene Drive" mentioned in the study?

A: It is a safety feature. The components (the "scissors" and the "template") are kept in two different mosquito lines. They only work when they meet. This allows scientists to test the tech in a controlled way without it spreading uncontrollably in the wild during the trial phase.

Q: Is this safe for the ecosystem?

A: This is a major area of debate. "Modification" (Replacement) is generally considered safer than

"Rest is part of the plan, not a break from it."

"Suppression" because it doesn't aim to eliminate a species, preserving the mosquito's role in the food chain as prey for birds and bats.

Conceptual MCQs

Q1. The landmark study in Tanzania used which genetic engineering tool to develop the modified mosquitoes?

- A) PCR
- B) CRISPR-Cas9
- C) Gel Electrophoresis
- D) DNA Fingerprinting

Q2. What is the main advantage of the "Population Modification" strategy over "Population Suppression"?

- A) It kills all mosquitoes in a specific region.
- B) It blocks the parasite while keeping the mosquito in the ecosystem.
- C) It makes mosquitoes larger and easier to see.
- D) It only works on male mosquitoes.

Q3. Which molecules were introduced into the Tanzanian mosquito strain to block the malaria parasite?

- A) Human insulin
- B) Synthetic insecticides
- C) Molecules from frogs and honeybees
- D) Anti-viral proteins from bats

Answers

- **Q1: B** (CRISPR is the "molecular scissors" used for gene drives.)
- **Q2: B** (It targets the disease-carrying ability rather than the existence of the species.)
- **Q3: C** (Specifically magainins and melittin which act as antimicrobial peptides.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (S&T: Biotechnology, CRISPR, Gene Drive, Health issues)
State PCS	Science & Tech (Modern Biology and Disease Control)
SSC / Banking	Current Affairs (Recent breakthroughs, International trials)

5. India Climbs to Global #2 in Wind Energy: BNEF 2025

Source: BS

According to the latest report from **Bloomberg New Energy Finance (BNEF)**, India's wind energy sector achieved a historic breakthrough in 2025. By commissioning a record-breaking **6.3 GW** of capacity, India has officially become the largest wind market in the world outside of China, surpassing both the **United States** and **Germany**.

The 2025 Performance Surge

- **Annual Growth:** The 6.3 GW commissioned in 2025 represents a massive **85% increase** over the 2024 additions.
- **Global Standing:** This surge makes India the **Global #2** market for new wind installations in 2025

"Rest is part of the plan, not a break from it."

(trailing only China).

- **Domestic Leadership: Adani Wind** (the manufacturing arm of Adani Green Energy) has entered the global stage, ranking **15th among turbine makers worldwide**.

The Khavda Renewable Energy Park

A significant portion of this growth is attributed to the massive **30 GW Renewable Energy Park** currently under construction in **Khavda, Kutch (Gujarat)**.

- Adani Green Energy alone deployed over **1 GW** of wind turbines at this single site in 2025.
- The park is designed as a hybrid facility, combining solar and wind to ensure more stable power generation.

Key Concepts: Keyword Q&A

Q: What is a "Multi-Technology Complex Auction"?

A: Unlike traditional auctions for just one energy source, these auctions require developers to provide a mix of technologies (e.g., Wind + Solar + Battery Storage) to ensure the grid gets a steady supply of power even when the wind isn't blowing or the sun isn't shining.

Q: Why is Khavda significant for global energy?

A: Located in the Kutch district of Gujarat, Khavda is set to be the world's largest renewable energy installation. Its scale (30 GW) is roughly equivalent to the entire power capacity of a mid-sized country like Belgium.

Q: What is "Commissioning"?

A: In the energy sector, commissioning is the final stage where a power plant is tested and officially connected to the national grid to begin commercial operations.

Conceptual MCQs

Q1. According to BNEF, which country was the only one to install more wind capacity than India in 2025?

- A) USA
- B) Germany
- C) China
- D) Brazil

Q2. Which specific geographic location is hosting the 30 GW renewable energy park mentioned in the report?

- A) Ladakh
- B) Khavda, Gujarat
- C) Thar Desert, Rajasthan
- D) Nellore, Andhra Pradesh

Q3. What percentage increase did India see in its wind turbine commissioning in 2025 compared to the previous year?

- A) 25%
- B) 50%
- C) 85%
- D) 100%

Answers

- **Q1: C** (India is the largest market outside China.)
- **Q2: B** (The Khavda park in Kutch is the primary engine of India's current RE growth.)
- **Q3: C** (Capacity jumped from roughly 3.4 GW in 2024 to 6.3 GW in 2025.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Energy, Infrastructure, Environment)
NABARD Grade A/B	ESI (Renewable Energy Statistics, Rural Infrastructure)
SSC / Banking	Current Affairs (Corporate rankings, National records)

Banking and Finance

1. Rupee Falls to 93.44

Source: TH

Context

The Indian Rupee declined by **28 paise** on Tuesday, settling at **93.44 against the U.S. Dollar**. Despite a rally in domestic stock markets, the local currency faced multiple headwinds from both global geopolitical tensions and recent regulatory shifts.

What are the Three Pillars of Depreciation?

1. West Asia Uncertainty

The primary driver remains the volatility in crude oil prices. As peace negotiations in West Asia face uncertain progress, oil markets have remained on edge. Since India is a massive net importer of crude, any spike in oil prices increases the demand for Dollars, putting downward pressure on the Rupee.

2. Steady U.S. Dollar (DXY)

The American currency remained resilient in global markets. A "steady" Dollar usually implies that investors are seeking the safety of U.S. assets amidst global instability, leading to a flight of capital away from emerging market currencies like the Rupee.

3. The "RBI Rollback" Effect

Forex analysts noted that the Rupee's slide was partly influenced by the **Reserve Bank of India's (RBI)** decision on Monday to partially lift emergency curbs.

- On April 1, the RBI had strictly capped speculative bets to prevent a free-fall.
- By easing these curbs and allowing more activity in the **Non-Deliverable Forward (NDF)** markets, the RBI has restored market flexibility, but this also allows for natural downward adjustments in currency value that were previously suppressed.

Key Concepts

Q: Why didn't "Positive Domestic Equity Markets" help the Rupee?

A: Usually, when the stock market (Sensex/Nifty) goes up, it attracts foreign investment, which brings in Dollars and strengthens the Rupee. However, the current global "macro" factors—oil prices and geopolitical risk—are currently so strong that they have overshadowed the positive sentiment in the stock market.

Q: What is a "Non-Deliverable Forward" (NDF)?

A: It is a foreign exchange derivative contract used to hedge or speculate on currencies that are not

"Rest is part of the plan, not a break from it."

internationally traded (like the Rupee). They are "non-deliverable" because the profit or loss is settled in a reserve currency like the USD rather than the physical delivery of Rupees.

Q: What are "Speculative Bets" in forex?

A: These are trades made by investors who are not necessarily buying currency for trade (like importing oil) but are instead betting on which way the currency's value will move to make a profit. While speculation provides liquidity, "excessive speculation" can cause a currency to crash faster than its actual economic fundamentals suggest.

Conceptual MCQs

Q1. According to the report, what was the closing value of the Rupee against the U.S. Dollar on Tuesday?

- A) 92.50
- B) 93.12
- C) 93.44
- D) 95.22

Q2. What was the impact of the RBI's Monday announcement on the Rupee's performance on Tuesday?

- A) It caused the Rupee to appreciate by 50 paise.
- B) It helped stabilize the Rupee at 92.00.
- C) It contributed to the decline by easing curbs on speculative activity.
- D) It had no impact as it only affected the bond market.

Q3. Why does "volatile crude oil" typically lead to a weaker Rupee?

- A) Because India exports more oil than it imports.
- B) Because higher oil prices increase India's import bill, leading to a higher demand for U.S. Dollars.
- C) Because oil is traded in Rupees on the international market.
- D) Because high oil prices make Indian stocks more attractive.

Answers

- **Q1: C** (The Rupee settled at 93.44, a 28-paise drop.)
- **Q2: C** (Easing curbs restored market function but allowed for more movement in currency value.)
- **Q3: B** (India's status as an oil importer creates a direct link between energy prices and currency strength.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Finance (Forex Markets, NDF, Monetary Policy Interventions)
UPSC CSE	GS-3 (Indian Economy: Exchange Rate, External Sector)
Banking (PO/Clerk)	General Awareness (Current Forex Rates, RBI Directives)

2. Bandhan Mutual Fund Adds Precious Metals to Equity Framework

Source: Business Standard

Context

Bandhan Mutual Fund has become one of the first movers in the industry to utilize newly expanded SEBI guidelines, allowing equity and hybrid schemes to invest in precious metals. The fund house has tweaked the mandates for its **Smallcap**, **Flexicap**, and **Aggressive Hybrid** funds to include exposure to Gold and

Silver.

What are Multi-Asset Diversification?

Traditionally, the "investable universe" for equity funds was limited to stocks and short-term debt. Following recent SEBI relaxations, these funds can now diversify into commodities via ETFs (Exchange Traded Funds).

- **Gold/Silver Exposure:** The schemes can now allocate up to **10%** of their portfolio to Gold and Silver ETFs.
- **The Rationale:** Fund managers can now capture "Beta returns" (market-linked returns) from commodities, especially when there isn't a suitable listed stock (equity play) to represent that sector.
- **Opportunistic Use:** The allocation is not mandatory; it provides fund managers the **flexibility** to hedge against volatility or capture commodity rallies when equity markets are stretched.

Key Concepts

Q: What is a "Covered Call" strategy?

A: This is an options strategy used to generate extra income and reduce risk. A fund manager holds a long position (owns the stock) and sells (writes) a **Call Option** on that same stock. The fund collects a "premium" from the buyer. If the stock price stays flat or rises only slightly, the fund keeps the premium, which cushions the portfolio against minor dips.

Q: What are InvITs (Infrastructure Investment Trusts)?

A: InvITs are like mutual funds but for infrastructure. They pool money from investors to invest in completed and revenue-generating infrastructure projects (like toll roads or power transmission lines). They are added to these funds to provide a steady stream of cash flow (dividends/interest).

Q: What is "Beta Return"?

A: Beta represents the baseline return of a specific market or asset class. By investing in Gold ETFs, the fund manager ensures they get the exact movement of gold prices (the Beta) without having to pick specific mining stocks.

Q: Why add Gold and Silver to an Equity Fund?

A: Gold and Silver often have a **negative correlation** with equities. When the stock market crashes due to geopolitical tension or inflation, precious metals usually rise. Adding them helps improve "Risk-Adjusted Returns"—meaning you get better returns for every unit of risk taken.

New Asset Allocation Framework (Smallcap & Flexicap)

Asset Class	Minimum (%)	Maximum (%)
Equity & Equity Related	65%	100%
Debt Securities / Cash	0%	35%
Units of InvITs	0%	10%
Gold / Silver ETFs	0%	10%

Conceptual MCQs

Q1. According to the new framework, what is the maximum percentage of a Bandhan Smallcap Fund that can be invested in Gold/Silver ETFs?

- A) 5%
- B) 10%
- C) 35%
- D) 65%

Q2. What is the primary purpose of adding a "Covered Call" mandate to an equity scheme?

- A) To double the risk of the portfolio.
- B) To generate income from option premiums and moderate volatility.
- C) To invest only in gold and silver mining companies.
- D) To guarantee that the fund will never lose money.

Q3. Why has Bandhan MF added InvITs to its asset mix?

- A) To increase exposure to volatile technology stocks.
- B) To focus exclusively on the real estate sector.
- C) To enhance income generation potential and diversify the asset base.
- D) Because SEBI has banned traditional debt investments.

Answers

- **Q1: B** (The framework allows for a range of 0% to 10%.)
- **Q2: B** (It is a defensive strategy designed to earn extra yield on existing holdings.)
- **Q3: C** (InvITs provide stable, long-term yields from infrastructure projects.)

3. Proposed Tweaks for Urban Cooperative Bank (UCB) Licencing

Source: IE

Context

The **Reserve Bank of India (RBI)** is currently evaluating industry feedback on its January discussion paper regarding the conversion of cooperative credit societies into **Urban Cooperative Banks (UCBs)**. Industry bodies are pushing for more relaxed capital and lending norms to help these grassroots institutions transition into the formal banking fold.

The Capital Hurdle: ₹300 Cr vs. ₹200 Cr

The primary point of contention is the **Entry Point Norms**—the minimum capital required to start or convert into a UCB.

- **RBI's Proposal:** A threshold of **₹300 crore**.
- **Industry Request:** Lowering the requirement to **₹200 crore**, arguing that the higher limit is too steep for smaller credit societies and does not align with "current economic realities."

Key Demands & Proposed Changes

Feature	RBI Proposal / Existing Rule	Industry "Tweak" Sought
Minimum Capital	₹300 Crore	₹200 Crore
Track Record	10 years active / 5 years "good" financials	5-year track record for mergers with existing UCBs
Unsecured Advances	20% aggregate ceiling	25% aggregate ceiling
Nominal Member Loans	₹2.5 Lakh (Consumer durables)	₹5 Lakh for Tier-3 and Tier-4 UCBs
Loan Tenure	1 year (for nominal members)	Up to 5 years

Key Concepts**Q: What is an Urban Cooperative Bank (UCB)?**

A: UCBs are financial institutions registered under the Cooperative Societies Act of their respective states. Unlike commercial banks, they are owned and managed by their members and typically serve a specific urban or semi-urban community.

Q: What are "Unsecured Advances"?

A: These are loans given without any **collateral** (like property or gold). Because they are riskier for the bank, the RBI caps them. Industry bodies want a higher cap (25%) to help small-scale borrowers who lack assets.

Q: Who is a "Nominal Member"?

A: A nominal member is someone who has been admitted to the bank's membership but does not have the same rights as regular members (like voting rights). They are usually individuals who need a small loan for consumer durables (fridges, bikes, etc.).

Q: Why the debate over "Track Record" (5 vs 10 years)?

A: The RBI believes 5 years is too short to judge the "character" and "stability" of a credit society before giving it a banking licence. The industry argues that a 5-year track record should at least be enough to allow a society to **merge** with an existing, stronger UCB.

Conceptual MCQs**Q1. What is the minimum capital threshold proposed by the RBI for a cooperative credit society seeking a UCB licence?**

- A) ₹100 crore
- B) ₹200 crore
- C) ₹300 crore
- D) ₹500 crore

Q2. Industry bodies have requested the RBI to increase the aggregate ceiling on "unsecured advances" from 20% to what level?

- A) 25%
- B) 30%
- C) 40%
- D) 50%

Q3. According to the guidelines, the proposed amendments are expected to come into force by which date?

- A) January 1, 2026
- B) April 1, 2026
- C) October 1, 2026
- D) March 31, 2027

Answers

- **Q1: C** (RBI proposed ₹300 cr; industry is asking for ₹200 cr.)
- **Q2: A** (Increasing this cap allows banks more flexibility to lend to small-ticket borrowers.)
- **Q3: C** (October 1, 2026, or earlier if adopted in entirety by the UCB.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Finance (Banking Structure, UCB Regulations, Capital Adequacy)
NABARD Grade A/B	Agriculture & Rural Development (Role of Cooperatives)
Banking	Current Affairs (Banking norms, Regulatory deadlines)

4. RBI Tightens E-Mandate Rules for Recurring & Cross-Border Payments

Source: Mint

Context

The **Reserve Bank of India (RBI)** has expanded the scope of its **e-mandate (electronic mandate)** framework. The revised rules now explicitly include **cross-border recurring payments** made via cards, UPI, and prepaid instruments (PPIs). The move is designed to curb digital fraud and give consumers more granular control over "auto-debit" transactions.

What are the New E-Mandate Framework?

An e-mandate allows a merchant to automatically debit a customer's account for recurring services (like Netflix, insurance premiums, or SIPs) without requiring manual approval for every single payment.

1. AFA and The "Opt-Out" Right

- **Additional Factor Authentication (AFA):** Any creation, modification, or withdrawal of an e-mandate now strictly requires AFA (usually an OTP or biometric check).
- **Flexibility:** Customers must be given the facility to **opt out** of a specific upcoming transaction or the entire mandate at any time.

2. Transaction Limits (AFA-Exempt)

To balance security with convenience, the RBI allows small-value recurring payments to go through without an OTP, provided they stay within these limits:

- **Standard Transactions:** Up to **₹15,000** per transaction.
- **Special Categories:** Up to **₹1 lakh** for credit card bills, insurance premiums, and mutual fund installments.

3. The 24-Hour Rule

Banks and financial institutions **must** send a notification to the customer at least **24 hours** before the actual money is debited. This notification must include:

- Merchant name and transaction amount.
- Date/time of debit and the reason.
- A reference number for the e-mandate.
- **Note:** This is *not* required for auto-replenishing **FASTag** or **NCMC** (Common Mobility Card) balances.

Key Concepts: Keyword Q&A

Q: What is a "Variable E-Mandate"?

A: This is used when the monthly bill isn't the same (e.g., an electricity bill). The RBI now mandates that for variable payments, the customer must be able to set a **maximum cap** for any single transaction to prevent being overcharged.

Q: How is "Liability" handled for unauthorized transactions?

A: The RBI's "Limited Liability" rules now apply to recurring payments.

- **Zero Liability:** If the bank is at fault or if you report a third-party breach within **3 working days**.
- **Capped Liability:** If reported within 4–7 days, your maximum loss is capped between **₹5,000** (savings account) and **₹25,000** (credit cards).

Q: What happens if I get a new credit card?

A: The RBI has simplified the process by allowing banks to **map existing e-mandates** to reissued or replaced cards, so you don't have to set them up all over again.

Conceptual MCQs

Q1. According to the revised RBI rules, what is the minimum notice period a bank must give a customer before a recurring payment is debited?

- A) 1 hour
- B) 12 hours
- C) 24 hours
- D) 48 hours

Q2. For which of the following categories has the RBI set a higher AFA-exempt limit of ₹1 lakh per recurring transaction?

- A) Grocery subscriptions
- B) OTT platforms like Netflix
- C) Mutual Fund installments and Insurance premiums
- D) International travel bookings

Q3. Under what circumstance does a customer have "Zero Liability" for an unauthorized electronic transaction?

- A) If they never check their bank statements.
- B) If the unauthorized transaction is reported within 3 working days of a third-party breach.
- C) Only if the transaction is under ₹100.
- D) If the customer shared their OTP with the merchant.

Answers

- **Q1: C** (The 24-hour notification is mandatory to allow the customer time to "opt out" if they wish.)
- **Q2: C** (High-value utility/investment payments have a higher threshold to avoid frequent OTP hurdles.)
- **Q3: B** (Swift reporting is the key to total protection under RBI's safety norms.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Finance (Payment Systems, Digital Fraud, Consumer Protection)
SEBI Grade A	Financial Awareness (Mutual Fund SIP mandates)
Banking (PO/Clerk)	General Awareness (UPI limits, E-mandate rules)

5. UN Escap Report: India's Economic Outlook (FY27–FY28)

Source: UNESCAP

Context

The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) released its **Economic and Social Survey of Asia and the Pacific 2026** on Tuesday. The report highlights that while India remains a strong performer in the region, global headwinds—specifically the West Asia conflict—will likely moderate growth and push inflation higher in the coming fiscal year.

GDP and Inflation Projections

The report provides a multi-year trajectory for India's economy, showing a "dip and recovery" pattern.

Fiscal Year	GDP Growth Projection	Inflation (CPI) Projection
FY26 (Est.)	7.4% (Strong expansion)	2.3% (Period of low prices)

Fiscal Year	GDP Growth Projection	Inflation (CPI) Projection
FY27 (Proj.)	6.4% (Slowdown due to war)	4.4% (Energy shock impact)
FY28 (Proj.)	6.6% (Moderate recovery)	4.3% (Stabilizing)

Strategic Drivers & Headwinds

1. The "West Asia" Headwind

The primary cause for the projected slowdown from 7.4% to 6.4% is the ongoing conflict involving Iran. This has created global uncertainties and energy supply disruptions, which directly impact India's production costs and fiscal health.

2. Domestic Demand & Services

The report expects growth to rebound slightly to 6.6% in FY28. This recovery is predicated on robust **domestic consumption** and the continued strength of India's **services sector**, which acts as a buffer against global manufacturing slumps.

3. The Inflation "Double-Up"

Inflation is projected to nearly double from **2.3% in FY26 to 4.4% in FY27**. Despite this sharp rise, the UN notes that it remains well within the **RBI's tolerance band of 2%–6%**, suggesting that a full-scale monetary crisis is unlikely if tensions ease.

How others see India

The UN's projection of 6.4% for FY27 is slightly more conservative than other major institutions:

- **RBI:** 6.9%
- **Asian Development Bank (ADB):** 6.9%
- **World Bank:** 6.6%
- **UNESCAP:** 6.4%

Key Concepts

Q: What is UNESCAP?

A: The United Nations Economic and Social Commission for Asia and the Pacific. It is the most inclusive intergovernmental platform in the Asia-Pacific region, focusing on sustainable development and economic cooperation.

Q: Why is the "Base Year" for GDP (2022–23) important?

A: India recently updated its GDP base year to 2022–23. A more recent base year captures the current structure of the economy more accurately (e.g., including new digital services or updated manufacturing tech) compared to older benchmarks.

Q: What is "Real GDP"?

A: It is the value of all goods and services produced by an economy in a year, **adjusted for inflation**. It tells us how much the economy actually grew in volume, not just because prices went up.

Conceptual MCQs

Q1. According to the UNESCAP report, what is the primary reason for India's GDP growth slowing to 6.4% in FY27?

- A) A sudden drop in the services sector.
- B) Headwinds from the West Asia war and energy disruptions.
- C) A change in the RBI's leadership.
- D) Rapidly declining domestic demand.

Q2. The report projects India's inflation to reach 4.4% in FY27. How does this compare to the RBI's mandated tolerance range?

- A) It is significantly above the range.
- B) It is below the minimum threshold.
- C) It is within the 2%–6% target band.
- D) It is exactly at the median point of 4%.

Q3. Which region's growth was largely driven by India's strong performance in 2025, according to the report?

- A) South-East Asia
- B) Central Asia
- C) South and South-West Asia
- D) East Asia

Answers

- **Q1: B** (Energy supply disruptions from the Iran conflict are cited as the main drag.)
- **Q2: C** (The RBI's target is $4\% \pm 2\%$, meaning 2–6% is the "safe" zone.)
- **Q3: C** (India is the largest economy in the South and South-West Asia sub-region.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Indian Economy, Growth, Inflation, Multilateral Institutions)
RBI Grade B	Finance & Management (Global economic trends, GDP forecasting)
NABARD Grade A/B	ESI (Economic Growth and Development, Inflation metrics)
SSC / Banking	Current Affairs (GDP rankings and projections)

Facts To Remember**1. Cabinet Approvals Boost Salaries, Infrastructure and Trade Support**

The Union Cabinet chaired by Narendra Modi approved a 2% hike in Dearness Allowance (DA) and Dearness Relief (DR), raising it to 60% effective January 2026; it also cleared railway multitracking projects worth ₹24,815 crore in Uttar Pradesh and Andhra Pradesh; additionally, the RELIEF scheme was expanded to Egypt and Jordan to support exporters amid West Asia disruptions.

2. 'Prajna' Satellite Imaging System Strengthens Internal Security

The Ministry of Home Affairs received 'Prajna', an AI-enabled satellite imaging system developed by DRDO; the system enables real-time monitoring of sensitive regions and supports counter-terrorism operations; it enhances decision-making capabilities for security agencies through advanced surveillance and analytics.

3. India's First Petroglyph Conservation Park to be Built in Ladakh

India will set up its first Petroglyph Conservation Park at Sindhu Ghat in Leh, Ladakh; the project aims to preserve ancient rock carvings threatened by tourism and development; it will be developed in collaboration with the Archaeological Survey of India for scientific conservation and research.

4. Odisha Gets India's First 3D Glass Semiconductor Packaging Unit

India's first advanced 3D glass chip packaging unit will be set up in Bhubaneswar with an investment of ₹1,943 crore; the project is implemented by 3D Glass Solutions Inc. through its Indian subsidiary; it will support sectors like AI, 5G, defence and aerospace with production expected by 2028.

5. C-DOT Partners with Jumps Automation for Cybersecurity Platform

C-DOT signed an MoU with Jumps Automation LLP to develop a gamified cybersecurity awareness platform; the platform will use AI-driven simulations and training modules; it aims to enhance cyber preparedness through interactive learning and SaaS deployment.

6. MoMA and IIT Patna Collaborate Under PM VIKAS Scheme

The Ministry of Minority Affairs signed an MoU with IIT Patna under PM VIKAS; the initiative will train 600 minority youth in AI and business analytics roles; it focuses on improving employability through technology-driven skill development.

7. SBI Targets 25% of India's GDP in Balance Sheet by 2030

State Bank of India aims to expand its balance sheet to 25% of India's GDP by 2030; it plans district-level customized strategies to boost growth; currently, its balance sheet stands at ₹71.62 lakh crore with strong market share in deposits and advances.

8. UN Report Projects India's GDP Growth at 6.4% in 2026

A report by UN ESCAP projects India's growth at 6.4% in 2026 and 6.6% in 2027; inflation is expected to remain stable around 4.4%; India continues to lead in greenfield FDI inflows and remittance receipts globally.

9. NHA Concludes Chintan Shivir 2026 and Awards States

National Health Authority आयोजित Chintan Shivir 2026 in Pune to review AB PM-JAY and ABDM; states and UTs were awarded for excellence in healthcare implementation; discussions focused on digital health systems, interoperability, and governance reforms.

10. Santosh Kumar Honoured as 'Global Green Icon' in UK

Joginapally Santosh Kumar was awarded 'Global Green Icon' at the World Climate Leaders Conclave in London; he is known for launching the Green India Challenge; the award recognises his contribution to large-scale afforestation and sustainability efforts.

11. Apple Appoints John Ternus as Next CEO

Apple Inc. announced that John Ternus will become CEO from September 2026, succeeding Tim Cook; Cook will transition to Executive Chairman; Ternus has led major hardware innovations including Apple Silicon.

12. Indian Navy Gets Fourth Diving Support Craft DSC A23

Titagarh Naval Systems launched the fourth DSC A23 for the Indian Navy under the Make in India initiative; the vessel supports deep-sea diving and rescue operations; it features advanced indigenous systems for operational efficiency.

13. Aronyak Ghosh Becomes India's 95th Chess Grandmaster

Aronyak Ghosh became India's 95th Grandmaster at the Bangkok Chess Club Open 2026; he secured his final GM norm with an unbeaten performance; he is among the rising talents in Indian chess.

14. World Liver Day 2026 Observed on April 19

World Liver Day is observed globally on April 19 to raise awareness about liver health; the 2026 theme is "Solid Habits, Strong Liver"; it promotes preventive care and lifestyle changes to reduce liver diseases.

15. UN Chinese Language Day 2026 Celebrated on April 20

The United Nations observes Chinese Language Day on April 20 to promote multilingualism; the 2026 theme focuses on youth engagement and language learning; the day aligns with the traditional Chinese calendar event Guyu.

16. National Civil Services Day 2026 Observed on April 21

India celebrates National Civil Services Day on April 21 to recognise civil servants' contribution; the 2026 theme is "Viksit Bharat: Citizen-Centric Governance"; the Prime Minister's Awards for Excellence in Public Administration were conferred during the event.

FIVE TO REMEMBER · 22 APRIL 2026

1. **Annual Growth:** The 6.3 GW commissioned in 2025 represents a massive **85% increase** over the 2024 additions. India Climbs to Global #2 in Wind Energy: BNEF ...
2. **Diplomatic Expansion:** Since 2018, India has opened **16 new missions** in Africa, bringing its total diplomatic presence to **45 countries**. The summit serves as a platform to consolidate this outreach. Fourth India-Africa Forum Summit (IAFS) 2026
3. A report by UN ESCAP projects India's growth at 6.4% in 2026 and 6.6% in 2027; inflation is expected to remain stable around 4.4%; India continues to lead in greenfield FDI inflows and remittance receipts globally. UN Report Projects India's GDP Growth at 6.4% i...
4. **The Hub:** The initiative centers around **Samriddhi Kendras (SK)**—physical community hubs (800–1000 sq. ft.) that provide assisted digital services. Samriddh Gram Initiative
5. **Q1: B** (CRISPR is the "molecular scissors" used for gene drives.) Genetically Modified (GM) Mosquitoes

Now test yourself: c4scourses.in/daily-quiz/daily-quiz-22-april-2026/

DAY 19 OF 23

23 April 2026

Thursday · 27 items · 4 topics

National Affairs 4 · Banking and Finance 4 · Agriculture 2 · Facts To Remember 17

Daily Current Affairs Quiz
23 April, 2026**National Affairs****1. INS Nireekshak in Colombo**

Source: PIB

Context

The Indian Navy's specialized vessel, **INS Nireekshak**, arrived at the Port of Colombo on April 21, 2026. It is participating in the **4th edition of IN-SLN DIVEX 2026**, a week-long bilateral diving exercise aimed at strengthening maritime security and interoperability in the Indian Ocean.

What is INS Nireekshak (A15)?

INS Nireekshak is not a standard combat ship; it is a highly specialized **Diving Support Vessel (DSV)** and an interim **Submarine Rescue Vessel (SRV)**.

- **Key Role:** Facilitates deep-sea diving operations, submarine rescue, and training of saturation divers.
- **Specialized Equipment:** Two **Deep Submergence Rescue Vehicles (DSRV)**.
 - A **Diving Bell** and two six-man **recompression chambers** (crucial for preventing decompression sickness in divers).
 - Dynamic Positioning System (to maintain a precise position at sea during diving).

What is DIVEX 2026?

The exercise (April 21–27, 2026) is designed to refine the "underwater" diplomacy between India and Sri Lanka.

- **Objective:** Enhancing interoperability and exchanging "Best Practices" in specialized underwater operations.
- **Humanitarian Outreach (Aarogya Maitri):** As a gesture of solidarity, the ship is presenting **two BHISM (Bharat Health Initiative for Sahyog Hita & Maitri) cubes** to Sri Lanka.

What is MAHASAGAR?

The engagement aligns with India's **MAHASAGAR** vision (**M**utual and **H**olistic **A**dvancement for **S**ecurity and **G**rowth **A**cross **R**egions). This framework emphasizes:

1. **Collective Growth:** Shared economic and security interests.
2. **Stability:** Ensuring the Indian Ocean Region (IOR) remains peaceful and cooperative.
3. **Regional Leadership:** Positioning India as a "First Responder" in the region for humanitarian and security needs.

Key Concepts**Q: Why is an "Operational Turnaround (OTR)" visit important?****A:** OTRs allow a ship to refuel, restock supplies, and provide rest for the crew while simultaneously

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conducting diplomatic or training exercises in a foreign port.

Q: What is a "DSRV"?

A: A **Deep Submergence Rescue Vehicle**. It is a mini-submarine used specifically to rescue sailors from a disabled submarine trapped on the ocean floor.

Conceptual MCQs

Q1. INS Nireekshak is primarily classified as which type of vessel?

- A) Guided Missile Destroyer
- B) Aircraft Carrier
- C) Diving Support and Submarine Rescue Vessel
- D) Stealth Frigate

Q2. Under the "Aarogya Maitri" initiative, what specific humanitarian aid is INS Nireekshak providing to Sri Lanka?

- A) 50,000 tons of rice
- B) Two BHISM portable medical cubes
- C) A new naval radar system
- D) Solar power panels for Colombo port

Q3. The DIVEX 2026 exercise aligns with which Indian strategic vision for the Indian Ocean?

- A) Project Mausam
- B) MAHASAGAR
- C) Operation Vanilla
- D) SAGAR-MALA

Answers

- **Q1: C** (It is a specialized support ship, not a frontline combatant.)
- **Q2: B** (BHISM cubes are designed for rapid response in emergency medical situations.)
- **Q3: B** (MAHASAGAR is the Navy's specific outreach framework for holistic regional security.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (International Relations, India-Sri Lanka); GS-3 (Security/Defence)
SSC / Banking	Current Affairs (Naval exercises, New ships, Bilateral agreements)
Defence (NDA/CDS)	Maritime security, Ship capabilities, Regional strategic visions

2. NARIT-AI

Source: Indian Express (IE)

Context

The Gujarat Police has developed the **Narcotics Analysis & RAG-based Investigation Tool (NARIT-AI)** to address a critical decline in conviction rates for cases under the **Narcotic Drugs and Psychotropic Substances (NDPS) Act**, which fell from **44.4% in 2020 to 25% in 2022**.

"Primacy of Procedure"

In NDPS cases, evidence alone is rarely enough. The law demands strict adherence to procedural steps.

- **The Problem:** Even minor administrative or procedural lapses—such as errors in documentation,

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witness presence, or sample handling—often lead to "benefit of doubt" acquittals for accused individuals.

- **The Resource Gap:** There is often a shortage of specialized "writers" (police staff for documentation) at the district level, leading to administrative bottlenecks.

How NARIT-AI Works

Developed in collaboration with AI startup **Gradiante Creative Services**, the tool uses **Retrieval-Augmented Generation (RAG)** to provide a "bulletproof" investigation framework.

- **Closed Knowledge Base:** Unlike open-source AI, NARIT-AI only references a specific data library: the **NDPS Act**, the new criminal laws (**BNS, BNSS, BSA**), and thousands of **Supreme Court/High Court judgments**.
- **Zero Hallucination:** Because it is a "closed sandbox" system, it does not invent fake legal citations or non-existent judgments.
- **Simple Interface:** Investigating Officers (IOs) can simply upload a **First Information Report (FIR)**, and the system generates case-specific instructions.

Key Concepts

Q: What is "RAG" (Retrieval-Augmented Generation)?

A: It is a technique that gives the AI a "textbook" (a specific database) to look at before it answers. This ensures the AI doesn't rely on its own internal memory, which might be outdated or incorrect, but instead gives a fact-checked response based on the provided documents.

Q: Why is the NDPS Act conviction rate so low?

A: Largely due to "procedural non-compliance." Defense lawyers often win cases not by proving their client is innocent, but by proving the police didn't follow the exact steps mandated by the law.

Q: Does NARIT-AI replace the Public Prosecutor?

A: No. It is a "Paralegal Tool." It helps the police build a "bulletproof" case file *before* it reaches the prosecutor, making the prosecutor's job in court much easier.

Conceptual MCQs

Q1. NARIT-AI is primarily designed to address which issue in narcotics cases?

- A) Lack of police manpower
- B) Low conviction rates due to procedural lapses
- C) High cost of forensic testing
- D) Shortage of public prosecutors

Q2. What technology does NARIT-AI use to ensure its legal advice is factually grounded and does not "hallucinate"?

- A) Open-source Web Scraping
- B) Blockchain Encryption
- C) Retrieval-Augmented Generation (RAG)
- D) Facial Recognition

Q3. Which of the following is NOT a feature of NARIT-AI?

- A) Generation of draft Chargesheets
- B) Public access for reporting drug crimes
- C) Identification of potential prosecution weaknesses

D) Checklists for evidence collection

Answers

- **Q1: B** (Procedural errors are the leading cause of acquittals in NDPS cases.)
- **Q2: C** (RAG restricts the AI to a verified, closed database of Indian laws.)
- **Q3: B** (The system is private and restricted to verified police users only.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Science & Tech: AI in Governance; Internal Security: Drug Trafficking)
Police/Defence Exams	Use of technology in modern policing

3. The India–Africa Forum Summit (IAFS)

Source: The Hindu (TH)

Context

India is set to host the **Fourth India–Africa Forum Summit (IAFS–IV)** in New Delhi from **May 28 to 31, 2026**. This landmark event ends an 11-year hiatus since the last summit in 2015 and aims to redefine India's role as the "Voice of the Global South."

The 2026 Pivot

The 2026 summit is unique because it follows the permanent inclusion of the **African Union (AU) in the G20** (achieved during India's 2023 Presidency). The focus has shifted from simple aid to **co-development** and strategic partnership.

- **Agenda 2063 Alignment:** The summit will focus on aligning India's development goals with Africa's "Agenda 2063"—the AU's blueprint for transforming Africa into a global powerhouse.
- **Trade Milestone:** Bilateral trade reached **\$103 billion** in 2024–25, a 17% year-on-year increase.
- **Critical Minerals:** With Africa holding **30% of global mineral reserves**, a key focus will be technical expertise in sustainable mining to fuel India's green energy transition.

What are the Key Pillars of Cooperation?**1. Education & Human Capital**

The establishment of the **IIT Madras campus in Zanzibar, Tanzania** (the first international IIT) serves as the flagship model for educational ties.

- **Status 2026:** The campus has expanded to include degrees in **Data Science, AI, and Chemical Process Engineering**, with 51% of its students coming from Tanzania and other African nations.
- **Digital Infrastructure:** Expansion of the **e-VidyaBharati** and **e-AarogyaBharati** platforms to provide remote education and tele-medicine across the continent.

2. Security & Defense

The partnership is moving beyond training to the supply of defense hardware.

- **Maritime Security:** Joint patrolling and capacity building in the Indian Ocean Region (IOR) to combat piracy and ensure stable trade routes.
- **Hardware Exports:** India is increasingly looking to supply "Made in India" defense equipment like patrol vessels and aircraft to African nations.

3. Diplomatic Footprint

India has significantly scaled up its physical presence to counter global competition.

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- **New Missions:** Since 2018, India has opened **18 new embassies** in Africa, bringing the total to 45 operational missions.
- **Multilateral Support:** India continues to advocate for the **reform of the UN Security Council**, pushing for permanent representation for Africa.

History of IAFS Summits

Year	Venue	Key Focus
2008	New Delhi	Food and oil price volatility; 14 AU-chosen nations attended.
2011	Addis Ababa	Infrastructure and regional economic integration.
2015	New Delhi	Largest turnout (all 54 nations); focus on health and solar energy.
2026	New Delhi	Critical minerals, digital public infra, and Global South leadership.

Key Concepts

Q: What is "South-South Cooperation"?

A: It is the technical and economic cooperation among developing countries in the "Global South." Unlike "North-South" cooperation (which is often donor-recipient based), South-South focus is on mutual benefit and shared challenges.

Q: Why is the "Global South" term so prominent now?

A: India is positioning itself as the bridge between the developed West and the developing world. By leading the Global South, India gains more leverage in international forums like the UN and WTO.

Q: What are "Lines of Credit" (LoC)?

A: These are "soft loans" provided by India at low interest rates. African countries use this money to hire Indian companies for infrastructure projects, creating a win-win for both economies.

Conceptual MCQs

Q1. Which of the following marks a significant shift in the 2026 IAFS summit compared to earlier versions?

- A) Focus only on oil imports
- B) Alignment with Africa's "Agenda 2063"
- C) Reducing diplomatic missions
- D) Barring private sector investment

Q2. Where was the first international campus of an Indian Institute of Technology (IIT) established in Africa?

- A) Addis Ababa, Ethiopia
- B) Nairobi, Kenya
- C) Zanzibar, Tanzania
- D) Lagos, Nigeria

Q3. Africa is estimated to hold what percentage of the world's critical mineral reserves?

- A) 5%
- B) 15%
- C) 30%
- D) 60%

Answers

- **Q1: B** (Modernizing the partnership beyond traditional aid to long-term strategic alignment.)
- **Q2: C** (IIT Madras Zanzibar is the flagship project in education.)
- **Q3: C** (This makes the region vital for global high-tech and green energy industries.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (International Relations: Bilateral, regional and global groupings)
RBI Grade B	Phase II: ESI (International Economic Institutions and regional groups)
State PCS	Current Affairs (Summits and host cities)

3. Scheme for Special Assistance to States for Capital Investment (SASCI): SBI Report

Source: SBI Research

Context

The **Scheme for Special Assistance to States for Capital Investment (SASCI)** has been a pivotal tool in driving India's post-pandemic recovery. However, a recent report by the State Bank of India (SBI) highlights a growing divergence in how effectively different states are absorbing these central funds.

Scheme for Special Assistance to States for Capital Investment (SASCI)

Launched during the COVID-19 pandemic (FY 2020-21) to prevent a slump in infrastructure spending, the SASCI scheme has evolved into a cornerstone of India's "Capex-led" growth strategy. It provides long-term, interest-free financial support to states to build productive assets.

Functional Components of SASCI

The fund is generally distributed across different "Parts," each with specific triggers:

- **Part-I (Untied Funds):** Allocated to states in proportion to their share of central taxes (as per the Finance Commission formula). States can use these for any ongoing or new capital projects.
- **Part-II (Reform-Linked):** Incentives provided to states that successfully implement specific reforms, such as:
 - **Urban Reforms:** Updating building bylaws and urban planning.
 - **Land Records:** Digitization of rural land records (GIS mapping).
 - **One District One Product (ODOP):** Establishing Unity Malls to promote local crafts.
- **Part-III (Sector-Specific):** Dedicated funds for projects like **Optical Fibre Cable (OFC)** deployment in rural areas to complement the BharatNet mission.

State-Wise Performance (As of FY25)

Performance Category	Top States (Utilisation %)	Bottom States (Utilisation %)
High Absorbers	West Bengal (96.7%)	Manipur (47.4%)
Consistent Leaders	Maharashtra (95.0%)	Nagaland (51.7%)
Steady Performers	Chhattisgarh (94.4%)	Punjab / Kerala / Telangana (Weaker)

Key Concepts: Keyword Q&A

Q: Why is "Capital Expenditure" (Capex) preferred over "Revenue Expenditure"?

A: Revenue expenditure is for daily operational costs (salaries, subsidies) which don't create assets. Capex (building bridges, hospitals, ports) creates assets that generate future income and jobs, leading to a higher **multiplier effect** on the GDP.

Q: What is "Untied Funding"?

A: These are funds provided without specific pre-conditions regarding which sector they must be spent on, giving states the flexibility to address their unique infrastructure gaps.

Q: How does this help the "Debt-to-GDP" ratio?

A: Since these are 50-year interest-free loans, they do not increase the immediate "interest payment" burden on the state budgets, making their debt profiles more sustainable while still allowing for growth-focused spending.

Conceptual MCQs**Q1. What is the repayment tenure for the loans provided under the SASCI scheme?**

- A) 10 years
- B) 25 years
- C) 50 years
- D) 75 years

Q2. Which sector was given a specific focus for the development of "Iconic Centres" in the FY 2024-25 allocation?

- A) Renewable Energy
- B) Tourism
- C) Space Technology
- D) Deep-sea Mining

Q3. Under the reform-linked component of SASCI, funds are incentivized for which of the following activities?

- A) Increasing agricultural subsidies
- B) Digitization of rural land records
- C) Repayment of old market loans
- D) Funding of state election expenses

Answers

- **Q1: C** (The 50-year interest-free term is the defining feature of this assistance.)
- **Q2: B** (The objective is to upgrade 40 sites to global standards to attract private capital.)
- **Q3: B** (Reforms in land digitization and urban planning are key triggers for accessing incentive funds.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Indian Economy: Mobilization of resources, Government Budgeting)
RBI Grade B	Phase II: ESI (Fiscal Policy, Centre-State financial relations)

Banking and Finance**1. RBI Proposes New PPI Norms**

Source: BS

Context

The Reserve Bank of India (RBI) has issued a **Draft Master Direction on Prepaid Payment Instruments**

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(PPIs) to replace the 2021 framework. The revamp is designed to align with the **2025 KYC norms**, tighten risk management, and mandate interoperability across the digital payment ecosystem.

What are Prepaid Payment Instruments (PPIs)?

Prepaid Payment Instruments (PPIs) are financial tools that allow you to store a pre-loaded monetary value to pay for goods, services, or fund transfers. Think of them as "digital cash containers"—you put money in first, then spend it later.

In April 2026, the **Reserve Bank of India (RBI)** issued new draft Master Directions to modernize these tools, focusing on tighter risk controls and deeper integration with the UPI ecosystem.

Key Operational Mandates

Feature	Regulation Detail
Form Factor	Can be a Card or Digital Wallet . Paper vouchers are strictly prohibited.
Cross-Border Ban	PPIs are for domestic use only; they cannot be used for international payments.
Interoperability	Full-KYC wallets must be interoperable via UPI (for wallets) and Card Networks (for physical cards).
Discovery	PPI issuers can now facilitate the "discovery" of their wallets within third-party UPI apps (e.g., seeing your wallet balance inside Google Pay or BHIM).

New Classification of PPIs

The RBI has streamlined wallets and cards into two main umbrellas based on their functionality and user verification levels.

1. General Purpose PPIs

Used for everyday transactions, including fund transfers and merchant payments.

- **Full-KYC PPIs:** Issued after complete digital/physical verification.
 - **Balance Limit:** Maximum outstanding balance capped at **₹2 lakh**.
 - **P2P Transfers:** Capped at **₹25,000** per month.
 - **Cash Loading:** Permitted up to **₹10,000** per month.
- **Small PPIs:** Issued with minimal details (OTP + self-declaration of ID).
 - **Balance Limit:** Capped at **₹10,000**.
 - **Restriction:** Primarily for merchant payments; no cash loading or fund transfers.

2. Special Purpose PPIs

Designed for specific, restricted use cases.

- **Gift PPIs:** Max value **₹10,000**; non-reloadable and **cannot be purchased with cash**.
- **Transit PPIs:** For public transport/tolls; max balance **₹3,000**.
- **Foreign National/NRI PPIs:** Issued after Passport/Visa verification for P2M payments.
 - **Monthly Debit Limit:** Capped at **₹5 lakh**.

What are Mandatory Interoperability & Integration?

A core objective of the 2026 directions is to end the "closed-loop" nature of digital wallets.

- **Universal Usage:** PPI issuers must facilitate interoperability for **Full-KYC PPI** holders. This means a wallet from one company must be able to pay via **UPI** (by scanning any QR code) or **Card Networks** (at any POS terminal).
- **Third-Party Discovery:** For the first time, the RBI explicitly allows PPIs to be "discovered" on third-party UPI apps (e.g., viewing your wallet balance or paying through it within an app like Google Pay or BHIM).

Strict Security Controls

- **Cross-Border Ban:** The RBI has proposed that PPIs **cannot be used for cross-border transactions**; they remain strictly domestic payment tools.
- **KYC Alignment:** The rules are now synchronized with the **KYC Norms of 2025**, requiring more robust digital onboarding and fraud prevention measures.
- **Inactivity Rule:** Wallets with no transactions for one year must be classified as inactive, with clear paths for reactivation or closure.

Key Concepts

Q: What is a "Full-KYC PPI"?

A: It is a digital wallet or card where the customer has completed full identity verification. These instruments are highly flexible, allowing for P2P transfers, cash withdrawals (in some cases), and higher transaction limits.

Q: Why the strict ban on cash for Gift PPIs?

A: To prevent money laundering and ensure a clear digital audit trail for high-value gift cards, the RBI mandates they only be purchased via digital bank transfers.

Q: What is "Interoperability" in this context?

A: It is the ability for different payment systems to work together. For a PPI user, it means their wallet is no longer "trapped" in one app; they can use it to pay any merchant who accepts UPI or cards.

Conceptual MCQs

Q1. Under the draft 2026 norms, what is the monthly cap for Peer-to-Peer (P2P) transfers from a Full-KYC PPI?

- A) ₹10,000
- B) ₹25,000
- C) ₹50,000
- D) ₹1,00,000

Q2. Which type of PPI has its outstanding balance capped at a maximum of ₹3,000?

- A) Small PPI
- B) Gift PPI
- C) Transit PPI
- D) Foreign National PPI

Q3. According to the proposed guidelines, what is the status of using PPIs for cross-border transactions?

- A) Permitted for Full-KYC users.
- B) Permitted for NRIs only.
- C) Not permitted.
- D) Permitted up to ₹50,000.

Answers

- **Q1: B** (Monthly P2P transfers are strictly capped at ₹25,000.)
- **Q2: C** (Transit PPIs for Metro/Bus are kept at lower limits for high-speed offline processing.)
- **Q3: C** (RBI has maintained a domestic-only stance for PPIs in this draft.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Phase II: Finance (Payment & Settlement Systems, Regulatory Updates)
UPSC CSE	GS-3 (Indian Economy: Banking & Digital Infrastructure)
Bank PO / SSC	General Awareness (New limits, Banking terminology)

2. Pay Point Joins RBI's Core Payment System

Source: ET

Context

In a significant regulatory shift, **Pay Point India Network** has become the **first private-sector fintech company** to secure direct membership in the Reserve Bank of India's (RBI) **Centralised Payment System (CPS)**. This move signals a maturing fintech landscape where non-bank entities are being granted the same infrastructure privileges as traditional banks.

From Intermediary to Direct Access

Before this development, fintechs operated as "sub-members," meaning they had to route every **transaction through a sponsor bank**. Now, Pay Point India operates on par with commercial banks regarding payment processing.

Feature	Previous Model (Sub-member)	New Model (CPS Member)
Connectivity	Through a Sponsor Bank	Directly with the RBI
Identity	Uses Sponsor Bank's IFSC	Assigned its own unique IFSC code
Settlement	Settled in Bank's books	Settlement account directly with RBI
Dependency	High (subject to bank's technical glitches)	Zero (independent infrastructure)

What is Centralised Payment System (CPS)?

The CPS is the backbone of the Indian financial system, owned and operated exclusively by the RBI. It consists of two primary pillars:

- NEFT (National Electronic Funds Transfer):** A nationwide payment system facilitating one-to-one funds transfer. It operates in half-hourly batches.
- RTGS (Real Time Gross Settlement):** Used for continuous, real-time settlement of high-value fund transfers (typically above **2 Lakh**) on a transaction-by-transaction basis.

Strategic Significance of the Move

- Reduction in Systemic Risk:** By removing the "middleman" bank, the point of failure is reduced. If a sponsor bank faces a technical outage, the fintech's services are no longer paralyzed.
- Cost Efficiency:** Fintechs no longer need to pay "transaction fees" or "hosting charges" to sponsor banks, which could eventually lead to cheaper services for end-users.
- Operational Speed:** Direct integration with RTGS and NEFT ensures faster settlement cycles and better liquidity management.
- IFSC Empowerment:** Having a dedicated IFSC code allows the fintech to be recognized as an independent financial destination, similar to a bank branch.

Key Concepts: Keyword Q&A

Q: What is an IFSC?

A: The **Indian Financial System Code**. It is an 11-character alphanumeric code used to uniquely identify

bank branches (and now specific fintech entities) within the NEFT and RTGS networks.

Q: Why was this restricted to banks earlier?

A: The RBI maintained strict entry barriers to ensure financial stability. Direct access to the RBI's "Current Account" is a high-trust privilege, as it involves the final settlement of money in the central bank's books.

Q: Does this make Pay Point a Bank?

A: No. While it has "Bank-like" payment infrastructure access, it still cannot accept deposits or issue loans unless it holds a specific banking license. It remains a **Payment System Provider (PSP)**.

Conceptual MCQs

Q1. Pay Point India has become the first private fintech to gain direct access to which system?

- A) Unified Payments Interface (UPI)
- B) Centralised Payment System (CPS)
- C) SWIFT Network
- D) Bharat Bill Payment System (BBPS)

Q2. What is a direct technical benefit of a fintech being assigned its own IFSC code?

- A) It can now print its own currency.
- B) It can issue credit cards without a bank partner.
- C) It can process NEFT/RTGS transfers without an intermediary bank.
- D) It is exempt from all RBI audits.

Q3. Which of the following is a component of the RBI's Centralised Payment System?

- A) Only RTGS
- B) Only NEFT
- C) Both RTGS and NEFT
- D) Only IMPS

Answers

- **Q1: B** (CPS membership is the core achievement mentioned.)
- **Q2: C** (The IFSC allows the entity to be a direct "node" in the national payment highway.)
- **Q3: C** (RTGS and NEFT are the two primary vehicles of the CPS.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Phase II: Finance (Payment Systems in India, Digital Banking)
UPSC CSE	GS-3 (Indian Economy: Banking, Infrastructure, Fintech)
Bank PO / SSC	General Awareness (Banking updates, Fintech milestones)

3. RBI's Consolidated E-Mandate Framework 2026

Source: Mint

Context

The Reserve Bank of India (RBI) has introduced the **Digital Payments – E-mandate Framework, 2026**. This consolidated set of rules streamlines recurring payments across UPI, cards, and prepaid instruments, balancing user convenience with a robust 24-hour "safety window" for every transaction.

When is an OTP Needed?

The new framework categorizes recurring payments by their risk and value. While the general limit remains at ₹15,000, specific "essential" financial commitments have a much higher threshold.

Category	Limit (No OTP Required)	Examples
General Recurring	₹15,000	Netflix, Spotify, Utility Bills, Broadband, Gym Fees.
High-Value Exemptions	₹1,00,000	Insurance Premiums, Mutual Fund SIPs, Credit Card Bills.
Variable Payments	Set by User	Electricity bills where the amount changes each month.

- **Initial Setup:** Every e-mandate *must* be registered using **Additional Factor Authentication (AFA)** (usually an OTP).
- **The First Transaction:** The very first payment under any mandate always requires an OTP, even if it is under ₹15,000.

The "Safety First" Features

The 2026 framework shifts significant control back to the consumer to prevent fraudulent or unwanted auto-debits.

- **24-Hour Pre-Debit Alert:** Banks *must* send a notification (SMS/Email) at least **24 hours before** any money is deducted.
 - **The "Opt-Out" Link:** This alert must include a facility to cancel that specific transaction or revoke the entire mandate before the debit happens.
- **Zero Charges:** Banks and payment providers are **prohibited from charging customers** for setting up or using the e-mandate facility.
- **Post-Transaction Feedback:** Every debit must be followed by an instant notification that includes **grievance redressal** details (how to complain if the amount is wrong).
- **Card Re-issuance:** If your credit/debit card is re-issued (due to expiry or loss), banks can now automatically **map your existing e-mandates** to the new card, so your subscriptions aren't interrupted.

Key Concepts: Keyword Q&A

Q: What is an "AFA" (Additional Factor Authentication)?

A: It's a second layer of security beyond just your card details—typically an OTP sent to your phone or a biometric check.

Q: Can I stop a payment after I get the 24-hour alert?

A: Yes. The framework mandates that the alert must provide a clear way to "opt-out" of that specific payment cycle without needing to delete the entire subscription.

Q: What if a fraudster sets up a mandate?

A: The RBI has extended its **"Zero-Liability"** policy to e-mandates. If you report an unauthorized debit promptly, the bank is responsible for the loss.

Conceptual MCQs

Q1. According to the 2026 framework, what is the maximum limit for an auto-debit for a Mutual Fund SIP without requiring an OTP for each cycle? A) ₹15,000

B) ₹50,000

C) ₹1,00,000

D) ₹5,00,000

Q2. How much time in advance must a bank notify a customer before processing a recurring e-

mandate payment? A) 1 hour

B) 12 hours

C) 24 hours

D) 48 hours

Q3. Which of the following is EXEMPT from the mandatory 24-hour pre-debit notification? A) Netflix Subscription

B) Electricity Bill

C) FASTag Auto-replenishment

D) Insurance Premium

Answers

- **Q1: C** (Insurance, Mutual Funds, and Credit Cards have a special ₹1 lakh limit.)
- **Q2: C** (The 24-hour window is a mandatory safety feature.)
- **Q3: C** (FASTag and NCMC are exempt to prevent travel delays.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Phase II: Finance (Payment Systems & Consumer Protection)
SSC / Bank PO	General Awareness (New transaction limits and banking terms)

Agriculture

1. Overhauling the Sugarcane (Control) Order

Source: Mint

Context

The Department of Food and Public Distribution (DFPD) has proposed a total revamp of the **Sugarcane (Control) Order, 1966**. This 60-year-old regulation is being updated to reflect the industry's shift from simple sugar production to a complex **bio-refinery model** centered on ethanol.

Stricter Financial Discipline for Farmer Payments

The draft aims to end the "arrears crisis" that has historically plagued the sugar sector by introducing aggressive financial penalties.

- **The 14-Day Deadline:** Sugar mills are now legally mandated to pay farmers within **two weeks** of cane delivery.
- **15% Penal Interest:** If a mill misses this window, it must pay an annual interest rate of **15%** on the delayed amount directly to the farmer.
- **Revenue Recovery:** For the first time, unpaid dues can be collected as **"arrears of land revenue."** This empowers District Collectors to treat unpaid cane dues with the same legal urgency as unpaid taxes, allowing for the attachment of mill assets to pay farmers.

The "Ethanol" Pivot

The most significant structural change is the formal integration of the biofuel sector into the sugar regulatory framework.

- **New Definition of 'Producer':** The term now includes any entity using sugarcane juice, syrup, or molasses to manufacture downstream products (like ethanol).

- **Ethanol-to-Sugar Conversion:** For pricing and regulatory parity, the draft establishes that **600 litres of ethanol** produced from sugarcane feedstock is equivalent to **one tonne of sugar**.
- **Pricing Linkage:** The value of by-products and ethanol will now be a formal factor in determining the **Fair and Remunerative Price (FRP)** for cane.

Modernization of By-products & Reporting

The draft recognizes that sugar mills no longer just produce sugar; they are energy and fertilizer hubs.

- **Economic Value of Waste:** By-products such as **Bagasse** (for power), **Molasses** (for spirits/fuel), and **Press Mud** (for organic fertilizer) are now formally defined to reflect their growing market importance.
- **Digital Reporting (APIs):** To eliminate data delays, the government will mandate mills to share production and payment data through **Application Programming Interfaces (APIs)**. This allows for real-time monitoring of stocks and compliance.
- **Khandsari Units:** Small-scale *khandsari* (unrefined sugar) units, which were previously less regulated, now face **mandatory licensing** and quality checks to ensure food safety and fair pricing.

The 25-km Rule

Despite the modernization, the government has decided to retain the **"spatial restriction"** on mills.

- **Mill Spacing:** New sugar mills cannot be set up within a **25-km radius** of an existing mill.
- **Reasoning:** This prevents "cane poaching" and ensures that every mill has a guaranteed "Reserved Area" or catchment zone, providing financial stability for both the mill and the local farmers.

Key Concepts: Keyword Q&A

Q: What are "Arrears of Land Revenue"?

A: This is a powerful legal mechanism. When a debt is classified this way, the government can recover it by seizing the debtor's property, bank accounts, or auctioning their assets, similar to how unpaid land taxes are recovered.

Q: Why link 600 litres of ethanol to 1 tonne of sugar?

A: This "conversion rate" is essential for the government to track how much "sugar equivalent" is being diverted to the **Ethanol Blending Programme (EBP)**. It helps in managing national sugar buffer stocks and calculating the revenue-sharing formula for farmers.

Q: What is the significance of the May 20 deadline?

A: The Ministry has invited comments from all stakeholders (farmers, mill owners, and states) until May 20, 2026. This is the final window for the industry to influence the rules before they become law.

Conceptual MCQs

Q1. Under the proposed draft, what is the penalty for a mill failing to pay a farmer within 14 days?

- A) 5% per annum
- B) 10% per annum
- C) 15% per annum
- D) Permanent closure of the mill

Q2. Which technology has been introduced to ensure real-time compliance and data sharing?

- A) Blockchain Ledgers
- B) Application Programming Interfaces (APIs)
- C) Satellite Mapping
- D) Automated Drones

Q3. The 25-km radius rule between sugar mills is primarily intended to:

- A) Reduce air pollution
- B) Ensure adequate sugarcane availability for each mill
- C) Limit the production of ethanol
- D) Encourage the growth of khandsari units

Answers

- **Q1: C** (15% interest is the proposed mandatory penalty.)
- **Q2: B** (The draft specifically mentions APIs for digital reporting.)
- **Q3: B** (It prevents unhealthy competition for raw materials within a specific catchment area.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Agriculture: Pricing, Ethanol Blending, Land Arrears)
NABARD / AFO	Rural Development and Agri-Policy (FRP, By-product value)

2. IIT Ropar's Integrated Agricultural Intelligence Ecosystem

Source: BL

Context

IIT Ropar's Centre of Excellence (CoE) in AI for Agriculture, known as **ANNAM.AI** (*Alliance for Next-Gen Nourishment through Agriculture Modernisation*), has launched India's first fully integrated AI ecosystem for agriculture. This initiative aims to transition Indian farming from traditional methods to a "Green Intelligence" era.

Core Components of the Ecosystem

The ecosystem integrates hardware, human support, and AI-driven software to provide a 360-degree support system for farmers.

- **'Swan' AI Weather Stations:** A network of 100 advanced, hyperlocal weather stations deployed across Punjab.
 - **Features:** Captures real-time data on rainfall, wind speed, humidity, and solar radiation.
 - **Accuracy:** Delivers forecasts with up to **99% accuracy**, validated by the India Meteorological Department (IMD).
 - **Impact:** Designed to reduce crop losses by 7-9% and save 20-30% of irrigation water.
- **Krishi Intelligence Call Centres:** Human-AI hybrid centers that provide real-time assistance and expert-validated advice to farmers.
- **Annam Chat Engine (ACE):** A multilingual AI-powered chat platform.
 - **Function:** Allows farmers to interact in their preferred language.
 - **Capabilities:** Provides advisories on soil health, pest management, and weather, supporting every recommendation with credible sources to build trust.

What are The Three-Layer AI Architecture?

The system is built on a structured framework to ensure data flows seamlessly from the field to the farmer.

1. **Infrastructure Layer (Data Collection):** This "ground" layer consists of the physical hardware—IoT sensors and **Swan** weather stations—that gather raw environmental and crop data.
2. **Intelligence Layer (Data Analysis):** The "brain" of the system where machine learning and computer

"Mark the bold line. It is bold for a reason."

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vision models process the data. It identifies pest infestations from uploaded images and predicts yield patterns.

3. **Engagement Layer (Farmer Advisory):** The "delivery" layer where insights are converted into simple, actionable advice via the **ACE Chat Engine** or mobile notifications.

Strategic Objectives

- **Hyper-local Precision:** Shifting from district-level weather reports to farm-level intelligence.
- **Resource Optimization:** Using AI to tell farmers *exactly* when to irrigate or apply pesticides, preventing over-use and reducing costs.
- **Capacity Building:** ANNAM.AI has committed to training **10,000 students and rural youth** in climate-smart agriculture to ensure the technology is managed at the grassroots level.
- **National Expansion:** After the Punjab rollout, the system is targeted for expansion to Haryana, UP, Bihar, Maharashtra, and other states by June 2026.

Key Concepts: Keyword Q&A

Q: What does "Green Intelligence" mean?

A: While the Green Revolution of the 1960s was built on seeds, chemicals, and water, "Green Intelligence" refers to a new revolution built on **Data, AI, and Farmer-first innovation**.

Q: How does ACE prevent "AI Hallucinations"?

A: The chat engine is built using RAG (Retrieval-Augmented Generation), meaning it only provides answers based on a specific library of expert-validated agricultural research and IMD data, rather than general internet information.

Q: Is this service free for farmers?

A: Yes, the deployment of the initial 100 weather stations and the advisory platform is being offered at no cost to farmers in Punjab as part of the CoE's mission.

Conceptual MCQs

Q1. What is the name of the multilingual AI chat engine launched by IIT Ropar for agricultural advisory?

- A) Krishi Mitra
- B) Annam Chat Engine (ACE)
- C) Swan Engine
- D) Agri-GPT

Q2. In the three-layer AI architecture of this ecosystem, which layer is responsible for raw data collection through sensors?

- A) Intelligence Layer
- B) Engagement Layer
- C) Infrastructure Layer
- D) Policy Layer

Q3. The 'Swan' weather stations aim to reduce irrigation water usage by what percentage?

- A) 5-10%
- B) 20-30%
- C) 50%
- D) 70%

Answers

- **Q1: B** (ACE is the primary interface for farmer engagement.)
- **Q2: C** (Infrastructure includes all physical IoT devices and stations.)
- **Q3: B** (Hyper-local data prevents unnecessary watering by predicting rainfall more accurately.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Agriculture: E-technology in the aid of farmers; S&T: AI applications)
NABARD Grade A/B	Agriculture & Rural Development (IT in Agriculture, Precision Farming)

Facts To Remember

1. MoEFCC Declares ESZ Around Barasingha Wildlife Sanctuary

The Ministry of Environment Forest and Climate Change declared a 408.7 sq. km Eco-Sensitive Zone around Barasingha Wildlife Sanctuary in Uttar Pradesh; the ESZ spans 307 villages across five districts; the move aims to conserve biodiversity and support local communities.

2. India–Bhutan Hold 7th Joint Group of Customs Meeting

India and Bhutan held the 7th Joint Group of Customs meeting in Munnar, Kerala to enhance trade facilitation and border management; discussions focused on digitisation, anti-smuggling, and coordinated border management; the meeting strengthens bilateral customs cooperation.

3. MoD Signs ₹975 Crore Deal for TRAWL System for Tanks

The Ministry of Defence signed contracts worth ₹975 crore with Bharat Earth Movers Limited for TRAWL assemblies; the system enhances minefield breaching capability of T-72 and T-90 tanks; it will boost operational readiness and support MSMEs.

4. IIT Ropar Launches AI-Based Agricultural Intelligence Ecosystem

IIT Ropar launched India's first integrated AI-driven agricultural intelligence ecosystem; it includes weather stations, call centres, and AI advisory tools; the initiative aims to improve productivity and risk management in farming.

5. FedEx and IIT Madras Complete Intra-City Drone Delivery

FedEx and IIT Madras successfully conducted India's first intra-city drone delivery in Bengaluru; the trial reduced delivery time significantly; it demonstrates scalable tech-enabled logistics solutions.

6. Vice President C P Radhakrishnan Visits Sri Lanka

C. P. Radhakrishnan visited Sri Lanka, marking the first such visit by an Indian VP; he held talks with Anura Kumara Dissanayake and other leaders; multiple MoUs were signed to strengthen bilateral ties.

7. Karnataka Bank Partners with Pine Labs for Digital Payments

Karnataka Bank partnered with Pine Labs to enhance PoS payment solutions; the collaboration aims to expand digital payment infrastructure; it will support MSMEs and retail customers.

8. NBBL Onboards Postal Life Insurance on Bharat Connect

NPCI Bharat Bill Pay Limited onboarded Postal Life Insurance as a biller on Bharat Connect; the move

enables digital premium payments; it enhances accessibility for policyholders across India.

9. ADNIC Gets Licence to Set Up Branch at GIFT City

Abu Dhabi National Insurance Company received approval to open a reinsurance branch at GIFT City; the licence was granted by IFSCA; the move strengthens India–UAE financial cooperation.

10. India's Grandmaster R. Vaishali Wins FIDE Women's Candidates 2026

In chess, India's Grandmaster R. Vaishali won the FIDE Women's Candidates Tournament 2026 in Cyprus yesterday. The 24-year-old defeated Russia's Kateryna Lagno in the final round, finishing with 8.5 points out of 14 to clinch the title.

11. Tata Steel to Deploy World's First EASyMelt Technology

Tata Steel signed an agreement with SMS Group to deploy EASyMelt technology; it aims to cut carbon emissions by over 50%; the project supports India's decarbonisation and net-zero goals.

12. Six Women Win 2026 Goldman Environmental Prize

The Goldman Environmental Foundation awarded the 2026 Goldman Prize to six women; it marks the first time all winners are female; the award recognises grassroots environmental leadership globally.

13. Laureus World Sports Awards 2026 Winners Announced

Carlos Alcaraz and Aryna Sabalenka won top honours at Laureus Awards 2026; the event celebrated global sporting excellence; Paris Saint-Germain was named Team of the Year.

14. WEF Announces Young Global Leaders Class of 2026

World Economic Forum named 118 leaders in YGL Class of 2026; Indian leaders include Isha Ambani and Jay Shah; the programme focuses on global leadership development.

15. Former MP Dr Gopalrao Patil Passes Away

Gopalrao Patil passed away at 94 in Maharashtra; he was known for contributions to healthcare and education; he pioneered the 'Latur Pattern' of academic excellence.

16. World Creativity and Innovation Day 2026 Observed on April 21

The United Nations observes World Creativity and Innovation Day on April 21; it highlights the role of creativity in sustainable development; the day promotes innovation-driven global progress.

17. International Mother Earth Day 2026 Observed on April 22

International Mother Earth Day is observed on April 22 to promote environmental protection; the 2026 theme is "Our Power, Our Planet"; it emphasises sustainability and ecological balance.

FIVE TO REMEMBER · 23 APRIL 2026

1. **Trade Milestone:** Bilateral trade reached **\$103 billion** in 2024–25, a 17% year-on-year increase. The India–Africa Forum Summit (IAFS)
2. **A:** The Ministry has invited comments from all stakeholders (farmers, mill owners, and states) until May 20, 2026. This is the final window for the industry to influence the rules before they become law. Overhauling the Sugarcane (Control) Order
3. The Goldman Environmental Foundation awarded the 2026 Goldman Prize to six women; it marks the first time all winners are female; the award recognises grassroots environmental leadership globally. Six Women Win 2026 Goldman Environmental Prize
4. **Q1: B** (Procedural errors are the leading cause of acquittals in NDPS cases.) NARIT-AI
5. **Q3: B** (Reforms in land digitization and urban planning are key triggers for accessing incentive funds.) Scheme for Special Assistance to States for Cap...

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DAY 20 OF 23

24 & 25 April 2026

45 items · 4 topics

National Affairs 7 · Banking and Finance 7 · Agriculture 1 · Facts To Remember 30

Daily Current Affairs Quiz
24 & 25 April, 2026**National Affairs****1. Corporate Average Fuel Efficiency (CAFE-III) Norms**

Source: TH

Context

In mid-April 2026, Indian automakers reached a consensus on the **Corporate Average Fuel Efficiency (CAFE-III)** targets. While the headline numbers suggest a significant drop in permissible CO₂ emissions, critics argue that the "flexible" design of the framework might allow manufacturers to avoid the radical shift toward electrification.

What are CAFE Norms?

CAFE (Corporate Average Fuel Efficiency) regulations target the **fleet-wide average** of fuel consumption and \$CO_2\$ emissions of a manufacturer's entire vehicle lineup, rather than individual models.

- **The Goal:** To nudge carmakers toward energy-efficient technologies, reduce India's crude oil import bill, and align with global emission standards.
- **Evolution:**
 - **Phase 1 (2017–2022):** Target was **130 gCO₂/km**.
 - **Phase 2 (2022–2027):** Target tightened to **113 gCO₂/km**.
 - **Phase 3 (2027–2032):** Final target set at **78.9 gCO₂/km** by FY32.

Key Features of the 2026 Consensus

The latest draft finalized in April 2026 balances the needs of different industry segments through a "flatter compliance curve."

- **Unified Compliance Curve:** The government removed the explicit $3 \times \text{CO}_2$ relief for small cars (sub-4 meter). Instead, the overall formula was adjusted to ease the slope, making it less punishing for lighter vehicles while keeping pressure on heavier SUVs.
- **Technology Neutrality:** The framework supports multiple pathways, including **Electric Vehicles (EVs)**, **Strong Hybrids**, and **Flex-Fuel Vehicles (FFVs)**.
- **Super Credits:** To encourage green technology, cleaner vehicles count as more than one unit in a fleet's average calculation:
 - **EVs:** Count as **3** units (Super Credit factor of 3.0).
 - **Strong Hybrids:** Credit factor trimmed to **1.6** (down from 2.0 in earlier drafts).
 - **Flex-Fuel Vehicles (FFVs):** Credit factor set at **1.1**.

Key Concepts**Q: What is the "WLTP" standard?****A:** India is shifting from the current **MIDC** (Modified Indian Driving Cycle) to **WLTP** (Worldwide Harmonized

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Light Vehicles Test Procedure). WLTP is more rigorous and reflects real-world driving better, but often results in higher reported emission figures, making compliance tougher.

Conceptual MCQs

Q1. The CAFE-III norms in India are scheduled to be implemented starting from which date?

- A) April 1, 2026
- B) April 1, 2027
- C) January 1, 2028
- D) April 1, 2032

Q2. Under the proposed super credit scheme for CAFE-III, which technology receives the highest multiplier?

- A) Strong Hybrids
- B) Flex-Fuel Vehicles
- C) Battery Electric Vehicles (BEVs)
- D) CNG Vehicles

Q3. Which body is responsible for setting the efficiency standards and managing the credit trading under CAFE-III?

- A) NITI Aayog
- B) Bureau of Energy Efficiency (BEE)
- C) RBI
- D) Ministry of Road Transport and Highways

Answers: Q1: B | Q2: C | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Environment: Conservation, Pollution; Economy: Infrastructure)
RBI Grade B	Phase II: ESI (Sustainable Development, Industrial Policy)
State PCS	Understanding regulatory bodies and sectoral standards

2. Dolphin Friends Initiative

Source: TOI

Context

The forest department in Prayagraj has officially launched the **"Dolphin Friends"** (Dolphin Mitras) volunteer network. This initiative aims to bridge the gap between scientific conservation and local community knowledge to protect the endangered **Gangetic River Dolphin** (*Platanista gangetica*).

What is the Dolphin Friends Initiative?

It is a participatory conservation model designed to decentralize river monitoring. Rather than relying solely on departmental patrolling, the initiative creates a dedicated network of volunteers who live and work along the river.

- **Target Species:** Gangetic River Dolphin, often referred to as the "Tiger of the Ganges."
- **Status:** Endangered (IUCN Red List) and India's **National Aquatic Animal**.
- **Role:** Volunteers act as the "eyes and ears" of the forest department, reporting sightings, threats, and habitat changes in real-time.

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Key Concepts: Keyword Q&A

Q: What is a "Participatory Conservation Model"?

A: A strategy where local communities are not just bystanders but active partners in decision-making and monitoring, ensuring that conservation goals are sustainable and socially inclusive.

Q: Why is the Gangetic Dolphin called "Susu"?

A: It is a local name derived from the "sneeze-like" sound the dolphin makes when it surfaces to breathe through its blowhole.

Q: What are the main threats to these dolphins?

A: Habitat fragmentation due to dams/barrages, accidental entanglement in fishing nets (bycatch), pollution (agricultural and industrial), and increased river traffic.

Conceptual MCQs

Q1. The "Dolphin Friends" initiative was primarily launched in which city to strengthen river monitoring? A) Varanasi

- B) Prayagraj
- C) Haridwar
- D) Kanpur

Q2. Why is monitoring intensified specifically during the monsoon season? A) Because the river water is clearest during the monsoon

- B) Because it is the peak tourism season
- C) Because it is the primary breeding and reproductive period for dolphins
- D) Because dolphins migrate to the ocean during the monsoon

Q3. Which of the following groups are considered "key stakeholders" in the Dolphin Friends volunteer network? A) Industrialists and miners

- B) Fishermen and boatmen
- C) Highway engineers
- D) Urban planners

Answers

- **Q1: B** (Prayagraj Forest Department lead the initiative.)
- **Q2: C** (Providing protection during breeding is critical for population growth.)
- **Q3: B** (Their direct daily engagement with the river makes them natural conservationists.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Environment: Conservation, Endangered Species, Community-based initiatives)

3. Prime Minister Internship Scheme (PMIS)

Context

The Ministry of Corporate Affairs (MCA) has significantly broadened the scope of the **Prime Minister Internship Scheme (PMIS)**. In a major policy shift, the scheme now allows **final-year students** to gain corporate experience before even completing their degrees, effectively merging classroom learning with industry requirements.

What is the PMIS?

The PMIS is a "phygital" (physical + digital) flagship initiative aimed at tackling the "employability gap" in India. It places youth in the country's top 500 companies to provide them with a professional pedigree and hands-on skills.

- **Launch:** Pilot phase started in **October 2024** (following Union Budget 2024-25).
- **Nodal Ministry:** Ministry of Corporate Affairs (MCA).
- **Scale:** Targets the top **500 companies** in India (selected based on CSR spend and turnover).

What are the Eligibility and Financials?

The scheme is designed to support the youth during their transition into the workforce.

- **Age Limit:** 18 to 25 years.
- **Stipend Structure:**
 - **Government Contribution:** ₹5,000 per month.
 - **Company Contribution:** ₹500 per month (from CSR funds).
 - **Total:** Minimum of **₹5,500/month** (Note: Current pilot highlights indicate some roles offer up to **₹9,000/month**).
- **Duration:** A fixed **12-month** period to ensure comprehensive professional immersion.
- **Social Security:** Every intern is covered under the **Pradhan Mantri Jeevan Jyoti Bima Yojana** and **Pradhan Mantri Suraksha Bima Yojana**.

Key Concepts

Q: What is a "Phygital" initiative?

A: It refers to a model that combines a **Digital** interface (the online application portal) with a **Physical** work experience (the actual 12-month on-site internship).

Q: Can a student apply if their college doesn't provide an NOC?

A: No. The NOC is a mandatory requirement to ensure the internship is integrated with the student's academic journey without violating attendance rules.

Q: Is the stipend paid through the company or the government?

A: It is a hybrid model. The government's share is usually transferred via **Direct Benefit Transfer (DBT)** to the intern's Aadhaar-linked bank account.

Conceptual MCQs

Q1. Which Ministry is the nodal agency for the Prime Minister Internship Scheme (PMIS)?

- A) Ministry of Labour and Employment
- B) Ministry of Skill Development and Entrepreneurship
- C) Ministry of Corporate Affairs
- D) Ministry of Education

Q2. Under the 2026 expansion, which category of students can now apply for the PMIS?

- A) Only PhD scholars
- B) Final-year undergraduate and postgraduate students
- C) 10th and 12th-grade students
- D) Only those who graduated before 2024

Q3. What is the standard duration of the internship provided under the PMIS?

- A) 3 months

- B) 6 months
- C) 12 months
- D) 24 months

Answers

- **Q1: C** (Ministry of Corporate Affairs manages the industry-government tie-up.)
- **Q2: B** (The recent rule change allows final-year students with an NOC.)
- **Q3: C** (The 12-month period is designed for deep industry immersion.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Govt Policies & Interventions), GS-3 (Employment/Economy)
RBI Grade B	Phase II: ESI (Social Justice, Employment generation schemes)
SSC / Bank	General Awareness (Current schemes, Ministry, and age limits)

4. Atal Pension Yojana (APY)

Source: TOI

Context

The **Atal Pension Yojana (APY)** has achieved a historic milestone by surpassing **9 crore total gross enrolments**. This highlights the growing penetration of formal social security among India's unorganized workforce.

What is the APY?

The APY is India's primary contributory pension scheme tailored for the **unorganized sector** (e.g., street vendors, domestic helps, laborers). It aims to ensure that no citizen faces financial destitution in their old age.

- **Launch:** May 9, 2015.
- **Administrator:** Pension Fund Regulatory and Development Authority (PFRDA).
- **Vision:** To provide a *Sampurna Suraksha Kavach* (Complete Security Shield) for those outside the formal provident fund (EPF) net.

Eligibility and Restrictions

The scheme is designed for early-career workers to build a corpus over several decades.

- **Age Bracket: 18 to 40 years.** (Joining early results in significantly lower monthly contributions).
- **Banking:** A savings bank account with **auto-debit** facility is mandatory.
- **The "Tax-Payer" Rule:** Since **October 1, 2022**, any citizen who is or has been an **income-tax payer** is **ineligible** to join. This ensures that the government's co-contribution and subsidy benefits are targeted strictly at the underprivileged.

What is the "Triple Benefit" Structure?

The APY is unique because it provides security not just to the worker, but to the entire family unit.

Benefit Stage	Recipient	Action
Stage 1 (Post-60)	Subscriber	Receives a guaranteed monthly pension (₹1k to ₹5k).
Stage 2 (After Subscriber)	Spouse	Receives the same pension amount for life.
Stage 3 (After Spouse)	Nominee	Receives the entire accumulated corpus (wealth) back.

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Key Concepts

Q: Why is the maximum entry age 40?

A: A pension fund needs time to grow. Since the pension starts at age 60, a 40-year-old still has 20 years to contribute, which is the minimum time required to build a sustainable corpus.

Q: What is the "Unorganized Sector"?

A: It refers to workers who do not have regular monthly salaries or benefits like ESI or EPF. This includes nearly 90% of India's total workforce.

Q: What happens if I miss an auto-debit payment?

A: Banks charge a small penalty (usually ₹1 to ₹10 per month) for delayed payments. The account remains active as long as the total dues are cleared.

Conceptual MCQs

Q1. Who is the administrative body for the Atal Pension Yojana? A) RBI

B) SEBI

C) PFRDA

D) EPFO

Q2. As of the 2022 amendment, which group is specifically excluded from joining APY? A) Government employees

B) Income-tax payers

C) Doctors and Engineers

D) NRIs

Q3. Under the "Triple Benefit" rule, what happens after the death of both the subscriber and the spouse? A) The pension stops and the money goes to the Government.

B) The pension continues for the children.

C) The full accumulated corpus is returned to the nominee.

D) The money is donated to a social welfare fund.

Answers: Q1: C | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Social Justice), GS-3 (Inclusive Growth/Economy)
RBI Grade B	Phase II: ESI (Social Security & Poverty Alleviation)
SSC / Bank PO	Current Affairs (PFRDA, age limits, and milestones)

5. NAMASTE Scheme

Context

The Union Government has announced a significant surge in the implementation of the **NAMASTE Scheme**. The focus has shifted from mere policy to large-scale on-ground execution, including the profiling of thousands of workers, distribution of specialized PPE, and the integration of waste pickers into the formal social security net.

What is the NAMASTE Scheme?

The **National Action for Mechanised Sanitation Ecosystem (NAMASTE)** is a joint flagship initiative designed to end the era of hazardous manual cleaning of sewers and septic tanks.

- **The Vision:** To replace "Manual Scavenging" with a technology-driven "Sanipreneur" model.
- **Nodal Ministries:** A collaborative effort between the **Ministry of Social Justice and Empowerment** and the **Ministry of Housing and Urban Affairs (MoHUA)**.
- **Scope:** Covers all Urban Local Bodies (ULBs) across India.

Strategic Objectives

The scheme operates on the principle that no human should be forced to enter a sewer line or septic tank.

- **Zero Fatalities:** Achieving a target of zero deaths in sanitation work through 100% mechanization.
- **Formalization:** Transforming informal "sanitation workers" into formal "skilled technicians" and small business owners (**Sanipreneurs**).
- **Direct Intervention:** Providing safety gear and health insurance to those who have historically been excluded from formal systems.

Key Features & 2026 Progress

The current phase highlights a move toward comprehensive social protection.

Feature	Description	2026 Milestone
Worker Profiling	Digital mapping and validation of every sewer/septic tank worker.	Large-scale profiling completed across Tier-1 and Tier-2 cities.
SUY Subsidy	Capital subsidy for buying mechanized cleaning vehicles.	Increase in "Sanipreneur" start-ups owned by former manual cleaners.
Health Security	Integration with Ayushman Bharat (PM-JAY) .	Universal issuance of Ayushman cards to profiled workers.
PPE Distribution	Providing specialized Personal Protective Equipment.	Deployment of standardized, high-durability kits for urban workers.
Expanded Scope	Inclusion of Waste Pickers (since June 2024).	Solid waste management workers now eligible for scheme benefits.

Key Concepts

Q: What is a "Sanipreneur"?

A: A portmanteau of "Sanitation" and "Entrepreneur." It refers to sanitation workers who have transitioned into owners of mechanized sanitation businesses with government support.

Q: Why was the scope expanded to "Waste Pickers"?

A: Waste pickers are highly vulnerable to health hazards from solid waste. Their inclusion ensures they get formal recognition, safety gear, and the same health insurance benefits as sewer workers.

Q: Is "Manual Scavenging" still legal in India?

A: No. It was banned under the **Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013**. The NAMASTE scheme provides the technological and financial alternative to ensure the ban is effective on the ground.

Conceptual MCQs

- Q1. The NAMASTE Scheme is a joint initiative of which two Ministries?** A) Social Justice and Health
B) Social Justice and Housing & Urban Affairs
C) Housing & Urban Affairs and Rural Development
D) Home Affairs and Social Justice

Q2. What is the primary goal of the Swachhata Udyami Yojana (SUY) under this scheme? A) To build more public toilets

- B) To provide loans for sanitation workers to buy mechanized cleaning equipment
 C) To provide free water to urban slums
 D) To build houses for waste pickers

Q3. As of the June 2024 update, which new group has been included under the NAMASTE scheme? A) Construction workers

- B) Agricultural laborers
 C) Waste pickers
 D) Traffic police

Answers: Q1: B | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Govt Policies, Vulnerable Sections), GS-3 (Infrastructure/Sanitation)
SSC / Bank	General Awareness (Schemes, Nodal Ministries, and Full forms)

6. Denotified, Nomadic, and Semi-Nomadic Tribes (DNTs)

Context

The Union Social Justice Ministry's annual report for 2025-26 has raised red flags regarding the "marginalization within marginalization" of DNTs. The report highlights a critical failure at the state level to issue community certificates, which has effectively blocked these tribes from accessing central welfare schemes like SEED and PMAY-G.

Who are the DNTs?

These communities are often described as the most "invisible" and vulnerable sections of Indian society.

- **Denotified Tribes (DNTs):** These are communities that were historically "notified" as "born criminals" under the **Criminal Tribes Act (CTA) of 1871** during British rule. They were "denotified" when the Act was repealed in **1952**.
- **Nomadic & Semi-Nomadic Tribes:** Communities that do not have a fixed habitation. They move for livelihoods related to pastoralism, petty trade (like ironsmiths), or traditional entertainment (like acrobatics).

Regional Distribution and Current Barriers

There are nearly **1,200 DNT/Nomadic communities** in India, yet their legal classification remains a mess.

Status Category	Description
Categorized	Many DNTs are listed under existing SC, ST, or OBC categories.
Unclassified	Approximately 268 communities fall outside any existing reserved category.
The Certificate Crisis	Only seven states are currently issuing the specific DNT community certificates .

What is the SEED Scheme?

The **SEED (Scheme for Economic Empowerment of DNTs)** was launched to provide free coaching, health insurance (Ayushman Bharat), housing, and livelihood support. However, its impact has been minimal.

- **Identification Gap:** Without the "DNT Certificate," a tribal member cannot apply for SEED.
- **Marginalization within Groups:** DNTs already classified as SC/ST often find themselves at the bottom of those hierarchies, struggling to compete for benefits with more dominant or settled SC/ST groups.
- **Digital Divide:** The requirement for online applications and Aadhaar-linked certification is difficult for

nomadic groups who lack permanent addresses.

Key Concepts: Keyword Q&A

Q: What was the Ayyangar Committee?

A: Established in 1949, it was the committee that recommended the repeal of the Criminal Tribes Act, 1871, leading to the denotification of these tribes in 1952.

Q: What is the "Idate Commission"?

A: It was a national commission set up to identify and prepare a state-wise list of DNTs. It highlighted that these tribes have been neglected by both the central and state governments for decades.

Q: Why is PMAY-G access difficult for them?

A: The Pradhan Mantri Awas Yojana-Gramin requires a permanent land title and a community certificate. Nomadic tribes often lack land ownership and the necessary documentation.

Conceptual MCQs

Q1. In which year were the "Criminal Tribes" officially denotified by the Government of India? A) 1947

B) 1950

C) 1952

D) 1955

Q2. The SEED scheme, specifically aimed at the empowerment of DNTs, is implemented by which Ministry? A) Ministry of Tribal Affairs

B) Ministry of Social Justice and Empowerment

C) Ministry of Home Affairs

D) Ministry of Rural Development

Q3. Why are approximately 268 DNT communities considered "unclassified"? A) They have refused to join any category.

B) They are not listed in any of the SC, ST, or OBC lists.

C) They are considered part of the General category by choice.

D) They moved to other countries after 1947.

Answers: Q1: C | Q2: B | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Vulnerable Sections, Social Justice), GS-1 (Society: Tribal Issues)
State PSCs	Regional lists of DNTs and state-level welfare delivery

Banking and Finance

1. RBI State of the Economy

Source: IE

Context

The Reserve Bank of India's (RBI) latest monthly bulletin highlights a critical shift in economic risk. While the Indian economy remains resilient, the central bank warns that persistent **supply-side disruptions**—driven by the West Asia conflict and climate risks—could eventually dampen **consumer**

demand, leading to a broader economic slowdown.

What is Supply to Demand Shock?

A "supply shock" occurs when the availability of goods (like oil or grain) drops, causing prices to spike. The RBI is concerned about the **second-round effects**, where this initial shock bleeds into the rest of the economy.

- **Higher Input Costs:** As energy and transport costs rise due to the conflict in the **Strait of Hormuz**, companies may pass these costs to consumers.
- **Deceleration Signs:** The RBI noted early signs of cooling in high-frequency indicators such as **port cargo** and **air passenger traffic**.
- **The Demand Shock:** If inflation remains high, households may cut back on "discretionary" spending (luxury goods, travel, electronics), transforming a supply problem into a demand problem.

RBI's Financial Defensive Maneuvers

The bulletin revealed that the RBI had been preparing for volatility even before the conflict peaked:

- **Forex Buffer:** The RBI net bought **\$7.4 billion** in the spot foreign exchange market in February 2026 to strengthen India's reserves.
- **Speculation Control:** On March 27, 2026, the RBI capped the "Net Open Position" in INR for banks at **\$100 million** to prevent traders from betting too heavily against the rupee.
- **Policy Stance:** In the April 8 MPC meeting, the RBI kept the **Repo Rate at 5.25%** with a "neutral" stance, opting to "wait and watch" the geopolitical fallout.

Private vs. Public Sector Banks

While both groups lowered rates, **Private Sector Banks** demonstrated a much faster and stronger "pass-through" of rate cuts to borrowers compared to **Public Sector Banks (PSBs)**.

Metric (Feb 2025 – Feb 2026)	Private Sector Banks	Public Sector Banks
Reduction in WALR (Fresh Loans)	104 bps	75 bps
Reduction in WALR (Outstanding Loans)	94 bps	77 bps
Deposit Rate Softening	Broadly Similar	Broadly Similar

- **Foreign Banks:** Recorded the sharpest reductions in both deposit and lending rates across the entire banking system.
- **The Deposit Side:** Transmission on term deposits was driven largely by **bulk deposits**, as banks responded to surplus liquidity by cutting interest on large-value institutional accounts.

Key Concepts

Q: What is WALR?

A: Weighted Average Lending Rate. It represents the average interest rate a bank charges on its entire portfolio (or fresh loans), weighted by the size of each loan. It is the most accurate measure of what borrowers are actually paying.

Q: What is a "Basis Point" (bps)?

A: A unit of measure for interest rates. $\$100 \text{ bps} = 1\%$. Therefore, a $\$125 \text{ bps}$ cut equals a $\$1.25\%$ reduction.

Q: Why do Private Banks transmit rates faster than PSBs?

A: Private banks often have a higher proportion of loans linked to external benchmarks and more flexible liability structures, allowing them to adjust pricing more dynamically to competitive market pressures.

Q: What is a "Second-round effect"?

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A: It's when an initial price hike (like oil) leads to a general increase in prices across the board (like food, bus fares, and manufacturing), eventually leading to demands for higher wages and further inflation.

Q: What is the "Long Period Average" (LPA) for the monsoon?

A: It is the average rainfall recorded over a 50-year period (currently 87 cm). A forecast of **92%** is classified as "Below Normal," which ranges from 90% to 95%.

Q: Why did the RBI buy \$7.4 billion in the spot market?

A: By buying dollars, the RBI builds up its **Foreign Exchange Reserves**. These reserves act as a "war chest" that the RBI can later sell to support the Rupee if it starts falling too fast against the Dollar.

Conceptual MCQs

Q1. According to the RBI, how can a supply shock transform into a demand shock? A) By increasing the supply of luxury goods

B) By lowering the cost of energy

C) Through persistent inflation reducing household purchasing power

D) By increasing the monsoon rainfall to 110% of LPA

Q2. What is the IMD's 2026 monsoon forecast in terms of the Long Period Average (LPA)? A) 85%

B) 92%

C) 100%

D) 104%

Q3. Which maritime route's disruption is specifically mentioned as a risk to energy costs in the 2026 report? A) Suez Canal

B) Panama Canal

C) Strait of Hormuz

D) English Channel

Answers

- **Q1: C** (When people spend more on essentials like fuel, they buy less of everything else.)
- **Q2: B** (92% is the current forecast, indicating a "below normal" season.)
- **Q3: C** (The Strait of Hormuz is the primary chokepoint for West Asian oil.)

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Phase II: ESI (State of the Economy, Forex interventions)
Bank PO	General Awareness (Monsoon stats, Repo rates, RBI headlines)

2. HSBC Downgrades India to Underweight

Source: ET

Context

In a significant shift in regional sentiment, **HSBC** has downgraded Indian equities from **"Neutral"** to **"Underweight."** The brokerage cites a combination of "imported inflation," energy vulnerabilities, and a potential cooling of domestic consumer demand as the primary reasons for the shift.

What is the "Underweight" Rationale?

An "Underweight" rating suggest that a brokerage believes a market will underperform compared to its peers or a benchmark index. HSBC's concerns are centered on the sustainability of corporate profits.

- **Earnings Revision:** While the market currently expects a **16% Y-o-Y earnings growth** for 2026, HSBC expects these forecasts to be revised downward as input costs rise.
- **Energy Dependency:** India's high reliance on imported energy makes it vulnerable to the current **\$100+ crude oil prices**. This drains foreign exchange and spikes domestic inflation.
- **Valuation Trap:** Although Indian stock prices have dropped from their peaks, HSBC warns they will still look "expensive" if the underlying company earnings (the "E" in P/E ratio) start falling.

Key Risk Factors Flagged

The brokerage identifies several "red flags" that could dampen investor enthusiasm in the near term:

- **Post-Election Fuel Hikes:** HSBC notes the risk of fuel prices being adjusted upward after recent state elections, which would act as an immediate tax on consumption.
- **Financial Stress:** Higher inflation and rising interest rates could increase **Non-Performing Loans (NPLs)**, putting pressure on the banking system.
- **Rupee Weakness:** With the INR crossing **94**, foreign investors are seeing their returns "eroded" by currency depreciation, making them cautious about fresh inflows.
- **The AI Threat:** Investors are increasingly worried about how **Generative AI** will disrupt India's massive software services (IT) sector, a traditional favorite for foreign funds.

Key Concepts

Q: What is the difference between Overweight, Neutral, and Underweight?

A: These are relative ratings. **Overweight** means an investor should hold more of that asset than the benchmark. **Neutral** means holding the same amount. **Underweight** means holding less, as the outlook is poor.

Q: Why do "SIPs" matter in this report?

A: Systematic Investment Plans (SIPs) from domestic retail investors provide a "floor" to the market. Even when foreign investors (FPIs) sell, local money keeps coming in, preventing a total market crash.

Q: Why does a weak Rupee stop foreign inflows?

A: If a foreign investor puts \$100 into India and the Rupee falls by 5%, their investment is worth \$95 in Dollar terms even if the stock price stays the same. Currency risk is a major deterrent for global funds.

Conceptual MCQs

Q1. Which rating has HSBC assigned to Indian equities in its April 2026 note?

- A) Overweight
- B) Neutral
- C) Underweight
- D) Strong Buy

Q2. According to HSBC, what is the primary threat to India's software services sector?

- A) High minimum wages
- B) Implications of Artificial Intelligence (AI)
- C) Below-normal monsoon
- D) Lack of 5G infrastructure

Q3. Which market did HSBC upgrade from "Underweight" to "Neutral" in the same report?

- A) Indonesia
- B) South Korea

- C) Thailand
D) Mainland China

Answers

- **Q1: C** (Downgraded from Neutral due to macro headwinds.)
- **Q2: B** (AI disruption is a growing concern for the IT services business model.)
- **Q3: B** (South Korea was upgraded as a "compelling growth story.")

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Investment models, FPI flows, IT sector challenges)
RBI Grade B	Phase II: ESI (Global financial markets, Balance of Payments)
SEBI Grade A	Securities Market (Brokerage ratings, Equity strategy)

3. RBI Cancels Paytm Payments Bank Licence

Source: News on Air

Context

The Reserve Bank of India (RBI) has officially cancelled the banking licence of **Paytm Payments Bank Limited (PPBL)**. This final regulatory blow comes after years of supervisory concerns, effective from the close of business on April 24, 2026.

What is the Final Verdict?

The RBI has moved beyond business restrictions to a full termination of the bank's legal right to operate.

- **Statutory Ground:** The action was taken under **Section 22 (4)** of the Banking Regulation Act, 1949.
- **Prohibited Business:** PPBL is now strictly barred from "banking" activities as defined in Section 5(b) and any additional business under Section 6 of the Act.
- **High Court Application:** The RBI will now approach the High Court to appoint a liquidator for the **winding up (liquidation)** of the bank.

What are the Safety of Funds?

The RBI has provided a crucial reassurance regarding the bank's financial health during this shutdown.

- **Sufficient Liquidity:** The central bank confirmed that PPBL has **enough liquidity to repay its entire deposit liability** in full.
- **Winding-Up Process:** Deposits will be returned through the court-monitored winding-up process.
- **Limited Impact:** Since top-ups and fresh deposits were already banned in early 2024, most users have had over two years to exhaust their balances.

The "Paytm App" vs. "Paytm Bank"

Paytm (One 97 Communications Ltd) has moved quickly to clarify that the **Paytm App is NOT the Paytm Bank**.

Feature	Status	Reason
Paytm UPI	Active	Operates via third-party bank handles (like AXIS, HDFC, SBI).
Paytm QR / Soundbox	Active	These are merchant services independent of PPBL.
Paytm Wallet	Discontinued	The wallet was a PPBL product; it is no longer reloadable.
Paytm Gold / Money	Active	These are managed by other subsidiaries of One 97.

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Key Concepts

Q: What is a "Payments Bank"?

A: A specialized type of bank that can accept deposits (up to ₹2 lakh) and offer payments/remittance services but **cannot** issue credit cards or provide loans.

Q: What does "Winding Up" mean?

A: It is the process of closing a company. Its assets are sold, its debts are paid off, and any remaining money is distributed to stakeholders (or in this case, depositors).

Q: Why did the RBI take such a harsh step?

A: The RBI cited persistent non-compliance and stated that the bank's affairs were conducted in a manner **"detrimental to the interests of depositors."**

Conceptual MCQs

Q1. Under which Section of the Banking Regulation Act, 1949, did the RBI cancel PPBL's licence? A)

Section 35A

B) Section 22 (4)

C) Section 45

D) Section 5(b)

Q2. Which of the following Paytm services remains UNINTERRUPTED after the bank's closure? A)

Loading money into Paytm Bank Wallet

B) Depositing money into a PPBL Savings Account

C) Paytm QR and Soundbox payments

D) Opening a new PPBL account

Q3. To which authority will the RBI apply for the winding up of the bank? A) Supreme Court

B) High Court

C) National Company Law Tribunal (NCLT)

D) Finance Ministry

Answers

- **Q1: B** (Section 22 (4) allows for licence withdrawal if conditions aren't met.)
- **Q2: C** (Paytm has clarified its merchant and app services are independent entities.)
- **Q3: B** (Under the Banking Regulation Act, the RBI approaches the High Court for bank liquidations.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Banking Sector Reforms, Digital Payments, RBI's Role)
RBI Grade B	Phase II: Finance & Management (Banking Regulations, Compliance)
Banking	Current Affairs (Corporate news, RBI circulars)

4. SEBI Proposes Risk-Based Net Worth for Brokers

Source: Mint

Context

The Securities and Exchange Board of India (SEBI) has proposed a fundamental shift in how stockbrokers maintain their capital. Moving away from a simple cash-retention model, the new framework seeks to

align a broker's **Variable Net Worth** with the actual operational risk posed by the scale of their client base.

Why the Change?

The current method for calculating variable net worth is becoming obsolete due to recent safety reforms.

- **The Old Rule:** Brokers had to maintain a variable net worth equal to 10% of the average daily client cash balance they held.
- **The "Upstreaming" Problem:** SEBI recently mandated that brokers must "up-stream" (transfer) client funds to **Clearing Corporations (CCs)** daily. This means brokers now hold very little client cash on their own books.
- **The Regulatory Gap:** If brokers hold no cash, their variable net worth requirement drops to near zero—even if they have millions of clients. This creates a hidden risk if the broker faces a technical or operational failure.

What are the Proposed Risk-Based Formula?

SEBI's new "comprehensive" approach aggregates two distinct risk components:

Component A: Client Fund Linked (10% Rule)

- Brokers must maintain **10% of the average credit balance** of all clients over the previous six months. This ensures capital is still tied to the total value of client money handled, regardless of where it is currently stored (Upstreamed vs. Retained).

Component B: Client Scale Linked (The "Slab" System)

This introduces an "Operational Risk" buffer based on the number of active clients.

Active Client Base	Additional Net Worth Required
Up to 10,000	Standard Base Net Worth
10,000 – 50,000	+ ₹50 Lakh
Every additional 50,000	Further Incremental Buffers

- **Authorised Persons (APs):** Graded capital requirements are also proposed for brokers who onboard clients through sub-brokers or APs, as these networks add an extra layer of supervision risk.

SEBI IPO Approvals

Alongside the policy changes, SEBI granted "Observation Letters" (approval) to three companies to launch their Initial Public Offerings (IPOs).

Company	Deal Type	Highlights
EAAA India Alternatives	₹1,500 Cr (OFS)	Entirely an Offer for Sale by promoter Edelweiss Securities.
MV Electrosystems	₹290 Cr (Fresh Issue)	Manufactures electrical equipment for Railway rolling stock.
Yatayat Corporation	Fresh + OFS	Supply chain and logistics provider based in Gujarat.

Key Concepts

Q: What is "Variable Net Worth"?

A: It is the "extra" capital a broker must have over and above the fixed base requirement. It fluctuates based on how much business or risk the broker is taking on.

Q: What is "Upstreaming of Funds"?

A: A safety mechanism where a broker cannot keep client money in their own bank account overnight. They must send it to the Clearing Corporation, which acts as a central vault, reducing the risk of the broker misusing client funds.

Q: What is an "Offer for Sale" (OFS) in an IPO?

A: This is when existing shareholders (like promoters or early investors) sell their shares to the public. The money goes to the sellers, not to the company's bank account.

Conceptual MCQs**Q1. Why is SEBI moving away from the "10% of retained cash" model for broker net worth?**

- A) Because brokers are making too much profit
- B) Because the "upstreaming" framework has reduced the cash actually held by brokers
- C) Because SEBI wants to encourage brokers to hold more cash
- D) Because the number of stockbrokers is decreasing

Q2. Under the proposed slab system, a broker with 40,000 direct active clients would need how much additional net worth?

- A) ₹10 Lakh
- B) ₹25 Lakh
- C) ₹50 Lakh
- D) ₹1 Crore

Q3. Which company received approval for an IPO that consists entirely of an "Offer for Sale"?

- A) MV Electrosystems
- B) Yatayat Corporation
- C) EAAA India Alternatives
- D) Edelweiss Securities

Answers

- **Q1: B** (Upstreaming makes the old cash-retention metric ineffective.)
- **Q2: C** (The ₹50 Lakh slab kicks in for the 10,000–50,000 client range.)
- **Q3: C** (Edelweiss is the promoter selling its stake in EAAA.)

Exam Relevance

Exam Focus Area	Relevance Level
SEBI Grade A	Securities Market (Risk Management, Intermediary Regulations)
RBI Grade B	Phase II: Finance (Financial Markets and Regulators)
UPSC CSE	GS-3 (Economy: Capital Markets and Regulatory Bodies)

5. CRIF–SIDBI Small Business Spotlight Report**Context**

The third edition of the '**CRIF–SIDBI Small Business Spotlight Report**' highlights a nuanced shift in India's small business credit landscape. While the total portfolio remains massive and resilient, the nature of lending is evolving toward higher volumes of smaller-sized loans.

Defining "Small Business" in the Credit Context

The report uses a functional definition of 'Small Business' based on financial interaction rather than just employee count:

- **Exposure Limit:** Entities or individuals with an aggregate credit exposure **not exceeding ₹5 crore** from the formal lending system.

- **Borrower Profile:** Includes both registered enterprises (Commercial Bureau) and **individual proprietors** who take loans in their own names for "business purposes."

Key Findings: Value vs. Volume

The report identifies a divergence between the total value of credit and the frequency of lending.

Metric	Dec 2024 (Y-o-Y)	Dec 2025 (Y-o-Y)	Analysis
Portfolio Value Growth	20%	14.9%	Growth has "moderated" due to a higher base effect.
Active Loan Count Growth	9.6%	13.8%	Lending frequency is accelerating.
Total Portfolio Value	-	₹47.8 Lakh Cr	Significant scale, showing deep market resilience.

Understanding the "High Base Effect"

The moderation from 20% to 14.9% growth is largely attributed to a **high base**. In financial terms, this means that because the total credit amount was already so large in 2024, maintaining the same percentage growth in 2025 would require a much larger absolute increase in lending.

Key Concepts: Keyword Q&A

Q: Why does the report include "Individual Proprietors"?

A: A vast majority of Indian small businesses operate as sole proprietorships. Often, these owners take loans against their personal PAN/Aadhaar but use the funds for business operations. Excluding them would significantly under-represent the actual credit flow to small businesses.

Q: What is "Formal Lending"?

A: Credit provided by regulated financial institutions like Public Sector Banks, Private Banks, NBFCs, and MFIs. These lenders report every transaction to credit bureaus like CRIF, allowing for the data seen in this report.

Conceptual MCQs

Q1. According to the CRIF-SIDBI report, a 'Small Business' is defined by a credit exposure not exceeding:

- A) ₹1 Crore
- B) ₹5 Crore
- C) ₹10 Crore
- D) ₹50 Crore

Q2. What does the faster growth in 'Active Loan Count' (13.8%) compared to previous years indicate? A)

Businesses are taking larger loans than before.

- B) There is a rising share of smaller exposure loans in the ecosystem.
- C) Total lending in India has decreased.
- D) Interest rates have significantly dropped.

Q3. Which organization is the co-publisher of this report along with CRIF High Mark? A) RBI

- B) NABARD
- C) SIDBI
- D) SEBI

Answers: Q1: B | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Phase II: ESI (MSME sector, Role of SIDBI, Financial Inclusion)
UPSC CSE	GS-3 (Economy: Inclusive growth, Banking and Financial institutions)
Bank PO / SSC	General Awareness (Banking terms, Current growth figures, and SIDBI)

6. NBFCs Seek Access to Central Fraud Registry (CFR)

Context

Non-Banking Financial Companies (NBFCs) have formally approached the Department of Financial Services (DFS) seeking access to the Reserve Bank of India's (RBI) **Central Fraud Registry (CFR)**. Currently, this critical database is exclusive to commercial banks, leaving NBFCs "in the dark" regarding the trustworthiness of overlapping borrowers.

What is the Central Fraud Registry (CFR)?

The CFR is a centralized searchable database of bank frauds established in 2016 to facilitate early detection and prevention.

- **Threshold:** It captures all fraud cases involving a sum of **₹1 lakh and above**.
- **Current Access:** Restricted solely to commercial banks for monitoring and reporting.
- **The "Lapse" in Data:** Current fraud statistics (which hit **₹21,515 crore** in the first half of FY26) only represent bank frauds, excluding those perpetrated against NBFCs.

Why NBFCs are Demanding Access

The demand stems from the increasing "interconnectedness" between banks and NBFCs in the modern financial ecosystem.

- **Lending Partnerships:** Banks and NBFCs now frequently engage in **Co-Lending** and cross-selling. If a customer commits fraud at a bank, an NBFC remains unaware of the risk when onboarding that same customer.
- **Overlap of Customers:** Most high-value borrowers maintain accounts with both banks and NBFCs.
- **Asymmetry of Information:** NBFCs argue that safety should be linked to the **nature of the business** (lending) rather than the **legal nature of the entity** (Bank vs. NBFC).

Amending the RBI Act

Granting access is not a simple administrative change. It involves a fundamental legal shift.

- **Legislative Action:** Experts suggest that providing NBFCs access to the CFR would likely require an amendment to the **Reserve Bank of India Act, 1934**.
- **Privacy & Security:** Expanding access to sensitive fraud data raises concerns regarding data privacy and the potential for misuse of "blacklists" by non-bank entities.

Access to CRILC

The CFR demand has renewed interest in accessing the **Central Repository of Information on Large Credits (CRILC)**.

- **What it is:** A database capturing credit info of large borrowers with exposures of **₹5 crore and above**.
- **The Irony:** NBFCs are **mandated to report** their data to CRILC quarterly, but they are **not permitted to access** the repository to check the credit history of prospective customers.

Digital Payments Intelligence Platform

To counter the rise in digital fraud, the RBI is planning a **Digital Payments Intelligence Platform**.

- **Advanced Tech:** It will leverage AI and machine learning to curb payment-related frauds in real-time.
- **Consumer Protection:** This coincides with new draft directions (March 2026) that defined "**mis-selling**" for the first time and established a strict 'Code of Conduct' for the sales force of lenders.

Key Concepts

Q: What is "Co-Lending"?

A: A model where a bank and an NBFC jointly lend to a borrower. Typically, the NBFC originates the loan and keeps 20% on its books, while the bank takes 80% of the exposure.

Q: Why is "Mis-selling" under the scanner?

A: Due to high retail credit growth, lenders often give employees aggressive targets. This can lead to agents selling products without explaining risks, which the new 2026 guidelines aim to stop.

Q: What is the "High Base Effect" in fraud reporting?

A: If last year's fraud detection was very high, a smaller increase this year might look like "slowing" growth, even if the absolute amount (₹21,515 crore) is still massive.

Conceptual MCQs

Q1. The Central Fraud Registry (CFR) currently monitors fraud cases involving a minimum sum of:

- A) ₹10,000
- B) ₹1,00,000 (1 Lakh)
- C) ₹5,00,000 (5 Lakh)
- D) ₹1,00,00,000 (1 Crore)

Q2. Which legislative act would likely need an amendment to allow NBFCs access to the CFR?

- A) Companies Act, 2013
- B) Banking Regulation Act, 1949
- C) Reserve Bank of India Act, 1934
- D) IT Act, 2000

Q3. Large credit exposures reported to CRILC involve an aggregate fund-based and non-fund-based exposure of at least:

- A) ₹1 Crore
- B) ₹2 Crore
- C) ₹5 Crore
- D) ₹10 Crore

Answers: Q1: B | Q2: C | Q3: C

Agriculture

1. Government Hikes Wheat Procurement Target

Source: TOI

Context

The Central Government has raised the wheat procurement target for the current Rabi Marketing Season (RMS) to **34.5 million tonnes (MT)**. This 15% increase from the initial target reflects a shift in market dynamics where government prices have become more attractive to farmers than private market rates.

Why the Target was Revised?

The decision to hike the target early in the season is driven by several regional and economic factors:

- **Market Price vs. MSP:** As of April 22, the average market (mandi) price was **₹2,572 per quintal**, which is lower than the government's **Minimum Support Price (MSP) of ₹2,585 per quintal**. Farmers naturally prefer selling to the government to secure the higher guaranteed price.
- **State Requests:** Major wheat-producing states including **Madhya Pradesh, Uttar Pradesh, Rajasthan, and Bihar** explicitly requested the Centre to increase procurement to accommodate the high arrival of stocks in local mandis.
- **Current Progress:** The government has already purchased **16.4 MT** so far in the ongoing season, nearly reaching the halfway mark of the new target.

2. Strategic Shift for Flour Millers

In a notable policy move, the government has urged flour millers to buy wheat directly from the open market.

- **Reducing FCI Dependency:** Historically, millers relied on the **Food Corporation of India (FCI)** to release stocks through the Open Market Sale Scheme (OMSS).
- **Market Stabilization:** By pushing millers to the mandis, the government aims to prevent mandi prices from crashing further and ensure that the private sector shares the burden of managing the surplus.

Key Concepts

Q: What is "Procurement"?

A: It is the process by which the government (through the FCI and state agencies) buys food grains from farmers at a pre-announced MSP to ensure food security and price stability.

Q: What is the "Rabi Marketing Season" (RMS)?

A: It is the period (typically starting in April) when crops sown in winter (like wheat and mustard) are harvested and brought to the market.

Q: Why do farmers choose MSP over Mandi prices?

A: If private traders offer less than the MSP, the government acts as a "buyer of last resort," ensuring farmers do not suffer losses.

Conceptual MCQs

Q1. What is the newly revised wheat procurement target set by the government for 2026?

- A) 20.5 MT
- B) 30.0 MT
- C) 34.5 MT
- D) 45.0 MT

Q2. What is the primary reason more farmers are opting for government procurement this year?

- A) Mandi prices are significantly higher than MSP
- B) The government is giving free seeds for the next season
- C) Mandi prices are lower than the MSP of ₹2,585
- D) Private traders have been banned from buying wheat

Q3. Which of the following states requested an increase in wheat procurement targets?

- A) Kerala and Tamil Nadu
- B) Uttar Pradesh and Rajasthan

- C) Assam and Nagaland
D) Gujarat and Maharashtra

Answers

- **Q1: C** (A 15% increase to 34.5 MT.)
- **Q2: C** (Farmers seek the higher guaranteed price when market rates fall.)
- **Q3: B** (These are major wheat-producing states in the northern and central belt.)

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Agriculture, MSP, Buffer Stocks, Food Security)
RBI Grade B	Phase II: ESI (Agriculture, Inflation, Rural Economy)
SSC / Bank PO	General Awareness (Current MSP, Procurement targets, FCI)

Facts To Remember

1. Rupee Crosses 94

The Indian rupee (INR) breached the psychological barrier of **94 per US Dollar** for the first time, despite active intervention by the Reserve Bank of India (RBI). This marks the currency's fourth consecutive session of decline.

2. 7th edition of India-Uzbekistan Joint Military Exercise Dustlik culminates at Namangan in Uzbekistan

The 7th edition of the India-Uzbekistan Joint Military Exercise Dustlik culminated today at Namangan in Uzbekistan.

3. INS Sudarshini arrives at Las Palmas, Spain

The Indian Navy's Sail Training Ship INS Sudarshini arrived at Las Palmas, Spain, as part of her ongoing transoceanic deployment under Lokayan 26.

4. Union Minister Meghwal inaugurates new office of Ministry of Law and Justice at Kartavya Bhawan-2

Minister for Law and Justice, Arjun Ram Meghwal, today inaugurated the new office of the Ministry of Law and Justice at the newly constructed Kartavya Bhawan-2 located on Kartavya Path in New Delhi.

5. Ministry of Rural Development finalises Calendar of SARAS Aajeevika Melas

The Ministry of Rural Development has finalised the Calendar of SARAS Aajeevika Melas at the National Level for the Financial Year 2026-27, aimed at promoting rural livelihoods, women entrepreneurship and traditional crafts across the country.

6. India celebrates National Panchayati Raj Day, strengthening local self-governance

National Panchayati Raj Day is being observed today. The day commemorates the establishment of the Panchayati Raj system as a formal structure of local self-governance.

7. PM Narendra Modi to address 133rd episode of Mann Ki Baat on Sunday at 11 AM

Prime Minister Narendra Modi will share his thoughts with the people of the country and abroad in the

Mann Ki Baat programme on Akashvani at 11 a.m. on Sunday.

8. NAMASTE Scheme achieves milestone in advancing dignity and safety of sanitation workers

The National Action for Mechanised Sanitation Ecosystem Scheme has marked a significant milestone in advancing dignity, safety and sustainable livelihoods for sanitation workers across the country.

9. Govt launches first-ever Structured Pulse Procurement in Bihar under Atmanirbhar Pulses Mission

The Government has significantly expanded procurement operations under the PM-AASHA scheme, with the National Cooperative Consumers' Federation of India Ltd. (NCCF) and the National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) playing a central role in Chhattisgarh.

10. MEA Secretary Sibi George meets UN Secretary General Antonio Guterres

Secretary (West) in the Ministry of External Affairs, Sibi George, has called on Secretary-General of the United Nations, Antonio Guterres.

11. RBI Monetary Policy Committee keeps repo rate unchanged at 5.25% amid global uncertainties

The Reserve Bank of India's Monetary Policy Committee has unanimously decided to keep the policy repo rate unchanged at 5.25 per cent, citing rising global uncertainties and inflation risks.

12. Government launches VM Frames National Filmmaking Competition to mark 150 years of Vande Mataram

Government has launched VM Frames National Filmmaking Competition to mark 150 Years of Vande Mataram.

13. CEC Gyanesh Kumar inaugurates second phase of IEVP in New Delhi

The Election Commission has commenced the second phase of International Election Visitors' Programme (IEVP) for the ongoing Assembly Elections in Tamil Nadu and West Bengal.

14. India Approves ₹30 Billion Currency Swap for Maldives

The Government of India approved a ₹30 billion swap facility for Maldives under the SAARC Currency Swap Framework; it strengthens India's financial support to its neighbour; the move enhances regional economic stability and cooperation.

15. Ministry of Culture Launches 'VM Frames' Filmmaking Competition

The Ministry of Culture launched 'VM Frames' to mark 150 years of Vande Mataram by Bankim Chandra Chattopadhyay; it invites youth participation in filmmaking categories; awards worth ₹50 lakh aim to promote cultural awareness.

16. India-Japan Data Partnership for AI-Ready Smart Cities

DataKaveri Systems of Indian Institute of Science signed an MoU with ONESTRUCTION Inc.; the partnership integrates construction data into AI-ready urban systems; it will enhance smart city infrastructure and data-driven governance.

17. BharatGen and L&T Join Hands for Sovereign AI Platform

BharatGen Technology Foundation partnered with Larsen & Toubro entities to build India's sovereign AI

compute platform; the project focuses on AI chips, data centres, and language models; it strengthens India's AI self-reliance under IndiaAI Mission.

18. MoS Jitin Prasada Visits Czech Republic to Boost Trade Ties

Jitin Prasada visited the Czech Republic to enhance trade and investment cooperation; he co-chaired the India-Czech Joint Commission meeting; the visit strengthened bilateral economic relations.

19. RBI Eases Forex Rules for Banks

The Reserve Bank of India eased restrictions on offshore forex derivatives; it allowed limited hedging under exposure caps; the move aims to stabilise the rupee and improve market flexibility.

20. Jio Financial Services Partners Allianz for Insurance JV

Jio Financial Services signed a pact with Allianz to form a 50:50 insurance joint venture; it combines digital reach with global expertise; the partnership targets India's growing insurance market.

21. General Upendra Dwivedi Honoured in US Army War College Hall of Fame

Upendra Dwivedi was inducted into the US Army War College International Hall of Fame; he is the third Indian Army Chief to receive this honour; it recognises contributions to global military cooperation.

22. ACC Extends Tenure of PSU Bank Chiefs

The Appointments Committee led by Narendra Modi extended tenures of MDs and CEOs of Bank of India and Bank of Baroda; it also extended Indian Bank ED's term; the move ensures leadership continuity in public sector banks.

23. Nasscom Appoints Srikanth Velamakanni as Chairman

NASSCOM appointed Srikanth Velamakanni as Chairman for 2026–27; he succeeds Sindhu Gangadharan; the appointment reflects leadership transition in India's IT sector.

24. NASA Unveils Nancy Grace Roman Space Telescope

NASA unveiled the Roman Space Telescope to study dark matter and exoplanets; it will survey vast regions of the universe; the mission advances space research and cosmology.

25. Blue Origin Rocket Fails to Orbit Satellite

Blue Origin failed to place AST SpaceMobile satellite into orbit during New Glenn mission; engine issues caused deviation from planned trajectory; the incident highlights challenges in commercial space missions.

26. India Selected for FIFA Women's Development Programme 2026

FIFA selected India for Women's Development Programme; it aims to improve commercial and professional structure of women's football; the initiative supports long-term sports development.

27. Oscar-Winning Designer Dean Tavoularis Passes Away

Dean Tavoularis passed away at 93 in Paris; he was known for films like The Godfather; he won an Academy Award for Best Art Direction.

28. General MM Naravane Launches New Book

Manoj Mukund Naravane launched "The Curious and the Classified"; the book explores military myths and traditions; it highlights lesser-known aspects of armed forces history.

29. Administrative Professionals Day 2026 Observed on April 22

Administrative Professionals Day recognises the role of administrative staff globally; it is observed during the last week of April; the day promotes professional development and workplace efficiency.

30. UN Spanish Language Day 2026 Observed on April 23

The United Nations observes Spanish Language Day on April 23; it promotes multilingualism and cultural diversity; the date honours writer Miguel de Cervantes.

FIVE TO REMEMBER · 24 & 25 APRIL 2026

1. **Q1: C** (Ministry of Corporate Affairs manages the industry-government tie-up.) Prime Minister Internship Scheme (PMIS)
2. **Q3. As of the June 2024 update, which new group has been included under the NAMASTE scheme?** A) Construction workers NAMASTE Scheme
3. **Speculation Control:** On March 27, 2026, the RBI capped the "Net Open Position" in INR for banks at **\$100 million** to prevent traders from betting too heavily against the rupee. RBI State of the Economy
4. **Earnings Revision:** While the market currently expects a **16% Y-o-Y earnings growth** for 2026, HSBC expects these forecasts to be revised downward as input costs rise. HSBC Downgrades India to Underweight
5. **Limited Impact:** Since top-ups and fresh deposits were already banned in early 2024, most users have had over two years to exhaust their balances. RBI Cancels Paytm Payments Bank Licence

Now test yourself: c4scourses.in/daily-quiz/daily-quiz-2425-april-2026/

DAY 21 OF 23

26 & 27 April 2026

30 items · 4 topics

National Affairs 7 · Banking and Finance 2 · Agriculture 1 · Facts To Remember 20

Daily Current Affairs Quiz
26 & 27 April, 2026**National Affairs****1. Project DANTAK****Context**

Project DANTAK, one of the oldest and most successful overseas projects of the **Border Roads Organisation (BRO)**, celebrated its **66th Raising Day** in Thimphu, Bhutan. Established in **1961**, it remains a living symbol of the "Friendship Treaty" between India and the Kingdom of Bhutan.

What is Project DANTAK?

Project DANTAK is an infrastructure initiative by the Government of India, executed by the BRO, specifically for the development of Bhutan.

- **Establishment:** April 1961, following a visionary agreement between the Third King of Bhutan and Prime Minister Jawaharlal Nehru.
- **Operational Scope:** It covers everything from road connectivity and aviation to telecommunications and healthcare infrastructure.
- **Strategic Essence:** It serves as a bridge for socio-economic transformation, turning landlocked regions of Bhutan into connected economic hubs.

What are key Infrastructure Contributions?

Project DANTAK's footprint is visible across the entire geography of Bhutan:

- **The Road Backbone:** Over **1,500 km** of roads have been constructed.
 - **First Motorable Road:** Built the first-ever motorable road in the Kingdom.
 - **East-West Highway:** Constructed the vital 500+ km highway connecting **Trashigang** in the east to **Thimphu** in the west.
- **Aviation:** Instrumental in building the **Paro International Airport** and the **Yongphula Airport**, which are critical for Bhutan's tourism and connectivity.
- **Beyond Roads:** The project has built schools, hospitals, telecommunication networks, and supported hydropower projects like the **Chhukha Hydel Project**.

Key Concepts**Q: What is the Border Roads Organisation (BRO)?**

A: A specialized executive force under the Ministry of Defence that develops and maintains road networks in India's border areas and friendly neighboring countries.

Q: Why is Project DANTAK unique?

A: Unlike typical infrastructure contracts, DANTAK involves Indian personnel living and working alongside Bhutanese citizens for decades, fostering deep cultural and personal bonds.

"The syllabus is finite. Your effort decides how soon it ends."

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Q: What is the significance of the East–West Highway?

A: Before this highway, traveling between eastern and western Bhutan often required traveling down into India and back up. This road unified the country internally.

Conceptual MCQs**Q1. In which year was Project DANTAK of the Border Roads Organisation (BRO) established?**

- A) 1947
- B) 1961
- C) 1975
- D) 1993

Q2. Which major international airport in Bhutan was constructed with the assistance of Project DANTAK?

- A) Thimphu Domestic Airport
- B) Paro International Airport
- C) Bagdogra Airport
- D) Gelephu Airport

Q3. The primary objective of Project DANTAK is to provide infrastructure support to which country?

- A) Nepal
- B) Myanmar
- C) Bhutan
-) Sri Lanka

Answers: Q1: B | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (International Relations: India–Bhutan ties), GS-3 (Infrastructure/Security)
Defence Exams	Knowledge of BRO projects and strategic connectivity
SSC / General Awareness	Significant dates, locations (Thimphu/Paro), and project names

2. The Roadmap to 100% Ethanol Blending

Source: The Hindu (TH)

Context

Following an appeal by Union Minister Nitin Gadkari on April 21, 2026, India is pivoting toward a more aggressive ethanol strategy. The focus has shifted from the current E20 target to exploring **E100 (100% ethanol)** and the conversion of ethanol into **Sustainable Aviation Fuel (SAF)**.

What is E100?

E100 refers to using **pure ethanol** as a standalone fuel for internal combustion engines. This is fundamentally different from the current "blending" approach where ethanol is mixed with petrol.

- **Energy Density:** One litre of petrol provides **45–55% more energy** than one litre of ethanol. Consequently, a car running on E100 will typically have lower mileage for the same volume of fuel.
- **Engine Requirements:** Standard engines are only certified up to E20. To run on E100, a vehicle must be a **Flex-Fuel Vehicle (FFV)**.

Key Challenges of 100% Blending

A. Vehicle Engineering

Ethanol is chemically different from petrol, leading to three main technical hurdles:

- **Corrosion:** Ethanol is hygroscopic (absorbs water) and corrosive. Fuel lines, tanks, and seals must be made of stainless steel or specialized plastic/rubber.
- **Cold Start Issues:** Pure ethanol does not vaporize well at low temperatures, making it difficult to start a car in cold weather.
- **Sensors & Tuning:** Engines need specialized **Oxygen and Ethanol sensors** to adjust the fuel injection timing in real-time.

B. The "Food vs. Fuel" Debate

Most ethanol in India (1G) is produced from **sugarcane and food grains**.

- **Water Stress:** Sugarcane is a water-intensive crop. Expanding production for E100 could deplete groundwater.
- **Price Volatility:** Diverting crops to fuel can lead to higher food prices.
- **2G Solution:** India is pivoting toward **Second-Generation (2G) Ethanol**, made from agricultural waste like rice straw, to solve this.

Can India move to 100% Ethanol (E100)?

While theoretically possible, moving to E100 requires a total overhaul of India's automotive and supply chain infrastructure.

- **The Energy Density Gap:** Ethanol is less energy-dense than petrol. One litre of petrol provides **45–55% more energy** than one litre of ethanol.
- **The Flex-Fuel Requirement:** Standard engines are only certified up to **E20**. For E100, vehicles must be **Flex-Fuel Vehicles (FFVs)**.
 - **Modifications:** FFVs require corrosion-resistant fuel lines (ethanol is corrosive), specialized sensors to detect the blend ratio, and re-tuned Engine Control Units (ECUs).
 - **Cost:** Currently, FFVs (like the Toyota Innova Hycross version) cost **₹3–4 lakh more** than their petrol counterparts.

Key Concepts: Keyword Q&A

Q: What is "1G" vs "2G" Ethanol?

A: 1G (First Generation) is made from food crops like sugarcane and corn. **2G (Second Generation)** is made from non-food waste like stalks, husks, and straw.

Q: Why does ethanol cause corrosion?

A: Ethanol is "hygroscopic" (it attracts water) and can be acidic, which causes it to degrade rubber seals and certain metal parts in older petrol engines.

Q: How does CAFE-III help ethanol?

A: By setting a lower carbon limit for a carmaker's entire fleet, the government makes it "cheaper" for the company to sell a few Flex-Fuel cars that use 100% ethanol than to pay fines for selling many petrol SUVs.

Conceptual MCQs

Q1. What is the main reason a standard petrol engine cannot run on E100 fuel? A) Ethanol has too much energy density

B) Ethanol is corrosive and requires different sensors/materials

C) Ethanol is too thick for fuel injectors

D) Ethanol requires a diesel-style spark plug

Q2. The "Alcohol-to-Jet" (ATJ) process is used to create which of the following? A) High-octane racing fuel

B) Sustainable Aviation Fuel (SAF)

C) Liquid Hydrogen

D) 2G Ethanol from rice straw

Q3. When does the CAFE-III standard, which targets a 30% reduction in fleet emissions, kick in? A) April 1, 2025

B) October 1, 2024

C) April 1, 2027

D) May 9, 2030

Answers: Q1: B | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Energy, Environment, Science & Tech: Biofuels)
RBI Grade B	Phase II: ESI (Sustainable Development, Energy Policy)
SSC / Bank	General Awareness (National Biofuel Policy, SAF, and Gadkari's statements)

3. Soul Threads

Source: PIB

Context

The **Central Cottage Industries Corporation of India (CCIC)** has launched its first-ever heritage designer collection, '**Soul Threads**'. This initiative is a strategic pivot for the CCIC, aimed at modernizing the appeal of traditional Indian crafts while ensuring the economic sustainability of local artisans.

What is "Soul Threads"?

Soul Threads is a curated cultural platform that blends **India's indigenous textile traditions** with **contemporary high fashion**. It is more than just a clothing line; it is an integrated exhibition that includes:

- **Designer Handlooms:** Curated sarees and bespoke wear that use ancient weaving techniques.
- **Artisanal Crafts:** Handcrafted jewelry and home furnishings.
- **Cultural Ecosystem:** Integrating fashion shows with folk performances to provide a holistic "heritage experience."

Key Objectives & Strategy

The CCIC, under the Ministry of Textiles, is using Soul Threads to address specific challenges in the handicraft sector:

- **Modern Relevance:** By using a "modern design language," the collection makes traditional products more appealing to younger domestic consumers and international fashion markets.
- **Market Access:** It provides a prestigious commercial stage for rural artisans who often lack direct access to high-end urban markets.
- **Preservation through Profit:** By boosting the commercial value of these crafts, Soul Threads helps ensure that the younger generation of artisans continues the family trade.

What are Strategic Features of the Collection?

- **Handloom Reimagined:** The exhibition focuses on reimagining traditional weaves (like Banarasi, Kanjeevaram, or Chanderi) into contemporary silhouettes.
- **Bespoke Designer Wear:** Moving beyond standard items to "one-of-a-kind" pieces that command higher value in the luxury segment.
- **Artisan-Designer Collaboration:** Soul Threads facilitates partnerships between grassroots artisans and professional fashion designers to merge technical skill with market-ready aesthetics.

Key Concepts: Keyword Q&A

Q: What is the CCIC?

A: The **Central Cottage Industries Corporation of India** is a Public Sector Undertaking (PSU) under the **Ministry of Textiles**. It acts as the primary agency for the promotion and retail of Indian handlooms and handicrafts through its emporiums.

Q: What is the "Cultural Ecosystem" approach?

A: It refers to treating textiles not as standalone products, but as part of a larger heritage that includes music, dance, and community stories. Soul Threads uses folk performances to tell the "story" behind the fabric.

Q: Why is "Modern Design Language" necessary?

A: Many traditional crafts are technically brilliant but may not fit modern lifestyle needs (e.g., heavy sarees that are hard to drape). Reimagining them means making them lighter, more durable, or visually compatible with modern trends.

Conceptual MCQs

Q1. Which organization launched the 'Soul Threads' heritage designer collection?

- A) Khadi and Village Industries Commission (KVIC)
- B) Central Cottage Industries Corporation of India (CCIC)
- C) NIFT
- D) Ministry of Culture

Q2. What is the primary goal of the "Soul Threads" initiative?

- A) To mass-produce textiles using automated machinery
- B) To provide a platform for modern tech startups
- C) To preserve and revive India's textile heritage through a designer platform
- D) To replace handlooms with synthetic fibers

Q3. The CCIC functions under the administrative control of which Union Ministry?

- A) Ministry of Commerce and Industry
- B) Ministry of Rural Development
- C) Ministry of Textiles
- D) Ministry of Micro, Small and Medium Enterprises

Answers: Q1: **B** | Q2: **C** | Q3: **C**

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-1 (Indian Culture: Handicrafts & Textiles), GS-3 (Economy: MSME/Artisans)

Exam Focus Area	Relevance Level
State PSCs	Promotion of local handicrafts and state-specific weaves
SSC / General Awareness	Current affairs related to government initiatives and new brands

4. Anti-Defection Law

Source: The Indian Express (IE)

Context

In a significant political development, **seven Rajya Sabha MPs** from the Aam Aadmi Party (AAP) have defected to the BJP. Because these seven members represent more than **two-thirds** of the party's strength in the Upper House, they may be shielded from disqualification under the "Merger" exception of the Anti-Defection Law.

What is Defection?

Defection occurs when an elected representative shifts allegiance from the party on whose ticket they were elected. In India, this is governed by the **10th Schedule** of the Constitution, often called the **Anti-Defection Law**.

- **Purpose:** To bring stability to the government by preventing "Aaya Ram, Gaya Ram" politics (frequent floor-crossing).
- **Legal Framework:** * **52nd Amendment (1985):** Added the 10th Schedule.
 - **91st Amendment (2003):** Strengthened the law by deleting the "one-third split" rule and capping the Council of Ministers at **15%** of the House strength.

What are Grounds for Disqualification?

A legislator risks losing their seat if they:

1. **Voluntarily give up membership:** Resigning from the party.
2. **Defy the "Whip":** Voting (or abstaining) against party directions without permission.
3. **Independent Members:** Joining a political party after being elected as an independent.
4. **Nominated Members:** Joining a political party after six months of taking their seat.

What is The "Two-Thirds" Merger Exception?

The current news involving the AAP MPs hinges on **Paragraph 4** of the 10th Schedule, which provides an exception for mergers.

- **The Rule:** Disqualification does not apply if a member's original political party merges with another, provided that **at least two-thirds of the members** of the legislative party agree to the merger.
- **The Logic:** The law assumes that if such a large majority (2/3rds) leaves, it isn't an individual act of opportunism but a collective decision of the party unit.
- **The Shift:** Originally, the law allowed a "split" if only **one-third** of members left. The 91st Amendment removed this, making a "merger" (requiring 2/3rds) the only valid way to switch parties without losing membership.

Role of the Presiding Officer

The **Chairman (Rajya Sabha)** or **Speaker (Lok Sabha)** acts as the quasi-judicial authority in these cases.

- **Decision Power:** The Presiding Officer decides whether a merger has legally occurred based on the evidence of the two-thirds threshold.
- **Judicial Review:** While the Presiding Officer's decision was once final, the Supreme Court (in the **Kihoto Hollohan case**) ruled that their decision is subject to **judicial review** on grounds of mala fides or perversity.

Key Concepts: Keyword Q&A**Q: What is a "Whip"?**

A: A written order issued by a political party to its members in a legislature to vote in a particular way. Violating a whip leads to disqualification under the 10th Schedule.

Q: Can a legislator be disqualified for "anti-party" activities outside the House?

A: Yes. The Supreme Court has interpreted "voluntarily giving up membership" broadly. Even if a member hasn't formally resigned, their conduct (e.g., attending rallies of an opposition party) can be used to prove they have defected.

Q: What is the "15% Rule"?

A: Introduced by the 91st Amendment, it states that the total number of ministers (including the PM/CM) cannot exceed 15% of the total strength of the Lok Sabha (or State Assembly). This prevents parties from "buying" defectors with promises of cabinet berths.

Conceptual MCQs

Q1. Which Constitutional Amendment deleted the provision that recognized a "split" by one-third of a party's members? A) 42nd Amendment

- B) 52nd Amendment
- C) 73rd Amendment
- D) 91st Amendment

Q2. Under the 10th Schedule, who is the final authority to decide on the disqualification of a Rajya Sabha MP? A) The President of India

- B) The Election Commission
- C) The Chairman of the Rajya Sabha
- D) The Supreme Court

Q3. To claim an exemption from disqualification during a merger, what minimum fraction of the legislative party must agree to the move? A) One-third

- B) One-half
- C) Two-thirds
- D) Three-fourths

Answers: Q1: **D** | Q2: **C** | Q3: **C**

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Polity: Parliament structure, Constitutional Amendments, Tenth Schedule)
State PSCs	Local political shifts and Speaker's powers
SSC / Bank	General Awareness (Facts about 52nd and 91st Amendments)

5. Exercise Dustlik 2026

Source: News on Air

Context

The **seventh edition** of the India-Uzbekistan joint military exercise, '**Dustlik**', concluded with a validation ceremony at the Gurumsaray Field Training Area in Uzbekistan. This exercise is a cornerstone of India's growing security engagement with Central Asian republics.

What is Exercise Dustlik?

Dustlik (which means "Friendship" in Uzbek) is an annual bilateral military exercise between the Indian Army and the Uzbekistan Armed Forces.

- **Frequency:** Annual, conducted on a **rotational basis** between the two countries.
- **Previous Edition (2025):** Held in **Pune, India**.
- **Current Edition (2026):** Hosted by **Uzbekistan** at the Gurumsaray Field Training Area in Namangan.

Core Objectives

The exercise is designed to move beyond basic cooperation toward deep **tactical synergy**:

- **Unified Command:** Establishing a shared "operational algorithm" for command-and-control. This ensures that if the two armies ever had to work together, their leadership structures would communicate seamlessly.
- **Counter-Terrorism:** The primary focus is on neutralizing "unlawful armed groups" in mountainous or rural terrain—a challenge relevant to both nations.
- **Skill Sharing:** Joint planning, tactical drills, and specialized arms training.

The Validation Phase

The hallmark of Exercise Dustlik is its rigorous conclusion.

- **48-Hour Test:** The exercise culminates in a continuous **48-hour validation phase**.
- **Real-world Scenarios:** Troops are tested on their ability to execute joint special operations, intelligence gathering, and precision strikes under high-pressure, simulated combat conditions.
- **Physical Rigor:** The curriculum is noted for its high demand on physical fitness, reflecting the rugged geography of Central Asia.

Key Concepts: Keyword Q&A

Q: Why is the exercise called "Dustlik"?

A: The word *Dustlik* translates to **Friendship** in the Uzbek language, symbolizing the strengthening diplomatic and military bonds between New Delhi and Tashkent.

Q: What is a "Validation Ceremony"?

A: It is a formal event at the end of a military exercise where the outcomes are reviewed, successful tactics are demonstrated, and participating troops are honored for achieving operational objectives.

Q: What kind of terrain is the "Gurumsaray Field Training Area"?

A: Located in the Namangan region, it offers a mix of semi-arid and hilly terrain, ideal for simulating counter-insurgency operations in the diverse landscapes found across Central Asia and India.

Conceptual MCQs

Q1. The 2026 edition of Exercise Dustlik was the _____ edition of the bilateral series. A) Fifth

B) Sixth

C) Seventh

D) Tenth

Q2. Where was the 2025 edition of Exercise Dustlik held? A) Tashkent, Uzbekistan

B) Pune, India

C) Ranikhet, India

) Termez, Uzbekistan

Q3. What is the primary tactical focus of Exercise Dustlik? A) Naval blockades and maritime security

- B) Cyber warfare and satellite jamming
 C) Counter-terrorism and joint tactical drills
 D) High-altitude paratrooper drops only

Answers: Q1: C | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (International Relations: India and its neighborhood/extended neighborhood)
Defence Exams (CDS/NDA/AFCAT)	Military exercises, locations, and participating nations
SSC / Bank PO	Current affairs (Summits, exercises, and international venues)

6. Bharat Taxi

Source: PIB

Context

Union Minister **Piyush Goyal** officially launched the **Bharat Taxi** app and driver onboarding program in **Mumbai, Maharashtra**. This marks a major expansion for the platform, which aims to liberate drivers (referred to as "**Sarathis**") from the high commissions and restrictive models of private aggregators like Ola and Uber.

What is Bharat Taxi?

Bharat Taxi is a "Sarathi Hi Malik" (Driver is the Owner) platform. Unlike private giants where drivers are contractors, Bharat Taxi is a **cooperative** where drivers are shareholders.

- **Founded:** Established on **June 6, 2025**, by eight national-level cooperative institutions (including **Amul, IFFCO, KRIBHCO, NAFED, and NABARD**).
- **Legal Status:** Registered under the **Multi-State Cooperative Societies (MSCS) Act, 2002**.
- **National Launch:** Officially launched by Home Minister Amit Shah on **February 5, 2026**, in New Delhi.

What are Key Benefits for Drivers (Sarathis)?

The platform is designed to maximize the earnings of those "toiling on the road" rather than corporate owners.

- **Zero Commission:** Drivers keep **100% of the fare**. There are no per-ride commissions or hidden subscription charges.
- **MUDRA Loan Access:** The app facilitates easy access to **MUDRA loans** for drivers to upgrade their vehicles or switch to **Electric Vehicles (EVs)**.
- **Social Security:** Every registered driver receives a **₹5 lakh personal accident insurance** and **₹5 lakh family health insurance** cover.
- **Co-Ownership:** Drivers can become official stakeholders by purchasing cooperative shares (starting at ₹500 for five shares).

Key Concepts: Keyword Q&A

Q: Who are the "Sarathis"?

A: This is the respectful term used by the government and the cooperative to refer to the auto-rickshaw and cab drivers, positioning them as the "pilots" of India's mobility.

Q: How does the platform survive with Zero Commission?

A: It operates as a non-profit cooperative. To cover operational expenses at specific locations (like

airport prepaid booths), a small **7% service charge** is applied, but standard app bookings remain commission-free.

Q: What is the "Sahkar se Samridhi" vision?

A: It means **"Prosperity through Cooperation."** It is the guiding philosophy of the Ministry of Cooperation to use the cooperative model to generate employment and social security at the grassroots level.

Conceptual MCQs

Q1. Under which Act is the "Bharat Taxi" cooperative platform registered?

- A) Companies Act, 2013
- B) Multi-State Cooperative Societies Act, 2002
- C) Trade Unions Act, 1926
- D) IT Act, 2000

Q2. Which of the following is NOT a benefit provided to drivers on the Bharat Taxi platform?

- A) ₹5 lakh free insurance
- B) Access to MUDRA loans
- C) 20% commission per ride
- D) Zero subscription charges

Q3. Which Union Minister officially launched the Mumbai chapter of the Bharat Taxi app in April 2026?

- A) Amit Shah
- B) Nitin Gadkari
- C) Piyush Goyal
- D) Ashwini Vaishnaw

Answers: Q1: **B** | Q2: **C** | Q3: **C**

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Cooperatives, Gig economy, Inclusive growth)
RBI Grade B	Phase II: ESI (Social security for gig workers, Financial inclusion)
SSC / Bank PO	Current affairs (New apps, government schemes, and digital initiatives)

7. India's First UNESCO Chair on Gender Inclusion and Skill Development

Source: PIB

Context

During the international conference **"Women Leading the Future of Work"** held at Symbiosis Skills and Professional University (SSPU) in **Pune**, Union MoS Jayant Chaudhary launched **Asia's first UNESCO Chair** dedicated specifically to **Gender Inclusion and Skill Development**.

What is a UNESCO Chair?

The UNESCO Chairs program is a global initiative that involves over 850 institutions across 115 countries. It aims to promote international inter-university cooperation and networking to enhance institutional capacities through knowledge sharing and collaborative work.

- **Unique Status:** This is the first time a UNESCO Chair focusing on the intersection of **Gender** and **Technical Skills** has been established in Asia.

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- **Host Institution:** Symbiosis Skills and Professional University (SSPU), Pune.
- **Leadership:** Led by **Swati Mujumdar**, Pro-Chancellor of SSPU.

Focus on "Future-Ready" Sectors

The primary goal of the Chair is to break traditional gender silos by preparing women for high-growth, high-tech industries where they are currently underrepresented.

- **Target Sectors:**
 - **Artificial Intelligence (AI) & Machine Learning**
 - **Semiconductor Technology** (aligned with the India Semiconductor Mission)
 - **Robotics & Advanced Manufacturing**
 - **Defense & Strategic Electronics**
- **The "Skill-Gap" Mission:** The Chair will design training frameworks that address the specific socio-economic barriers women face when entering STEM (Science, Technology, Engineering, and Mathematics) fields.

Key Concepts: Keyword Q&A

Q: Why is "Gender Inclusion" coupled with "Skill Development"?

A: Research shows that while women are gaining basic education, they are often excluded from specialized technical training (upskilling). Coupling the two ensures that inclusion isn't just about presence, but about **competence in high-value roles**.

Q: What is the significance of the location (Pune)?

A: Pune is often called the "Oxford of the East" and is a major hub for the automotive, IT, and manufacturing sectors. Hosting the Chair here allows for direct industry-academia collaboration.

Q: How does this align with UNESCO priorities?

A: Global priority "Gender Equality" is one of UNESCO's two overarching goals. This Chair directly supports **Sustainable Development Goal (SDG) 4** (Quality Education), **SDG 5** (Gender Equality), and **SDG 8** (Decent Work and Economic Growth).

Conceptual MCQs

Q1. Where is the newly launched UNESCO Chair on Gender Inclusion and Skill Development located?

- A) IIT Delhi
- B) Symbiosis Skills and Professional University (SSPU), Pune
- C) TISS, Mumbai
- D) IISc, Bangalore

Q2. Who is the designated leader (Chairperson) for this UNESCO initiative?

- A) Jayant Chaudhary
- B) Swati Mujumdar
- C) Nirmala Sitharaman
- D) Smriti Irani

Q3. Which of the following is a "Future-Ready" sector specifically targeted by this UNESCO Chair?

- A) Traditional Handicrafts
- B) Semiconductor Technology
- C) Primary School Teaching
- D) Basic Clerical Work

Answers: Q1: B | Q2: B | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-1 (Social Issues: Role of women), GS-2 (International Bodies: UNESCO), GS-3 (Education & Employment)
State PSCs	Maharashtra-specific education and development initiatives
SSC / Bank PO	Current affairs (Institutions, Appointments, and Summits)

Banking and Finance

1. Banking Regulation Act, 1949

Source: The Hindu (TH)

Context

In a landmark regulatory move, the **Reserve Bank of India (RBI)** has officially cancelled the banking licence of **Paytm Payments Bank Limited (PPBL)**. This action was taken under **Section 22** of the **Banking Regulation Act, 1949**, citing persistent non-compliance and management issues that were deemed "detrimental to the interest of depositors."

What is the Banking Regulation Act, 1949?

This Act is the bedrock of financial stability in India. It empowers the RBI to act not just as a central bank, but as a **strict regulator and supervisor** of all commercial and (since 1965) cooperative banks.

- **Evolution:** Originally enacted as the *Banking Companies Act, 1949*, it was renamed in **1966** to expand its scope beyond just "companies."
- **Primary Mandate:** To protect the **interest of depositors** and ensure that banks operate on "sound financial principles."
- **Overriding Power:** Under **Section 5A**, the provisions of this Act override a bank's own Memorandum or Articles of Association if they conflict with the law.

Why was Paytm Payments Bank's Licence Cancelled?

The RBI invoked specific sub-clauses of **Section 22(3)** to justify the cancellation effective **April 24, 2026**:

- **Detrimental Conduct [Section 22(3)(b)]:** The bank's affairs were conducted in a manner harmful to its depositors.
- **Management Character [Section 22(3)(c)]:** The "general character of the management" was found prejudicial to public interest.
- **Failure of Purpose [Section 22(3)(e)]:** RBI concluded that letting the bank continue served no useful public purpose.
- **Breach of Conditions [Section 22(3)(g)]:** Persistent failure to meet the specific conditions of its Payments Bank licence (e.g., KYC and transaction monitoring).

Key Sections & Powers of the RBI

The Act provides a toolkit of powers that the RBI uses to maintain order in the financial system:

Section	Power / Feature	Description
Section 5(b)	Definition of Banking	Defined as accepting deposits from the public for the purpose of lending or investment.
Section 8	Prohibition of Trading	Banks cannot engage in buying/selling goods directly (to prevent high-risk commercial exposure).

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Section	Power / Feature	Description
Section 22	Licensing & Cancellation	Crucial: No bank can start without a licence, and RBI can withdraw it if the bank fails to comply with norms.
Section 35	Inspection	RBI has the right to inspect a bank's books and accounts at any time.
Section 35A	Power to give Directions	Allows RBI to issue binding instructions to banks in the interest of public/banking policy.
Section 36ACA	Supersession of Board	RBI can remove a bank's Board of Directors and appoint an administrator in cases of mismanagement.
Section 44A	Amalgamation	Procedures for merging two banking companies.

Impact of the 2026 Paytm Ruling

- **Liquidation:** Following the cancellation, the RBI is moving the High Court to initiate **winding-up proceedings** under **Section 38**.
- **Depositor Safety:** The RBI clarified that PPBL has "sufficient liquidity" to repay all existing deposits, ensuring the resolution doesn't spark a wider panic.
- **Operational Ban:** Effective immediately, the entity is prohibited from the "business of banking" as defined in **Section 5(b)**.

Key Concepts: Keyword Q&A

Q: What is "Winding Up"?

A: It is the legal process of closing a bank. A liquidator is appointed to sell the assets, pay off creditors, and return any remaining money to depositors.

Q: Can the RBI remove a Bank's CEO?

A: Yes. Under **Section 10BB**, the RBI has the power to appoint or remove the Chairman or Managing Director of a banking company if it deems their presence detrimental to the bank.

Q: Does this Act apply to Cooperative Banks?

A: Yes. Since the **1965 Amendment (Section 56)**, cooperative banks also fall under the regulatory umbrella of the RBI for licensing and prudential norms.

Conceptual MCQs

Q1. Under which specific section of the Banking Regulation Act, 1949, can the RBI cancel the licence of a banking company?

- A) Section 5(b)
- B) Section 22
- C) Section 35A
- D) Section 44A

Q2. The prohibition of a banking company from engaging in the direct buying or selling of goods (trading) is mentioned under:

- A) Section 8
- B) Section 11
- C) Section 20
- D) Section 30

Q3. Which section of the Act defines the "business of banking" in India?

- A) Section 5(a)

- B) Section 5(b)
 C) Section 6
 D) Section 22

Answers: Q1: B | Q2: A | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Regulatory bodies, Banking reforms, Statutory laws)
RBI Grade B	Phase II: Finance (Acts related to Banking, RBI powers, Regulatory history)
IBPS / Bank PO	General Awareness (Current banking news, Licensing norms, Section numbers)

2. The IBC (Amendment) Act, 2026

Source: BS

Context

The **Insolvency and Bankruptcy Code (Amendment) Act, 2026**, represents a significant evolution in India's decade-old insolvency framework. It transitions the IBC from a lender-centric tool to a "lifeline for the ordinary citizen," specifically addressing the systemic delays that have plagued real estate resolutions like the **Jaypee Infratech (JIL)** saga.

What is The Insolvency and Bankruptcy Code (Amendment) Act, 2026?

The **Insolvency and Bankruptcy Code (Amendment) Act, 2026**, which received Presidential assent in April 2026, marks the most significant structural overhaul of India's insolvency framework since its inception in 2016.

The amendment shifts the IBC from being a purely lender-centric recovery tool to a more balanced "performance-led" model, specifically aiming to resolve the "stalled dreams" of homebuyers and reduce the massive backlog of cases at the National Company Law Tribunal (NCLT).

Key Features of the 2026 Amendment

The 2026 Amendment introduces structural changes to speed up resolutions and reduce the burden on the National Company Law Tribunal (NCLT).

A. The New Hybrid Mechanism (Out-of-Court)

The "fast-track" process has been replaced with a **creditor-initiated resolution mechanism**.

- **Threshold:** Financial creditors holding **>51%** of the debt can initiate negotiations before entering the NCLT.
- **Model:** A "**debtor-in-possession, creditor-in-control**" model. The current management runs the company under the supervision (and veto power) of an Insolvency Professional.
- **Timeline:** **150 days** for the base period, with one 45-day extension.

B. Strict Enforcement of Timelines

- **14-Day Window:** NCLT must accept an insolvency application within 14 days of default. Failure to comply now carries penalties.
- **330-Day Outer Limit:** Reinforced rules to discourage frivolous lawsuits that delay the final resolution.

C. Group and Cross-Border Insolvency

- **Group Insolvency:** Allows a single resolution process for multiple companies within the same corporate group—critical for real estate firms with complex networks of Special Purpose Vehicles (SPVs).

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- **Cross-Border Cooperation:** Enables Indian courts to recognize and work with foreign insolvency proceedings.

Key Concepts: Keyword Q&A

Q: What is a "Dissenting Financial Creditor"?

A: A lender who does not vote in favor of the resolution plan. The 2026 amendment ensures they receive at least a minimum payment to prevent them from stalling the process in court.

Q: What is the "Moratorium"?

A: A legal freeze on all lawsuits and debt recovery actions against a company once it enters the insolvency process. The 2026 rules now impose penalties for violating this moratorium.

Q: Why is "Group Insolvency" important?

A: Real estate developers often create a separate company for every new project. Group insolvency allows the court to treat the parent and its sub-companies as one, preventing assets from being hidden in different entities.

Conceptual MCQs

Q1. Under the 2026 IBC Amendment, what percentage of debt must financial creditors hold to initiate the new hybrid out-of-court resolution?

- A) 25%
- B) 51%
- C) 66%
- D) 75%

Q2. What is the base time limit for drafting and approving a resolution plan under the new creditor-initiated mechanism?

- A) 90 days
- B) 150 days
- C) 180 days
- D) 330 days

Q3. In the Jaypee Infratech (JIL) case, which group's resolution plan was approved by the homebuyers and lenders?

- A) IDBI Group
- B) Adani Group
- C) Suraksha Group
- D) Puma Realtors

Answers: Q1: B | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Investment Models, Banking, and Debt Recovery)
RBI Grade B	Phase II: Finance (Insolvency frameworks, ESI: Financial inclusion)
State PSCs	Impact on real estate and urban housing projects

Agriculture

1. NAAS Policy Paper: Enhancing the Economic Viability of FPOs

Source: The Hindu (TH)

Context

Despite the Union Government's goal to form **10,000 Farmer Producer Organisations (FPOs)**, a new policy paper by NAAS highlights that many are struggling to survive. The paper suggests a shift from mere formation to active **market-side intervention** by the government to ensure their long-term viability.

What is an FPO?

A Farmer Producer Organisation (FPO) is a legal entity formed by primary producers—farmers, milk producers, fishermen, etc. It allows small and marginal farmers to aggregate their produce, giving them better bargaining power and access to technology.

- **The Vision:** To transform a "Peasant" into a "Producer" with business acumen.
- **Leadership of NAAS:** The academy is headed by **Mangi Lal Jat**, who is also the Director General of the **Indian Council of Agricultural Research (ICAR)**.

Why are FPOs Struggling?

The NAAS paper identifies several systemic "pain points" that prevent FPOs from becoming profitable businesses:

- **Low Membership Base:** Many FPOs lack the "numbers" needed to achieve **economies of scale**. Without enough volume, they cannot negotiate better prices for fertilizers or output sales.
- **Inadequate Management:** A lack of professional skills in financial management and technical operations.
- **Credit & Market Gaps:** Limited access to formal bank credit and weak links to the actual buyers in the market.
- **Support Deficit:** Promoting agencies are often successful at forming the group but fail to provide the long-term "hand-holding" required for capacity building.

Key Recommendations for Government Aid

The most significant recommendation in the paper is for the government to become a **guaranteed buyer** to provide an initial "safety net."

Recommended Buyer	Purpose of Procurement
Indian Railways	Procurement of food items for catering and non-food commodities.
The Military	Bulk procurement of fresh and processed agricultural goods for the armed forces.
Food Corporation of India (FCI)	Prioritizing FPOs over traditional middlemen for grain procurement.

The Logic: Direct procurement by these institutional giants reduces "market search costs" for the FPO and ensures the delivery of high-quality, traceable goods for the buyer.

The Role of Corporates

The paper acknowledges that the corporate sector has begun providing expertise to FPOs. This "Private-Producer Partnership" is seen as a way to bring in modern processing technology and global quality standards, though it currently remains limited in scale.

Key Concepts: Keyword Q&A

Q: What are "Economies of Scale"? A: It is a proportionate saving in costs gained by an increased level of

production. For an FPO, it means that buying seeds for 1,000 farmers is much cheaper per bag than buying for just 10 farmers.

Q: Why prioritize the Military and Railways? A: These are "Institutional Buyers" with massive, predictable, and consistent demand. A single contract with the Railways can sustain an FPO's entire annual production cycle, removing the risk of price volatility.

Q: What is the "SEED" connection? A: While the SEED scheme (discussed earlier) targets DNTs, FPOs are the primary vehicle for the **PM-FME (Formalisation of Micro food processing Enterprises)** scheme, which helps farmers add value to their crops (e.g., turning tomatoes into puree).

Conceptual MCQs

Q1. Who is the current head of the National Academy of Agricultural Sciences (NAAS)?

- A) MS Swaminathan
- B) Mangi Lal Jat
- C) Ramesh Chand
- D) Himanshu Pathak

Q2. According to the NAAS paper, what is a primary reason for the poor performance of FPOs?

- A) Lack of interest from farmers
- B) Excessive government regulation
- C) Low membership base leading to poor economies of scale
- D) High export taxes

Q3. Which body has the NAAS recommended should prioritize FPOs in its procurement process?

- A) NITI Aayog
- B) Indian Railways
- C) Reserve Bank of India
- D) ISRO

Answers: Q1: B | Q2: C | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Agriculture: Issues related to direct & indirect farm subsidies and MSP; FPOs)
NABARD Grade A	Economic & Social Issues / Agriculture & Rural Development (FPO formation & viability)
SSC / Bank PO	General Awareness (Current heads of organizations like ICAR/NAAS)

Facts To Remember

1. India Launches First UNESCO Chair on Gender Inclusion & Skills

Jayant Chaudhary launched India's first UNESCO Chair on Gender Inclusion and Skill Development at SSPU Pune; it aims to boost women's participation in AI, semiconductor and advanced sectors; the initiative focuses on skills, policy research and global collaboration.

2. Govt Forms Panel to Assess AI Risks from Mythos Platform

The Government of India formed a panel under C. S. Setty to assess risks from Anthropic's Mythos AI platform; banks will coordinate via IBA and report cyber threats to CERT-In; the move strengthens AI risk

governance.

3. India–Africa Forum Summit 2026 Branding Launched

S. Jaishankar launched the logo, theme and website for IAFS–IV; the summit will be held in May 2026 in New Delhi; it highlights India–Africa strategic partnership and cooperation.

4. Govt Expands Procurement Under PM–AASHA and Pulses Mission

The Ministry of Consumer Affairs Food and Public Distribution expanded procurement in Chhattisgarh and launched pulse procurement in Bihar; it is supported by NAFED; the move aims to stabilise prices and boost farmer income.

5. Himadri Commissions India’s First Anode Material Plant

Himadri Speciality Chemical Limited launched India’s first anode material facility in West Bengal; it supports lithium–ion battery production; the plant strengthens India’s EV and clean energy ecosystem.

6. Akashvani Launches Nationwide Tune and Jingle Contest

All India Radio and MyGov launched contests to mark 90 years of broadcasting; citizens can create signature tunes and jingles; the initiative promotes public participation in media innovation.

7. CMEC and Delhi University Sign MoU for Maritime Education

University of Delhi signed an MoU with CMEC to boost maritime education; it focuses on research, training and policy collaboration; the initiative supports India’s maritime growth vision.

8. Rocklink India Opens Battery and Rare Earth Recycling Plant

Rocklink India Private Limited launched India’s first lithium–ion battery and rare earth recycling facility in UP; it recovers critical minerals like lithium and cobalt; the plant supports EV and clean energy sectors.

9. Guntur Municipal Corporation Wins UNIDO GEM Award 2026

UNIDO awarded Guntur Municipal Corporation the GEM Award; it recognises efforts in gender equality and sustainable industrial practices; the award highlights India’s urban innovation.

10. Ashok Lahiri Appointed Vice–Chairman of NITI Aayog

NITI Aayog appointed Ashok Lahiri as Vice–Chairman and Gobardhan Das as Member; the appointments strengthen policy leadership; Lahiri succeeds Suman Bery.

11. Parminder Singh Appointed CEO of Reliance Enterprise Intelligence

Reliance Enterprise Intelligence Limited appointed Parminder Singh as CEO; he brings extensive global tech experience; the move supports AI–driven enterprise growth.

12. NASA Unveils Roman Space Telescope for Dark Matter Study

NASA introduced the Nancy Grace Roman Space Telescope; it will study dark matter and exoplanets; the mission will enhance understanding of the universe.

13. Blue Origin Rocket Mission Faces Failure

Blue Origin failed to place satellite into orbit due to engine issues; the mission aimed at space–based connectivity; the failure highlights technical challenges in space missions.

14. India Selected for FIFA Women's Development Programme

FIFA selected India for Women's Development Programme 2026; it aims to improve commercial viability of women's football; the initiative supports long-term sports growth.

15. Dean Tavoularis Passes Away at 93

Dean Tavoularis, Oscar-winning production designer, passed away; he was known for films like The Godfather; his work shaped cinematic art direction.

16. MM Naravane Launches Book on Military Myths

Manoj Mukund Naravane released "The Curious and the Classified"; the book explores military traditions and stories; it highlights lesser-known aspects of armed forces.

17. International Girls in ICT Day 2026 Observed on April 23

The day promotes women's participation in ICT careers globally; the 2026 theme focuses on AI and digital future; it is led by International Telecommunication Union.

18. National Panchayati Raj Day 2026 Observed on April 24

India celebrates Panchayati Raj Day to promote grassroots governance; it marks the 73rd Constitutional Amendment; the day highlights decentralised democracy and rural development.

19. World Day for Laboratory Animals 2026 Observed on April 24

The day raises awareness about ethical concerns in animal testing; it promotes alternatives to laboratory animal use; it is supported by global animal rights organisations.

20. Coca-Cola India Signs MoU with Uttar Pradesh for Development

Coca-Cola India signed a 3-year MoU with Invest UP; it focuses on water access, waste management and livelihoods; the initiative promotes sustainable community development.

FIVE TO REMEMBER · 26 & 27 APRIL 2026

1. **91st Amendment (2003)**: Strengthened the law by deleting the "one-third split" rule and capping the Council of Ministers at **15%** of the House strength. Anti-Defection Law
2. **Founded**: Established on **June 6, 2025**, by eight national-level cooperative institutions (including **Amul, IFFCO, KRIBHCO, NAFED, and NABARD**). Bharat Taxi
3. This Act is the bedrock of financial stability in India. It empowers the RBI to act not just as a central bank, but as a **strict regulator and supervisor** of all commercial and (since 1965) cooperative banks. Banking Regulation Act, 1949
4. S. Jaishankar launched the logo, theme and website for IAFS-IV; the summit will be held in May 2026 in New Delhi; it highlights India-Africa strategic partnership and cooperation. India-Africa Forum Summit 2026 Branding Launched
5. **Energy Density**: One litre of petrol provides **45–55% more energy** than one litre of ethanol. Consequently, a car running on E100 will typically have lower mileage for the same volume of fuel. The Roadmap to 100% Ethanol Blending

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DAY 22 OF 23

28 April 2026

Tuesday · 24 items · 4 topics

Reports 1 · National Affairs 4 · Banking and Finance 3 · Facts To Remember 16

Daily Current Affairs Quiz
28 April, 2026**Reports****1. Knight Frank Wealth Report 2026**

Source: TH

Context

The 2026 Wealth Report highlights a "dramatic acceleration" in wealth creation globally. Despite geopolitical shocks, private capital has remained resilient, with India emerging as one of the fastest-growing hubs for both billionaires and ultra-wealthy individuals.

Global Wealth Rankings (2026)

The report defines **Ultra-High Net-Worth Individuals (UHNWIs)** as those with a net worth of **\$30 million (approx. ₹283 crore)** or more.

Rank	Country	UHNWI Population (2026)
1	🇺🇸 United States	251,352
2	🇨🇳 China	121,677
3	🇩🇪 Germany	38,215
4	🇬🇧 United Kingdom	27,876
5	🇫🇷 France	21,518
6	🇮🇳 India	19,877

The India Story: Scaling the Pyramid

India's wealth landscape has undergone a structural shift over the last five years (2021–2026), driven by technology, industrials, and robust capital markets.

- **Billionaire Hub:** India now houses **207 billionaires**, making it the **3rd-largest** billionaire population globally, trailing only the USA (914) and China (485).
- **Rapid Growth:** The number of ultra-rich individuals in India surged by **63.4%** in the last five years—one of the fastest rates in the world.
- **Global Share:** India's share of the world's ultra-wealthy population has grown from 2% to **2.8%**.

Projections for 2031: A 5-Year Outlook

The report predicts that India's "wealth club" will continue to expand aggressively as the economy matures.

- **UHNWIs:** Projected to rise by **27%**, reaching **25,217** individuals.
- **Billionaires:** Projected to jump by **51%**, reaching **313** individuals.
- **Billionaire Share:** India is expected to hold **8%** of the world's total billionaires by 2031 (up from 6.7%).

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today).

Where is the Wealth?

While wealth is beginning to disperse into Tier-2 cities, the major metros still hold the lion's share:

- **Mumbai:** The "Wealth Capital," accounting for **35.4%** of India's UHNWIs.
- **Delhi:** Follows with **22.8%**, seeing a 3% increase in its share over the last decade.
- **Rising Stars:** Hyderabad and Chennai have also seen significant expansion in their ultra-rich populations since 2015.

Drivers of Wealth Creation

- **Entrepreneurship:** First-generation founders in fintech, e-commerce, and SaaS are scaling businesses at record speeds.
- **Financial Maturity:** Deeper capital pools and high retail participation in equity markets have acted as "wealth multipliers."
- **Real Estate:** Prime residential property in Mumbai saw an **8.7% price increase** in 2025, ranking 10th globally in price growth.

Key Statistics

Metric	2026 Figure	2031 Projection
Indian UHNWIs (\$30m+)	19,877	25,217
Indian Billionaires (\$1b+)	207	313
Global UHNWI Count	713,626	—
New UHNWIs per Day	~89 (Global)	—

Exam Relevance

Focus Area	Relevance
UPSC / State PSC	GS-3 (Economy: Inclusive growth, Wealth distribution)
Banking / Finance	Capital market trends and HNI demographics
General Awareness	Global rankings and economic milestones

National Affairs

1. Nasha Mukh Bharat Abhiyaan (NMBA) 2.0 App

Source: PIB

Context

To bolster the fight against substance abuse, the government has launched the **NMBA 2.0 App**. This upgraded platform is a critical component of the **National Action Plan for Drug Demand Reduction (NAPDDR)**, focusing on real-time data, transparency, and easier citizen access to de-addiction services.

What is the NMBA 2.0 App?

It is a centralized digital ecosystem that serves as the "nerve center" for the Nasha Mukh Bharat Abhiyaan (Drug-Free India Campaign). It moves the campaign from manual reporting to a high-tech, real-time monitoring framework.

- **Primary Mission:** To reduce drug demand through a three-pronged approach: **Awareness, Treatment, and Rehabilitation.**
- **Institutional Alignment:** It works under the umbrella of the **NAPDDR**, ensuring that every rupee spent

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on de-addiction is tracked and every activity is logged.

What are Key Features and Digital Innovations of NMBA 2.0 App?

The 2.0 version introduces several features designed to bring the government's support systems directly to the citizen's smartphone.

- **Citizen Empowerment & e-Pledge:**
 - Users can take an **e-Pledge** to stay drug-free, fostering a sense of national commitment.
 - Direct access to **IEC (Information, Education, and Communication) materials**—videos and pamphlets explaining the dangers of drugs.
- **Geo-Location Services:**
 - The app identifies the user's location to show the **nearest de-addiction centres**, significantly reducing the time it takes for a person in crisis to find help.
- **GIA Monitoring (Anudan Tracking):**
 - **Grant-in-Aid (GIA) institutions** (NGOs and centers funded by the govt) get role-based access.
 - They must report activities in real-time to receive funds, ensuring that **Anudan (grants)** are used effectively and transparently.

Key Concepts: Keyword Q&A

Q: What is NAPDDR?

A: The **National Action Plan for Drug Demand Reduction**. It is a comprehensive strategy that provides financial assistance to NGOs for running de-addiction centers and conducting awareness programs.

Q: What are GIAs and why is their monitoring important?

A: **Grant-in-Aid institutions** are typically non-profits that receive government money to provide social services. Real-time monitoring prevents the misuse of funds and ensures that the promised de-addiction services are actually being delivered to the public.

Q: How does the e-Pledge help?

A: Beyond the psychological commitment, it helps the government quantify the reach of the awareness campaign and build a database of "anti-drug ambassadors" at the grassroots level.

Conceptual MCQs

Q1. The NMBA 2.0 App was launched by which Union Ministry?

- A) Ministry of Home Affairs
- B) Ministry of Health and Family Welfare
- C) Ministry of Social Justice and Empowerment
- D) Ministry of Youth Affairs and Sports

Q2. What is the primary purpose of giving "role-based access" to Grant-in-Aid (GIA) institutions in the app?

- A) To allow them to create advertisements
- B) To enable real-time reporting and tracking of grant status (Anudan)
- C) To allow them to arrest drug peddlers
- D) To sell de-addiction medicines online

Q3. Which feature of the NMBA 2.0 App directly assists a person looking for immediate medical help for substance abuse?

- A) e-Pledge

- B) IEC Material viewing
 C) Nearest De-Addiction Centre locator
 D) Public feedback system

Answers: Q1: **C** | Q2: **B** | Q3: **C**

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Social Justice: Welfare schemes for vulnerable sections)
State PSCs	Social welfare initiatives and digital governance
SSC / Bank PO	Current affairs (New apps, portals, and government missions)

2. Reconstitution of NITI Aayog

Source: Press Information Bureau (PIB)

Context

In a major administrative update, the Government of India has reconstituted **NITI Aayog**. A key highlight of this reconstitution is the appointment of **Ashok Kumar Lahiri** (former Chief Economic Advisor) as the new **Vice Chairperson**, holding the rank of a Cabinet Minister.

What is NITI Aayog?

The **National Institution for Transforming India (NITI Aayog)** is the premier public policy think tank of the Government of India. It functions as the "brain" of the government, providing both strategic and technical advice.

- **Established:** January 1, 2015 (via a Cabinet Resolution).
- **Nature:** It is a **Non-Constitutional** and **Non-Statutory** body (an executive body).
- **The Shift:** It replaced the 65-year-old **Planning Commission**. Unlike its predecessor, which followed a "Top-Down" command model, NITI Aayog operates on a **"Bottom-Up"** approach.

Core Objectives and Philosophy

NITI Aayog is built on two primary pillars to modernize India's economic governance:

- **Cooperative Federalism:** Recognizing that "Strong States make a Strong Nation," it ensures that State Governments are equal partners in the policy-making process.
- **Knowledge & Innovation Hub:** It serves as a repository of best practices, helping states learn from each other's successes in health, education, and water management.
- **National Security:** A unique mandate of NITI Aayog is ensuring that economic strategies are aligned with India's national security interests.

Governing Structure (Revised 2026)

The structure is designed to be inclusive and expert-led:

Position	Appointment / Composition
Chairperson	Prime Minister of India (Ex-officio).
Vice Chairperson	Ashok Kumar Lahiri (Appointed by PM; Cabinet Minister rank).
Governing Council	CMs of all States/UTs with legislatures + LGs of other UTs.
Full-Time Members	Distinguished experts (e.g., scientists, economists).
Ex-Officio Members	Max 4 Union Ministers nominated by the PM.
CEO	Appointed by the PM for a fixed tenure (Secretary rank).

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Key Functions in the Modern Economy

- **Policy & Program Framework:** Designing long-term strategic initiatives (e.g., Atal Innovation Mission).
- **Monitoring & Evaluation:** Using indices like the **SDG India Index** or the **Health Index** to rank states and spark "Competitive Federalism."
- **Ease of Living:** Driving reforms that reduce the regulatory burden on ordinary citizens and businesses.

Key Concepts: Keyword Q&A

Q: What is the "Bottom-Up" approach?

A: In the old Planning Commission, the Centre decided the plan for every state. In NITI Aayog's bottom-up approach, states help define the national agenda based on their local needs and strengths.

Q: Is NITI Aayog a Constitutional body?

A: No. It was created by an Executive Resolution of the Union Cabinet. It is neither mentioned in the Constitution nor created by an Act of Parliament (Statute).

Q: What is "Competitive Federalism"?

A: It is a concept where NITI Aayog ranks states on various parameters (like water management or school education). This encourages states to compete with each other to improve their rankings, ultimately benefiting the citizens.

Conceptual MCQs

Q1. Who has been appointed as the new Vice Chairperson of NITI Aayog in the 2026 reconstitution?

- A) Arvind Panagariya
- B) Suman Bery
- C) Ashok Kumar Lahiri
- D) Amitabh Kant

Q2. Which body did NITI Aayog replace in 2015?

- A) National Development Council
- B) Planning Commission
- C) Finance Commission
- D) Zonal Council

Q3. The Governing Council of NITI Aayog includes which of the following?

- A) Only Union Cabinet Ministers
- B) Only Chief Ministers of BJP-ruled states
- C) Chief Ministers of all States and UTs with legislatures
- D) Only the Prime Minister and the Vice Chairperson

Answers: Q1: **C** | Q2: **B** | Q3: **C**

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Statutory, regulatory and various quasi-judicial bodies)
State PSCs	Composition and regional importance of NITI Aayog
SSC / Bank PO	Current appointments and general knowledge of the body

3. Urdu Wikisource

Source: The Hindu (TH)

Context

The **Punjabi Wikimedia User Group** has officially launched the **Urdu Wikisource**, a free, open-source global digital library. The project is a major milestone in preserving South Asian literary heritage and making rare Urdu texts accessible to the public worldwide.

What is Urdu Wikisource?

Urdu Wikisource is a sub-project of the Wikimedia Foundation that functions as an online library of free-content textual sources. Unlike Wikipedia, which is an encyclopedia, Wikisource hosts the actual original texts (books, poems, letters).

- **Format:** Open-source and community-driven, allowing users to digitize, proofread, and categorize texts.
- **Collaboration:** The project was "jump-started" through international partnerships to ensure high-quality foundational content.
- **Key Partners:**
 - **Rekhta Foundation:** Provided 10 rare Urdu texts.
 - **The British Library:** Shared 7 rare historical texts from the "Two Centuries of Indian Print" project.

Key Concepts: Keyword Q&A

Q: What is the difference between Wikipedia and Wikisource?

A: Wikipedia is for **summarizing** information (secondary source), whereas Wikisource is for **hosting** the actual original books and documents (primary source).

Q: What is the "Two Centuries of Indian Print" project?

A: A major international initiative (2016–2022) to digitize rare printed books from South Asia held by the British Library, focusing on the period between 1713 and 1914.

Q: Why is "Open Source" important for literature?

A: It ensures that the literature is not behind a paywall. It allows researchers, students, and enthusiasts to download, search, and quote from the texts freely.

Conceptual MCQs

Q1. Which foundation shared 10 rare Urdu texts to help "jump-start" the Urdu Wikisource project?

- A) National Archives of India
- B) Rekhta Foundation
- C) Sahitya Akademi
- D) UNESCO

Q2. The Urdu Wikisource is a digital library platform managed under the umbrella of which global organization?

- A) Google Books
- B) Internet Archive
- C) Wikimedia Foundation
- D) Project Gutenberg

Q3. Which famous 19th-century version of an Awadhi poem was part of the digitised collection shared by the British Library?

- A) Ramayana

- B) Padmavat
C) Mahabharata
D) Shahnameh

Answers: Q1: B | Q2: C | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-1 (Indian Heritage & Culture), GS-3 (IT & Digital Rights)
State PSCs (Punjab)	Regional language promotion and digital initiatives
SSC / Bank PO	General Awareness (Current digital portals and cultural partnerships)

4. Index of Service Production (ISP)

Source: PIB

Context

The **National Statistics Office (NSO)** has proposed the creation of an **Index of Service Production (ISP)** with **2024–25** as the base year. This aims to fill a critical data gap by providing high-frequency (monthly) tracking of the services sector, which contributes over 50% to India's Gross Value Added (GVA).

What is Index of Service Production (ISP)?

The **Index of Service Production (ISP)** is a high-frequency economic indicator designed to track the monthly performance and output of the services sector. Think of it as the "IIP for Services"—while the Index of Industrial Production (IIP) monitors factories and mines, the ISP monitors the "invisible" half of the economy.

Why is the ISP Necessary?

The services sector is the powerhouse of the Indian economy, contributing **over 50% to India's Gross Value Added (GVA)**. However, it has historically lacked a timely tracking tool.

- **Filling the Data Gap:** Previously, policy decisions relied on quarterly GDP data (which has a long time lag) or "proxy indicators" (like railway freight or air passenger traffic).
- **Monthly Tracking:** The ISP provides **monthly data**, allowing the government and the RBI to respond quickly to economic shifts.
- **Global Standards:** Most developed economies (like the UK and OECD nations) already use an ISP to track their service-led growth.

How is it Calculated? (Methodology)

The index is built on three major data "pillars" to ensure a modern and accurate reflection of the economy:

1. **GST Data (The Cornerstone):** The NSO uses aggregated, anonymized **GST Network (GSTN)** data—specifically "outward supplies"—as a proxy for the turnover of service providers.
2. **Sectoral Administrative Data:** Monthly data from ministries like Civil Aviation (passenger growth), Telecom (subscriber base), and Railways.
3. **Annual Survey (ASISSE):** The **Annual Survey of Incorporated Services Sector Enterprises** provides the deep-dive baseline for GVA, turnover, and employment.

Sector Coverage

The ISP aims to cover roughly **70% of the services GVA**, focusing on "market-oriented" segments:

- **Trade & Hospitality:** Wholesale and retail trade, hotels, and restaurants.

- **Transport & Logistics:** Road, rail, water, and air transport.
- **Information & Tech:** Software services, telecommunications, and broadcasting.
- **Finance & Real Estate:** Banking, insurance, and professional services.

What's missing? "Non-market" services like **Public Administration and Defense** are currently excluded because they are exempt from GST and don't operate on a simple turnover-based model.

Key Concepts: Keyword Q&A

Q: What is GVA (Gross Value Added)? A: It is the measure of the value of goods and services produced in an area, industry, or sector of an economy. $GVA = GDP + \text{Subsidies} - \text{Taxes on products}$.

Q: What is the significance of the 2024-25 Base Year? A: Choosing a recent base year (2024-25) ensures the index reflects the post-pandemic economic structure, new digital services, and current consumption patterns.

Q: How does the ISP help policymakers? A: It provides a "High-Frequency Indicator," allowing the RBI and Government to see monthly shifts in service activity rather than waiting for quarterly GDP releases.

Conceptual MCQs

Q1. Which data source is considered the "cornerstone" for the proposed Index of Service Production (ISP)?

- A) Income Tax Returns
- B) GST Network (GSTN) outward supplies
- C) Periodic Labour Force Survey (PLFS)
- D) Wholesale Price Index (WPI)

Q2. What percentage of the services sector GVA does the proposed ISP aim to cover?

- A) 33%
- B) 50%
- C) 70%
- D) 100%

Q3. Which of the following sectors is currently EXCLUDED from the ISP due to its "non-market" nature?

- A) Information Technology
- B) Retail Trade
- C) Public Administration and Defense
- D) Financial Services

Answers: Q1: **B** | Q2: **C** | Q3: **C**

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Growth, Development, and Planning)
RBI Grade B	Phase II: ESI (Measurement of Growth, National Income)
SSC / Bank PO	General Awareness (New indices and statistical agencies)

Banking and Finance

1. RBI Tightens NPA Norms

Source: The Hindu (TH)

Context The **Reserve Bank of India (RBI)** has released revised Master Directions for the classification and recovery of **Non-Performing Assets (NPAs)**. These rules, effective from **April 1, 2027**, aim to align Indian banking practices with international Basel-III standards and improve the transparency of bank balance sheets.

What are Non-Performing Assets (NPAs)?

A **Non-Performing Asset (NPA)** is a loan or advance where the borrower has stopped making interest or principal repayments for a sustained period. In simple terms, for a bank, a loan is an "asset" because it generates interest income. When that income stops flowing, the asset is no longer "performing."

What is the "Contagion" Rule?

The most significant shift in the new policy is the move from "facility-wise" to **"borrower-wise"** classification.

- **The Rule:** If a borrower has multiple loans (e.g., a home loan, a car loan, and a business loan) and defaults on even **one** of them, the bank must classify **all** credit facilities of that borrower as NPAs.
- **The Logic:** Previously, banks could keep some accounts "Standard" while others were "NPA" for the same person. The new rule recognizes that a default in one area indicates a general decline in the borrower's creditworthiness.

Stricter "Standard Asset" Upgrade Criteria

The RBI has made it harder for a "bad" borrower to be labeled "good" again.

- **Full Repayment:** To move from an NPA status back to a **"Standard Asset,"** the borrower must pay the **entire arrears** (interest and principal) for **all** their credit facilities.
- **No Partial Upgrades:** A borrower cannot partially clear one loan to make it "Standard" if other accounts remain in default.

Automation and Identification

The RBI is removing human discretion—and potential "evergreening"—from the process.

- **Automated Systems:** Banks are now mandated to establish **automated IT systems** for the identification of NPAs.
- **The 90-Day Rule:** The core timeline remains unchanged: an account is classified as an NPA if interest or principal remains overdue for more than **90 days**.

Key Concepts: Keyword Q&A

Q: What is a "Standard Asset"? A: A loan where the borrower is making regular payments on time and there is no reason to doubt their ability to repay.

Q: What is "Evergreening" of loans? A: A practice where a bank gives a fresh loan to a borrower specifically to help them pay off an old loan, thereby preventing the account from being classified as an NPA. The new automated rules aim to kill this practice.

Q: Why the April 2027 deadline? A: This gives banks exactly one year to upgrade their software systems and adjust their capital provisions, as a "borrower-wise" NPA rule will likely lead to a temporary spike in reported bad loans.

Conceptual MCQs

Q1. Under the revised RBI norms (effective 2027), if a borrower defaults on one of three separate loans, how many will be classified as NPAs?

A) Only the defaulted loan

- B) The two largest loans
- C) All three loans
- D) None, until 180 days pass

Q2. To upgrade an NPA account to a "Standard Asset" under the new rules, the borrower must repay:

- A) Only the interest on the defaulted loan
- B) At least 50% of the principal
- C) The entire arrears of interest and principal for all credit facilities
- D) The next three upcoming installments

Q3. What is the primary method mandated by the RBI for banks to identify NPAs under the new directions?

- A) Physical audit by RBI officials
- B) Manual reporting by Branch Managers
- C) Automated IT-based systems
- D) Third-party recovery agents

Answers: Q1: C | Q2: C | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Banking, NPA management, RBI powers)
RBI Grade B	Phase II: Finance (Regulatory norms, Asset classification)
IBPS / SBI PO	Banking Awareness (NPA definitions and latest changes)

2. RBI Finalises ECL Norms

Source: Business Standard

Context

The **Reserve Bank of India (RBI)** has officially released the final guidelines for the **Expected Credit Loss (ECL)** framework. This moves the Indian banking system away from the traditional "Incurred Loss" model toward a proactive, "Forward-Looking" model, effective **April 1, 2027**.

What is the ECL Framework?

Under the current system, banks only set aside money (provisioning) *after* a loan defaults. Under ECL, banks must estimate potential losses from the moment a loan is granted.

- **Transition Timeline:** Rollout begins **April 1, 2027**.
- **Phase-in Period:** Banks can spread the capital impact of this transition over **four years**, ending March 31, 2031.
- **Fair Valuation:** On April 1, 2027, banks must "fair value" their entire loan portfolio. Any difference in value will be adjusted against **retained earnings**, not the Profit & Loss (P&L) account, to avoid a sudden shock to reported profits.

RBI's "Principle-Based" Stance

The RBI rejected the demand for a "highly granular" or uniform implementation guide, insisting that the framework must be **institution-specific**.

- **Heterogeneity:** Since banks differ in business models (e.g., retail-heavy vs. corporate-heavy), a one-size-fits-all manual is inappropriate.

- **Responsibility:** Each bank must conduct its own risk assessment based on its specific customer segments and portfolio composition.

Key Differences in Provisioning

Feature	Incurred Loss Model (Old)	Expected Credit Loss (ECL) (New)
Nature	Reactive: Recognizes loss after default occurs.	Proactive: Estimates loss from day one of the loan.
Data Scope	Historical default data.	Forward-looking macroeconomic scenarios.
Standard Assets	Low, flat provisioning (e.g., 0.40%).	Tiered (Stage 1 vs. Stage 2); Stage 2 is significantly higher (5.0%).
Impact on ROE	Stable, but masks hidden risks.	Temporary drag on Return on Equity (ROE) due to higher initial costs.

The Three-Stage Classification System

The ECL model categorizes loans into three stages based on the "Significant Increase in Credit Risk" (SICR):

Stage	Loan Status	Provisioning Requirement
Stage 1	Standard assets with no significant increase in risk.	12-month expected loss (minimum 0.4% for corporate/retail).
Stage 2	Loans with a significant increase in credit risk (but not yet NPA).	Lifetime expected loss (minimum 5% for corporate/retail).
Stage 3	Credit-impaired assets (NPAs).	Lifetime expected loss.

Key Computation Parameters

To calculate the ECL, banks must move away from manual estimates to complex data-driven models based on three variables:

1. **Probability of Default (PD):** The likelihood that the borrower will fail to pay over a specific timeframe.
2. **Loss Given Default (LGD):** The percentage of the total exposure that the bank expects to lose if the borrower defaults (after selling collateral).
3. **Exposure at Default (EAD):** The total amount the bank is exposed to at the time of a potential default.

EIR and Fair Value

- **Effective Interest Rate (EIR):** For loans after April 2027, banks will measure assets at "amortised cost" using the EIR method, which includes transaction costs like processing fees.
- **Capital Buffer:** Banks are allowed to add back the transition impact to their **Common Equity Tier 1 (CET1) capital** during the transition period to ensure they remain solvent while they adjust to higher provisioning requirements.

Key Concepts: Keyword Q&A

Q: Why is the 90-day norm retained? **A:** While *provisioning* (how much money is set aside) is changing to a forward-looking model, the *definition* of an NPA remains 90 days overdue to ensure continuity and prevent confusion in asset identification.

Q: What is "Fair Value"? **A:** It is the estimated price at which an asset could be bought or sold in a current transaction between willing parties.

Q: How does this align with global norms? **A:** This transition aligns Indian banks with **IFRS 9** (International Financial Reporting Standards), making Indian bank balance sheets more comparable and transparent to global investors.

Conceptual MCQs

Q1. Under the new ECL framework, which stage requires "12-month expected loss" provisioning? A)

- Stage 1
B) Stage 2
C) Stage 3
D) All of the above

Q2. By which date must all outstanding loans in India be brought under the Effective Interest Rate (EIR) regime? A) April 1, 2027

- B) March 31, 2029
C) March 31, 2030
D) March 31, 2031

Q3. Which parameter represents the percentage of exposure a bank expects to lose if a default occurs? A) PD (Probability of Default)

- B) LGD (Loss Given Default)
C) EAD (Exposure at Default)
D) SICR (Significant Increase in Credit Risk)

Answers: Q1: A | Q2: C | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Banking reforms, Risk management, RBI)
RBI Grade B	Phase II: Finance (Accounting standards, ECL, Provisioning)
Bank PO / IBPS	General Awareness (Banking terms and upcoming regulations)

3. The Orange Economy in India

Source: The Hindu (TH)

Context

India is pivoting its economic strategy to centralize the **Orange Economy**—a model that treats creativity, cultural expression, and intellectual property (IP) as strategic national infrastructure. The goal is to move from being a "service provider" to an "IP owner."

What is Orange Economy?

The term "Orange" (traditionally associated with creativity and culture) refers to an economic system where value is derived from **ideas** rather than raw materials or physical labor.

- **Core Sectors:** Design, Film, Animation, Visual Effects (VFX), Gaming, Fashion, Digital Media, and Immersive Storytelling (AR/VR).
- **The IP Shift:** Instead of just getting paid to animate a foreign film, the Orange Economy encourages India to create its own characters and stories that can be licensed for merchandise, sequels, and games for decades.

India's Digital & Creative Power (Data)

India has the scale to become the global capital of the Orange Economy.

- **Digital Reach:** Over **1.028 billion internet subscribers** provides a massive domestic testing ground for new content.

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- **Gaming Powerhouse:** India is the **world's 2nd largest gaming market** (42.5 crore gamers). The sector is growing at a 28% CAGR.
- **The Creator Economy:** 2–2.5 million active creators influence up to **\$400 billion** in consumer spending. This influence is projected to reach **\$1 trillion by 2030**.
- **GDP Contribution:** YouTube's ecosystem alone contributed **₹16,000 crore** to India's GDP in 2024, supporting nearly a million jobs.

Strategic Advantages as a Growth Engine

- **Scalability of Myth & Tradition:** India can transform its vast local myths and languages into globally recognized franchises (similar to how the US used Marvel or Japan used Anime).
- **Convergence:** The blending of gaming, film, and design creates a "multidisciplinary" economy where one story travels across multiple platforms.
- **AVGC-XR Initiative:** The government's focus on **Animation, Visual Effects, Gaming, Comics, and Extended Reality** is expected to create **20 lakh jobs** in 10 years.

Key Concepts: Keyword Q&A

Q: What is Intellectual Property (IP) in this context?

A: It refers to the "ownership" of a creative work. If you own the IP for a character (like *Chhota Bheem*), you get paid every time someone puts that character on a t-shirt, makes a movie, or builds a mobile game.

Q: Why is it called the "Orange" Economy?

A: The color orange is historically associated with culture, creativity, and identity in several regions. The Inter-American Development Bank popularized the term to distinguish the "Creative Economy" from the "Green Economy" (environmental) or the "Blue Economy" (oceans).

Q: What is "Creator-Led Entrepreneurship"?

A: It's when a digital creator uses their audience to launch a physical business (e.g., a makeup brand, a clothing line, or a tech startup) rather than just relying on ad revenue.

Conceptual MCQs

Q1. What is the primary focus of the "Orange Economy"?

- A) Agriculture and Rural Development
- B) Creativity, Culture, and Intellectual Property
- C) Ocean and Marine Resources
- D) Sustainable Energy and Green Tech

Q2. The government's AVGC-XR initiative is expected to generate how many direct and indirect jobs over the next decade?

- A) 5 Lakh
- B) 10 Lakh
- C) 20 Lakh
- D) 50 Lakh

Q3. Which of the following is identified as a major challenge for the Indian Orange Economy?

- A) Lack of internet subscribers
- B) Absence of cultural myths
- C) Platform dependency on foreign algorithms
- D) Lack of a gaming population

Answers: Q1: **B** | Q2: **C** | Q3: **C**

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Growth & Employment, IPR issues), GS-1 (Culture)
RBI Grade B	Phase II: ESI (Services sector, Growth strategy)
SSC / Bank PO	General Awareness (Current economic terms and digital trends)

Facts To Remember

1. MoEFCC–NBA Launch Grassroots Biodiversity Governance Project

MoEFCC and NBA launched a 5-year biodiversity governance project in Tamil Nadu and Meghalaya in April 2026; supported by GEF and UNDP with USD 4.88 million funding for 2025–2030; integrates biodiversity into GDPDs while strengthening PRIs and BMCs; promotes community-led conservation with livelihoods through ABS, CSR, and green micro-enterprises.

2. Six Border Villages in J&K Included Under Vibrant Villages Programme-II

Government included six border villages in Kathua, J&K under VVP-II in April 2026; aims to boost development and reduce out-migration from frontier areas; VVP launched by MHA focuses on comprehensive border development; VVP-II approved with Rs 6,839 crore outlay covering all International Land Borders.

3. DRDO Unveils Advanced Armoured Platforms in Maharashtra

DRDO unveiled advanced tracked and wheeled armoured platforms in April 2026 for Indian Army; part of FICV programme to replace BMP-2K Sarath IFVs; developed by VRDE with 65% indigenous content targeting 90%; manufactured by Tata Advanced Systems and Bharat Forge with MSME support.

4. IITM Pune Installs X-Band Doppler Weather Radar at Mahabaleshwar

IITM installed X-Band Doppler Weather Radar at Mahabaleshwar under Mission Mausam in April 2026; located at 1,400 m altitude for real-time tracking of rainfall, clouds, and storms; enhances nowcasting up to 3 hours for Maharashtra regions; IITM signed MoU with ISRO's SAC for advanced meteorological products.

5. MSJE Launches SMILE–Beggary Survey Mobile App

MSJE launched SMILE–Beggary Survey Mobile App during Chintan Shivir 2026 in Chandigarh; supports rehabilitation through shelter, skills, and reintegration under SMILE Scheme; enables real-time data capture, geo-tagging, and monitoring across 181 cities; creates national database and links beneficiaries with healthcare, counselling, and livelihood services.

6. Mission Jagrook Launched at 38th SEBI Foundation Day

FM Nirmal Sitharaman launched Mission Jagrook at SEBI's 38th Foundation Day in April 2026; aims to protect retail investors from fraud and misinformation; highlighted rising cyber risks to financial markets; urged expansion of investor awareness in regional languages and action against fin-fluencers.

7. RBI Approves Reappointment of B. Ramesh Babu as KVB CEO

RBI approved reappointment of B. Ramesh Babu as MD & CEO of Karur Vysya Bank for third term (2026–2028); he has led KVB since 2020 focusing on retail and MSME lending; previously served as DMD &

COO at SBI; helped KVB double its business from Rs 1 trillion to Rs 2 trillion in just 4 years.

8. India Tops Medal Tally at ISSF Junior World Cup 2026

India topped medal tally at ISSF Junior World Cup 2026 in Cairo with 16 medals including 5 gold; AIN finished second and France third; event saw participation of 284 shooters from 25 countries; next event is ISSF Junior World Championship 2026 in Germany.

9. India to Host SAFF Women's Championship 2026 in Goa

India will host SAFF Women's Championship 2026 in Goa from May 24 to June 7; first time hosting since 2016; six teams divided into two groups with top teams advancing to semifinals; Pakistan withdrew due to lack of government clearance.

10. Sabastian Sawe Creates History at London Marathon 2026

Kenya's Sabastian Sawe won London Marathon 2026 with record time of 1:59:30; became first athlete to run sub-two-hour marathon in competitive race; broke previous record set in 2023; Tigst Assefa won women's race while Marcel Hug and Catherine Debrunner won wheelchair events.

11. FIDE Joins International World Games Association

FIDE joined International World Games Association in April 2026 becoming its 40th member; move strengthens recognition of mind sports globally; enhances IWGA's global footprint with millions of chess players; opens possibility of chess inclusion in future World Games.

12. Padma Shri Awardee Raghu Rai Passes Away

Veteran photojournalist Raghu Rai passed away in April 2026 at age 83; known as Father of Indian Photojournalism; worked with The Statesman and Magnum Photos; captured historic events like Bangladesh Liberation War and Bhopal Gas Tragedy; received Padma Shri and several global awards.

13. Guru Muni Narayana Prasad Passes Away

Spiritual leader and Padma Shri awardee Muni Narayana Prasad passed away in April 2026 at age 87; head of Narayana Gurukulam since 1999; authored around 130 books on Vedanta and philosophy; received Kerala Sahitya Akademi Award twice.

14. International Day of Women in Industry 2026 – April 21

First International Day of Women in Industry observed on April 21, 2026; theme focuses on women's leadership in industrial development; declared by UNIDO in 2025; aims to promote gender equality in global industry; inaugural event held in Vienna with exhibitions and awards.

15. World Malaria Day 2026 – April 25

World Malaria Day observed on April 25, 2026 with theme "Driven to End Malaria"; aims to raise awareness and promote elimination efforts; established by WHO in 2007; evolved from Africa Malaria Day initiative.

16. International Delegate's Day 2026 – April 25

International Delegate's Day observed on April 25, 2026 marking its 7th edition; highlights role of delegates in global governance; established by UNGA in 2019; commemorates San Francisco Conference that led to formation of the United Nations.

FIVE TO REMEMBER · 28 APRIL 2026

1. **Billionaire Share:** India is expected to hold **8%** of the world's total billionaires by 2031 (up from 6.7% today). Knight Frank Wealth Report 2026
2. **Established:** January 1, 2015 (via a Cabinet Resolution). Reconstitution of NITI Aayog
3. **Phase-in Period:** Banks can spread the capital impact of this transition over **four years**, ending March 31, 2031. RBI Finalises ECL Norms
4. **The Creator Economy:** 2–2.5 million active creators influence up to **\$400 billion** in consumer spending. This influence is projected to reach **\$1 trillion by 2030**. The Orange Economy in India
5. **Q: What is the significance of the 2024–25 Base Year? A:** Choosing a recent base year (2024–25) ensures the index reflects the post-pandemic economic structure, new digital services, and current consumption patterns. Index of Service Production (ISP)

Now test yourself: c4scourses.in/daily-quiz/daily-quiz-28-april-2026/

DAY 23 OF 23

29 April 2026

Wednesday · 27 items · 4 topics

International Affairs 1 · National Affairs 4 · Banking and Finance 2 · Facts To Remember 20

Daily Current Affairs Quiz
29 April, 2026**International Affairs****1. 17th Petersberg Climate Dialogue (2026)**

Source: DTE

Context

The 17th Petersberg Climate Dialogue convened in Berlin as a high-stakes precursor to **COP31**. The summit took place against the backdrop of a severe global energy crisis triggered by **Middle East tensions**, forcing world leaders to reconcile immediate energy security with long-term climate goals.

What is the Petersberg Climate Dialogue?

Launched in **2010** by former German Chancellor Angela Merkel, it serves as an informal, high-level bridge between formal UN Climate Change Conferences (COPs).

- **Nature:** Informal political exchange to resolve deadlocks and build trust.
- **Attendance:** Ministers and high-level officials from ~40 countries, representing both developed and developing economies.
- **The "Preparatory" Role:** It sets the political "tone" for the mid-year climate meetings in Bonn (June) and the year-end COP summit.

The Unique COP31 "Hybrid" Leadership

A major highlight of the 2026 Dialogue was the public debut of the unprecedented **split-leadership model** for COP31:

- **Host Country (Antalya, Türkiye):** Türkiye is the physical host, managing operations and the "Action Agenda" (non-negotiated elements like city and business climate action).
- **Negotiation Lead (Australia):** Australia serves as the "President of Negotiations," chairing the formal diplomatic sessions and drafting texts.
- **Pacific Focus:** Both nations used the Petersberg Dialogue to emphasize that the needs of **Small Island Developing States (SIDS)** in the Pacific will be the centerpiece of COP31.

Theme: "Electrification for Resilience"

In 2026, the focus shifted from general "decarbonization" to the specific mechanical implementation of **Electrification**.

- **Why Electrification?** The energy crisis has proven that fossil-fuel-dependent economies are vulnerable to geopolitical shocks. Electrification (transitioning heating and transport to power grids) is seen as the path to **Geopolitical Resilience**.
- **Key Sectors:**
 1. **Mobility:** Accelerating EV infrastructure.
 2. **Heating:** Moving away from gas-based heating to electric heat pumps.

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- **Grid Expansion:** A major consensus point was the need to modernize and expand power grids to carry the massive influx of renewable energy.

Key Concepts: Keyword Q&A

Q: What is a "Pre-COP"?

A: It is a smaller, preparatory meeting held about a month before the main COP. For COP31, the Pre-COP is scheduled to be held in **Fiji** in October 2026 to highlight Pacific climate issues.

Q: Why is "informal dialogue" better than formal negotiations?

A: Formal UN negotiations follow strict protocols and are often recorded, making it hard for countries to compromise. In informal settings like Petersberg, ministers can talk "off the record" to find middle ground on sensitive issues like money and coal phase-outs.

Q: What is "NCQG"?

A: **New Collective Quantified Goal** on climate finance. It is the new financial target that will replace the older \$100 billion per year promise, which has been criticized as insufficient.

Conceptual MCQs

Q1. Which two countries are sharing the leadership responsibilities for COP31, as discussed during the 2026 Petersberg Dialogue?

- A) Germany and Türkiye
- B) Brazil and Azerbaijan
- C) Türkiye and Australia
- D) UAE and Australia

Q2. What was the central mechanical theme of the 17th Petersberg Climate Dialogue?

- A) Carbon Tax implementation
- B) Electrification of mobility and heating
- C) Reforestation in the Amazon
- D) Nuclear energy expansion

Q3. The Petersberg Climate Dialogue was first established in 2010 by which country?

- A) France
- B) USA
- C) Germany
- D) India

Answers: Q1: **C** | Q2: **B** | Q3: **C**

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Environmental Conservation, Global Groupings, Climate Finance)
State PSCs	Global climate summits and India's role in the Troika
General Awareness	Environmental facts and international diplomacy

National Affairs

1. India–New Zealand FTA

Source: PIB

Context

India and New Zealand have signed a comprehensive **Free Trade Agreement (FTA)**. This deal is particularly significant because it was concluded with record speed and marks a rare instance where New Zealand—a major global dairy exporter—has agreed to a deal that **completely excludes dairy**, respecting India's domestic sensitivities.

Key Highlights:

1. The "100–95" Tariff Structure

The core of the agreement lies in the drastic reduction of border taxes (tariffs), making goods significantly cheaper for consumers in both nations.

- **New Zealand's Commitment:** Will remove tariffs on **100% of Indian goods**. This is a huge win for Indian textiles, leather, and pharmaceuticals.
- **India's Commitment:** Will remove or reduce tariffs on **95% of imports** from New Zealand (e.g., wood, wool, and specialized machinery).

2. Strategic Exclusions (The "Red Lines")

India has successfully protected its "sensitive" sectors from competition. Despite New Zealand being the world's largest dairy exporter, India secured a **total exclusion** for:

- **Dairy Products:** Milk, cheese, butter, and curd (protecting 80 million Indian dairy farmers).
- **Agriculture:** Onions, Chana (chickpeas), sugar, and honey.
- **Luxury/High-Value:** Gems and jewelry.

3. Investment & The \$20 Billion Pledge

Beyond just trading goods, the FTA is an investment vehicle.

- **FDI Inflow:** New Zealand has pledged **\$20 billion in investments** over the next 15 years.
- **Target:** Aligned with **"Make in India,"** focusing on high-tech manufacturing, green energy, and infrastructure.
- **Innovation:** Collaboration between the two nations' startup ecosystems, particularly in **Agri-Tech** and **Fintech**.

4. Mobility & Services: The "Human" Element

One of the most vital parts for India is the **"Movement of Natural Persons."**

- **Skilled Professionals:** Easier visa norms for Indian IT professionals, engineers, and healthcare workers.
- **Students:** Mutual recognition of educational qualifications, making New Zealand a more attractive destination for Indian students and vice-versa.
- **Service Exports:** Opens the door for Indian **IT & ITES** and health services to expand in the Pacific region.

5. Pre-FTA Trade Snapshot

Before the signing, the trade relationship was already growing rapidly:

- **India's Exports:** \$711.1 million (Up 32.1%) — Primarily Pharmaceuticals and Textiles.
- **India's Imports:** \$587.1 million (Up 75.2%) — Primarily Wood, Fruit (Kiwis), and Machinery.
- **Trade Balance:** India currently enjoys a **Trade Surplus** with New Zealand.

Key Concepts: Keyword Q&A

Q: What is a "Rules-Based Trade Environment"?

A: It refers to a system where trade is governed by transparent, agreed-upon laws rather than arbitrary political decisions. This provides "predictability" for businesses.

Q: Why is "Dairy" so sensitive for India?

A: India is the world's largest milk producer. However, Indian dairy is characterized by small-scale farmers (owning 2-3 cows). New Zealand's dairy is industrial-scale. Allowing New Zealand dairy into India without tariffs could potentially bankrupt millions of Indian small farmers.

Q: What are "Non-Tariff Barriers" (NTBs)?

A: These are obstacles to trade other than taxes, such as strict labeling requirements, sanitary standards (SPS), or complex "Rules of Origin." The FTA aims to set up committees to resolve these hurdles.

Conceptual MCQs

Q1. Under the India-New Zealand FTA, what percentage of Indian goods will enter New Zealand duty-free?

- A) 80%
- B) 95%
- C) 100%
- D) 50%

Q2. Which of the following sectors has been EXCLUDED by India from the FTA to protect local livelihoods?

- A) Pharmaceuticals
- B) Dairy Products
- C) Textiles
- D) Information Technology

Q3. How much investment has New Zealand committed to India over the next 15 years?

- A) \$5 billion
- B) \$10 billion
- C) \$20 billion
- D) \$50 billion

Answers: Q1: C | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Bilateral Agreements) & GS-3 (Economy/Trade)
RBI Grade B	ESI: External Sector, International Trade Blocks
SSC / Bank PO	Current Affairs: International Pacts and Summits

2. Global Military Expenditure 2025

Source: BS

Context

The latest SIPRI report highlights a world in a state of rapid militarization. Global defense spending hit a record **\$2.89 trillion** in 2025. For India, the year was marked by a significant 8.9% spike in expenditure, driven largely by the brief but intense regional conflict with Pakistan in May 2025.

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India's Defense Profile (2025)

India is now the **5th largest military spender** in the world, reflecting both its long-term modernization goals and immediate operational requirements following the 2025 border hostilities.

- **Total Expenditure: \$92.1 Billion** (up 8.9% Y-o-Y).
- **Spending as % of GDP: 2.3%.**
- **Key Drivers:**
 - **Air Superiority:** Capital outlay for military aircraft systems was **50% higher** than originally budgeted.
 - **IAF Operations:** Personnel and operational costs for the Indian Air Force rose by **18%** above initial estimates.
 - **Modernization:** Heavy investment in drones, missile defense systems, and combat aircraft.

Who are The "Big Five"

The top five spenders together account for **58%** of the total global military expenditure.

Country	Spending (\$ Billion)	% Change (Y-o-Y)	Global Context
USA	\$954	-7.5%	Still the leader; lower overseas allocation.
China	\$336	+7.4%	Rapidly modernizing; ~12% global share.
Russia	\$190	+5.9%	7.5% of its GDP is now spent on defense.
Germany	\$114	+24.0%	Steepest rise among top nations (Post-Ukraine shift).
India	\$92.1	+8.9%	Driven by 2025 regional conflict.

Broader Global Trends

- **11th Consecutive Year of Growth:** Global spending is at an all-time high, representing **2.5% of global GDP**.
- **Asia & Oceania:** This region saw an 8.1% increase (\$681 billion), the fastest growth area due to the Indo-Pacific tensions and the India-Pakistan flashpoint.
- **Modernization vs. War:** While countries like Russia are spending due to active conflict, others like China and India are spending on "Force Modernization" to prepare for future tech-heavy warfare.

Key Concepts: Keyword Q&A

Q: What is SIPRI?

A: The **Stockholm International Peace Research Institute (SIPRI)** is an independent international institute dedicated to research into conflict, armaments, arms control, and disarmament. Its annual report is considered the "gold standard" for defense data.

Q: Why is "Spending as a % of GDP" important?

A: It shows the "burden" of defense on a nation's economy. While India spends more in absolute dollars (\$92bn) than Pakistan (\$12bn), Pakistan's spending represents a higher percentage of its economy (2.9% vs. 2.3%), indicating a heavier fiscal strain.

Q: What are "Capital Outlays"?

A: This is money spent on acquiring or upgrading physical assets like fighter jets, submarines, or tanks. High capital outlay (like India's 50% aircraft increase) indicates a focus on building long-term hardware capacity.

Conceptual MCQs

Q1. According to the SIPRI 2025 report, what is India's rank in global military spending?

A) 3rd

- B) 4th
C) 5th
D) 6th

Q2. Which country saw the highest year-on-year percentage growth (24%) in its military budget among the top 5 spenders?

- A) USA
B) China
C) Germany
D) India

Q3. What percentage of its GDP does Russia spend on its military as of 2025?

- A) 2.3%
B) 2.5%
C) 5.9%
D) 7.5%

Answers: Q1: C | Q2: C | Q3: D

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (International Relations) & GS-3 (Internal Security/Economy)
Defence Exams (CDS/AFCAT)	Current affairs on defense budgets and SIPRI data
SSC / Banking	World rankings and economic indicators

3. Google AI Data Hub

Source: TOI

Source:

Context

The Chief Minister of Andhra Pradesh is set to lay the foundation stone for Google's **\$15 billion AI Data Centre Hub** near Visakhapatnam. Developed through Google's subsidiary, **Raiden Infotech**, in partnership with **Adani Infra**, this project marks one of the largest single foreign direct investments (FDI) in India's technology sector.

What is the Google AI Data Hub?

It is a massive, AI-driven data center campus designed to handle the intense computational requirements of modern artificial intelligence, cloud computing, and cybersecurity.

- **Scale:** A planned capacity of **1 Gigawatt (GW)**, positioning it among the largest data center campuses in the world.
- **Collaboration:** A joint effort involving Google's technical expertise and Adani Infra's infrastructure and power capabilities.
- **Location:** Spans across Tarluvada and Adavivaram (Visakhapatnam district) and Rambilli (Anakapalli district) in Andhra Pradesh.

Strategic Objectives

The hub is designed to achieve several critical goals for both Google and the State of Andhra Pradesh:

- **India's AI Gateway:** Establishing Google's first major AI-focused infrastructure in India to support local

and global AI operations.

- **Visakhapatnam as a Tech Hub:** Transforming the "City of Destiny" (Vizag) into a global destination for cloud computing and advanced technology.
- **Ecosystem Development:** Serving as the centerpiece for a **6.5 GW digital ecosystem** in Andhra Pradesh, which includes renewable energy plants to power these centers and advanced manufacturing units.

What are Key Technical Features of Google AI Data Hub?

The hub is not just a building; it is a complex intersection of energy and information:

- **Submarine Cable Landing Stations:** The hub will serve as a termination point for high-capacity undersea cables, providing direct, high-speed data links to global markets with minimal delay (low latency).
- **AI-Ready Infrastructure:** Unlike traditional data centers, this hub is optimized for **GPU-intensive** tasks required for training Large Language Models (LLMs) and processing real-time AI data.
- **Cybersecurity Focus:** Dedicated zones within the hub will handle global data connectivity and cybersecurity monitoring.

Key Concepts:

Q: Why does an AI Data Center need so much power (1 GW)?

A: AI operations require specialized chips (like GPUs) that consume far more electricity and generate more heat than standard computer chips. A 1 GW capacity is roughly equivalent to the power output of a large nuclear reactor.

Q: What is a "Submarine Cable Landing Station"?

A: These are the "on-ramps" for the global internet. Undersea fiber-optic cables carry 99% of international data. Having a landing station directly connected to the data hub ensures that data moves at the highest possible speeds between India and the rest of the world.

Q: What is "Latency" and why does it matter?

A: Latency is the time it takes for data to travel from one point to another. In AI and cloud gaming, even a few milliseconds matter. Visakhapatnam's coastal location makes it ideal for reducing the distance data has to travel via sea cables.

Conceptual MCQs

Q1. The \$15 billion Google AI Data Hub is being developed in which Indian state?

- A) Karnataka
- B) Tamil Nadu
- C) Andhra Pradesh
- D) Telangana

Q2. What is the planned total power capacity of the Google AI Data Hub campus?

- A) 100 Megawatts
- B) 500 Megawatts
- C) 1 Gigawatt
- D) 6.5 Gigawatts

Q3. Which subsidiary of Google is primarily involved in the development of this data center?

- A) DeepMind
- B) Raiden Infotech

- C) Waymo
D) Google Cloud India

Answers: Q1: C | Q2: C | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Infrastructure: Energy, Ports, Roads, Airports, Railways etc.; Science & Tech)
State PSCs	Regional development projects and industrial growth in Andhra Pradesh
Banking / SSC	General awareness of major FDIs and corporate partnerships

4. Asia's First UNESCO Chair on Gender Inclusion

Source: Press Information Bureau (PIB)

Context

India has officially launched Asia's first **UNESCO Chair on Gender Inclusion and Skill Development**. Based at **Symbiosis Skills and Professional University (SSPU)** in Pune, this initiative marks a historic shift toward integrating women into high-tech and traditionally male-dominated industrial sectors.

What is a UNESCO Chair?

The UNESCO Chairs program (UNITWIN) is a global network of over 900 institutions in 120+ countries. It serves as a "think tank" and bridge-builder between academia, civil society, local communities, and policymakers.

- **Status:** This is the **first time** such a chair focused specifically on *Gender Inclusion and Skill Development* has been established in Asia.
- **Host Institution:** Symbiosis Skills and Professional University (SSPU), known for its "Skill University" model.

Objectives

The Chair is designed to go beyond traditional vocational training (like tailoring or handicrafts) and pivot toward **"Future of Work"** competencies.

- **Closing the Gender Gap:** Increasing the female labor force participation rate (FLFPR) in technical fields.
- **Economic Empowerment:** Ensuring women are not just "workers" but "leaders" in the emerging green and digital economies.
- **Social Transformation:** Using skill development as a tool to dismantle systemic gender biases in the workforce.

Key Features & Specializations

The initiative focuses on **"Sunrise Sectors"**—industries that are growing rapidly and are critical to India's future economy.

- **High-Tech Training:** Specific programs for women in **Semiconductor packaging, AI & Robotics, Advanced Manufacturing, and Defense Technology**.
- **UNESCO-UNEVOC Partnership:** Collaboration with the International Centre for Technical and Vocational Education and Training (Germany) to bring global standards to Indian classrooms.
- **Industry Champions:** A network of 40+ experts from the **International Labour Organization (ILO)** and the **Global Skills Academy (Paris)** to ensure the curriculum matches real-world demand.

Key Concepts:

Q: What are "Sunrise Sectors"?

"Big scores are built from small daily deposits."

A: These are new industries that are expanding rapidly and are expected to be very important in the future (e.g., Green Energy, Semiconductors, Space-Tech).

Q: What is the "Ministry of Skill Development & Entrepreneurship (MSDE)" role?

A: The MSDE provides the policy framework and funding support to scale these pilot initiatives from a single university to the national level.

Q: How does this Chair benefit "Underserved Communities"?

A: It includes specific outreach programs and scholarships to ensure that women from rural or low-income backgrounds have access to expensive high-tech labs and international certifications.

Conceptual MCQs

Q1. Asia's first UNESCO Chair on Gender Inclusion and Skill Development has been established in which Indian city? A) Bengaluru

B) Pune

C) Hyderabad

D) New Delhi

Q2. Which of the following is a primary "Sunrise Sector" focus for the newly launched UNESCO Chair? A) Traditional Handicrafts

B) Basic Primary Education

C) Semiconductor and Advanced Manufacturing

D) Agricultural Labour

Q3. The UNESCO Chair initiative was launched as part of which international conference in 2026? A) G20 Skill Summit

B) Women Leading the Future of Work

C) UNESCO General Conference

D) World Economic Forum

Answers: Q1: B | Q2: C | Q3: B

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-2 (Social Justice/Education), GS-3 (Economy/Skilling)
State PSCs (MPSC)	Regional developments and educational milestones in Maharashtra
Banking / SSC	Important "Firsts" in India and International Organizations

Banking and Finance

1. Index of Industrial Production (IIP): March 2026

Source: The Hindu

Context

India's industrial growth hit a **five-month low of 4.1%** in March 2026. This is the first official data set reflecting the economic environment since the **West Asia crisis** began in late February. While investment-led sectors remain strong, consumer demand and construction are showing signs of strain.

Key Performance Indicators (March 2026)

The IIP measures the volume of changes in industrial production. Despite the overall slowdown, the data

"Big scores are built from small daily deposits."

reveals a "two-speed" economy.

Sector / Category	Growth Rate (March)	Trend / Observation
Overall IIP	4.1%	5-month low; down from previous months.
Manufacturing	4.3%	5-month low; affected by high energy costs.
Capital Goods	14.6%	29-month high ; indicates strong factory investment.
Infrastructure/Construction	6.7%	9-month low; nearly halved from previous rates.
Consumer Non-Durables	1.1%	Muted; reflects weak rural/daily consumption.

Impact of the West Asia Crisis

The crisis, which began on **February 28, 2026**, has started filtering into industrial data through supply chain disruptions and energy prices.

- **Energy Costs:** Domestic manufacturing is feeling the "brunt" of costlier petroleum products and natural gas. Since gas is a key input for chemicals, fertilizers, and power, manufacturing margins are being squeezed.
- **Supply Chain:** Tighter supplies of raw materials have slowed down production cycles in consumer-centric industries.
- **Core Sector Contraction:** The **eight core sectors** (which weight ~40% of IIP) actually **contracted by 0.4%** in March. The fact that the overall IIP stayed positive at 4.1% suggests that non-core manufacturing (like tech or specialized equipment) performed better than heavy industries like steel or cement.

Key Concepts: Keyword Q&A

Q: What is a "Low Base Effect"?

A: If production was very poor in the previous year (the base), even a small increase this year looks like a large "percentage growth." In March 2026, the 1.1% growth in consumer goods is considered very weak because the "base" (March 2025) was already negative (-4%).

Q: Why are "Capital Goods" a leading indicator?

A: When companies buy heavy machinery (capital goods), it means they expect demand to rise in the future and are expanding their capacity. It is a sign of long-term economic confidence.

Q: What are the "Eight Core Sectors"?

A: Coal, Crude Oil, Natural Gas, Refinery Products, Fertilizers, Steel, Cement, and Electricity. They are the "foundation" industries that support all other industrial activities.

Conceptual MCQs

Q1. According to the March 2026 data, which sector recorded a 29-month high growth rate, indicating strong investment-led demand?

- A) Consumer Non-Durables
- B) Infrastructure and Construction
- C) Capital Goods
- D) Eight Core Sectors

Q2. The growth in IIP for the full financial year 2025-26 stood at:

- A) 5.5%
- B) 4.1%

- C) 3.1%
D) 6.7%

Q3. What was the performance of the "Eight Core Sectors" in March 2026?

- A) It grew by 4.1%
B) It remained stagnant at 0%
C) It contracted by 0.4%
D) It reached a 9-month high

Answers: Q1: C | Q2: B | Q3: C

Exam Relevance

Exam Focus Area	Relevance Level
UPSC CSE	GS-3 (Economy: Industrial growth, IIP, Impact of global crises)
RBI Grade B	Phase II: ESI (Industrial performance, Monetary policy impact)
SSC / Bank PO	Current economic figures and terminology (Core sectors, Base effect)

2. MobiKwik: From Digital Wallet to Regulated Lender

Source: BS

Context

The Reserve Bank of India (RBI) has granted approval to **One MobiKwik Systems Limited** to establish its own **Non-Banking Financial Company (NBFC)** subsidiary, **MobiKwik Financial Services Private Limited**. This transition marks a significant shift for the fintech firm, moving from a "loan distributor" (partnering with other banks) to a "direct lender."

Why the NBFC Licence Matters?

Until now, most fintechs operated as **Lending Service Providers (LSPs)**—they found customers but used a bank's money to give loans. With an NBFC licence, MobiKwik gains several strategic advantages:

- **Direct Lending:** It can now lend from its own balance sheet, capturing the full interest margin.
- **Underwriting Control:** MobiKwik can use its own data and algorithms to decide who is creditworthy, rather than relying on a partner bank's strict rules.
- **Product Speed:** Faster rollout of customized loan products like **BNPL (Buy Now Pay Later)** and merchant advances.
- **Full-Stack Ambition:** It completes the transition into a "Super App" offering payments, investments, and now, regulated credit.

Target Market & Product Suite

MobiKwik is positioning its lending arm to address the "Credit Gap" in Bharat (Tier 2 and Tier 3 cities).

Target Segment	Financial Product
Individual Consumers	Personal Loans & BNPL (Buy Now Pay Later)
Small Merchants	Digital Merchant Loans (based on QR code transaction history)
MSMEs	Working Capital Loans for business expansion

Regulatory Requirements for NBFCs

To maintain this licence, MobiKwik must comply with the RBI's stringent "Scale-Based Regulations":

- **Minimum Capital (NOF):** Must maintain a **Net Owned Fund (NOF) of ₹10 crore**. (Existing NBFCs have until March 31, 2027, to meet this threshold).

"Big scores are built from small daily deposits."

- **Certificate of Registration (CoR):** While the application is approved, the company must wait for the final CoR to begin actual operations.
- **Compliance:** Subject to RBI's Fair Practices Code, capital adequacy norms, and strict recovery guidelines.

Key Concepts: Keyword Q&A

Q: What is a "Full-Stack" Financial Platform?

A: It refers to a company that handles every part of the financial value chain—from acquiring the customer and processing their payment to providing them a loan and managing their investments—all under one regulated roof.

Q: What is "Underwriting"?

A: It is the process of evaluating the risk of lending money to a person or business. For fintechs, this often involves "Alternative Data" like bill payment history or shopping patterns, rather than just traditional credit scores.

Q: Why Tier 2 and Tier 3 cities?

A: Traditional banks often lack physical reach in these areas. Digital NBFCs can use smartphones to provide "Formal Credit" to people who have never had a bank loan before, fostering **Financial Inclusion**.

Conceptual MCQs

Q1. The RBI's approval allows MobiKwik to set up a subsidiary named:

- A) MobiKwik Payments Bank
- B) MobiKwik Financial Services Private Limited
- C) MobiKwik Digital Wallet Corp
- D) One MobiKwik Asset Management

Q2. What is the minimum Net Owned Fund (NOF) required for a new NBFC to be registered with the RBI (as per the latest 2022/2027 norms)?

- A) ₹2 crore
- B) ₹5 crore
- C) ₹10 crore
- D) ₹100 crore

Q3. A "Full-Stack" fintech platform is one that:

- A) Only provides technical support to banks
- B) Offers a complete range of financial services including lending, payments, and wealth management
- C) Only operates as a digital wallet without a licence
- D) Focuses exclusively on high-net-worth individuals in Tier 1 cities

Answers: Q1: **B** | Q2: **C** | Q3: **B**

Exam Relevance

Exam Focus Area	Relevance Level
RBI Grade B	Finance: NBFC Regulations and Fintech landscape
Banking / SEBI	Structural changes in the Indian financial system
UPSC CSE	GS-3 (Economy: Financial inclusion, Digital economy)

Facts To Remember

1. India–New Zealand FTA Signed with Duty-Free Access & USD 20 Billion Investment

India and New Zealand signed FTA in April 2026 at New Delhi to boost trade and economic cooperation; India gets 100% duty-free access on 8,284 tariff lines while liberalising 70.03% lines; New Zealand opened 118 services sectors including IT, education, finance, and tourism; agreement includes USD 20 billion investment commitment over 15 years.

2. NITI Aayog Report on Effective City Governance Released

Union Minister Manohar Lal Khattar released NITI Aayog report on city governance in April 2026; focuses on strengthening urban institutions for million-plus cities; identifies issues like weak leadership, fiscal constraints, and capacity gaps; highlights role of urbanisation in achieving Viksit Bharat 2047 and USD 30 trillion economy.

3. Jordan Joins India-led ISA, CDRI and GBA Initiatives

Jordan joined ISA, CDRI, and Global Biofuels Alliance in April 2026 strengthening India ties; move boosts cooperation in clean energy, climate resilience, and sustainable fuels; supports Jordan's renewable target and infrastructure resilience; enhances India's global climate leadership and bilateral trade prospects.

4. Right to Safe Road Travel Declared Fundamental Right under Article 21

Supreme Court declared right to safe road travel as part of Article 21 in April 2026; judgment came in Phalodi accident case focusing on road safety accountability; banned unauthorised highway dhabas and restricted heavy vehicle parking; mandated better surveillance, patrol, and emergency response systems.

5. UNESCO Expands Global Geoparks Network to 241 Sites

UNESCO added 12 new Global Geoparks in April 2026 taking total to 241 across 51 countries; aims to protect geological heritage and promote sustainable development; geoparks follow bottom-up approach with local participation; status granted for 4 years with periodic revalidation.

6. India–Kenya Sign Customs Cooperation MoU

India and Kenya signed customs cooperation MoU during 10th JTC meeting in April 2026; aims to improve trade facilitation, risk management, and faster clearance; includes exchange of pre-arrival goods information; strengthens cooperation in pharma, agriculture, fintech, energy, and manufacturing sectors.

7. ONGC Forms JV with MRPL and OPaL for Petrochemical Integration

ONGC approved JV with MRPL and OPaL in April 2026 for integrated petrochemical marketing; aims to optimise supply chain, reduce costs, and improve margins; enhances domestic capacity and supports Atmanirbhar Bharat; positions ONGC as integrated energy major.

8. Sigma Advanced Systems Signs ₹3,800 Crore Deal with Rolls-Royce

Sigma Advanced Systems signed 7-year ₹3,800 crore deal with Rolls-Royce in April 2026; covers manufacturing of aerospace components and engine parts; strengthens India–UK manufacturing collaboration; enhances global OEM positioning and long-term revenue stability.

9. Vikram-1: India's First Private Rocket Flagged Off

Telangana CM flagged off Vikram-1 rocket by Skyroot Aerospace in April 2026; India's first private orbital

launch vehicle targeting LEO missions; designed to carry up to 350 kg satellites; launch planned for June 2026 from Sriharikota pending approvals.

10. ISSF to Take Over Governance of Para Shooting Sport

ISSF and IPC signed agreement in April 2026 to transfer para shooting governance; aims to unify Olympic and Paralympic shooting structures; implementation subject to approval in 2026 General Assembly; transition expected from 2027 to 2028.

11. Olympic Medallist Gurbax Singh Grewal Passes Away

Indian hockey player Gurbax Singh Grewal passed away in April 2026 at age 84; part of 1968 Olympic bronze-winning team; contributed to Indian hockey as player, coach, and administrator; also served Mumbai Hockey Association.

12. World Penguin Day 2026 – April 25

World Penguin Day observed on April 25 to raise awareness about penguin conservation; originated in 1972 based on migration of Adélie penguins; now covers all 18 penguin species globally; highlights environmental challenges and conservation efforts.

13. World Veterinary Day 2026 – April 25

World Veterinary Day observed on April 25, 2026 highlighting role of veterinarians; 2026 theme focuses on food and health security; initiated by World Veterinary Association in 2000; promotes animal health, welfare, and public safety.

14. International Chernobyl Disaster Remembrance Day 2026 – April 26

Observed on April 26 to honour victims of 1986 Chernobyl disaster; 2026 marks 40th anniversary of nuclear tragedy; established by UNGA in 2016; raises awareness on long-term environmental and health impacts.

15. World Intellectual Property Day 2026 – April 26

World IP Day observed on April 26 to promote awareness about intellectual property rights; 2026 theme focuses on sports innovation; established by WIPO in 2000; highlights role of patents, copyrights, and trademarks in creativity and economy.

16. UP Launches 10-Year Warranty Model for Rural Water Schemes

Uttar Pradesh introduced 10-year warranty model under Jal Jeevan Mission in April 2026; ensures accountability of agencies for operation and maintenance; promotes solar-powered water schemes for efficiency; strengthens monitoring with labs and citizen charter system.

17. EPFO to Launch Digital Platform for Tracking and Linking Old EPF Accounts with UAN

Employee Provident Fund Organisation-EPFO is set to launch a dedicated digital platform to facilitate identification, tracking, Universal Account Number (UAN) linking and activation of old EPF accounts.

18. 10th India-Kenya Joint Trade Committee meeting held in Nairobi, Kenya

The 10th India-Kenya Joint Trade Committee meeting was held in Nairobi, Kenya, to review and strengthen bilateral trade and economic cooperation between the two countries. The meeting was co-chaired by Commerce Secretary, Rajesh Agrawal, and Principal Secretary of State Department for Trade of Kenya, Regina Akotah Ombam.

19. Govt issues draft notifications outlining Central Motor Vehicles Rules revising fuel classifications to boost biofuel use

The government has issued a draft Notification outlining proposed amendments to the Central Motor Vehicles Rules, 1989. According to the notification, the draft updates technical fuel classifications under emission and type-approval standards to reflect higher ethanol and biofuel blending targets.

20. TRAI Extends Deadline for Telecom Consumers Protection Draft Regulations

The Telecom Regulatory Authority of India (TRAI) has extended the deadline to submit written comments for the Draft of Telecom Consumers Protection (Thirteenth Amendment) Regulations, 2026.

FIVE TO REMEMBER · 29 APRIL 2026

1. **Minimum Capital (NOF):** Must maintain a **Net Owned Fund (NOF) of ₹10 crore**. (Existing NBFCs have until March 31, 2027, to meet this threshold). MobiKwik: From Digital Wallet to Regulated Lend...
2. The Telecom Regulatory Authority of India (TRAI) has extended the deadline to submit written comments for the Draft of Telecom Consumers Protection (Thirteenth Amendment) Regulations, 2026. TRAI Extends Deadline for Telecom Consumers Pro...
3. Launched in **2010** by former German Chancellor Angela Merkel, it serves as an informal, high-level bridge between formal UN Climate Change Conferences (COPs). 17th Petersberg Climate Dialogue (2026)
4. **New Zealand's Commitment:** Will remove tariffs on **100% of Indian goods**. This is a huge win for Indian textiles, leather, and pharmaceuticals. India-New Zealand FTA
5. **Total Expenditure: \$92.1 Billion** (up 8.9% Y-o-Y). Global Military Expenditure 2025

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