



**VAJIRAM & RAVI**  
Institute for IAS Examination

# The Analyst

**CURRENT AFFAIRS** Handout

**27th September 2026**



# Why Karnataka objected to ESA?

27th September 2026

**CONTEXT:** The article highlights the issue of landslides in the Western Ghats and suggests for the implementation of Eco - Sensitive Zone

## Chapter 1: Decoding the News : Karnataka says **NO** to ESA :

### Context of News :

- ❑ Karnataka Legislature unanimously passed resolution rejecting **K. Kasturirangan Committee** report on Western Ghats
- ❑ Rejected draft by Ministry of Environment declaring parts of the **Western Ghats** as **ESA**
- ❑ Of the 6 Western Ghats States, Karnataka has the **largest area** to be notified as an **ESA** spread across 10 districts

**D.K. Shivakumar**  
(CM of Karnataka)

"We need to change **rural - urban migration** pattern in Karnataka & create **Alternative growth centres** other than Bengaluru"

Karnataka : ~₹32 Lakh Crore (GSDP)  
Contributes to **9.2%** of India's GDP

Bengaluru : **12.5** million population  
& **11.5** million vehicles

**Karnataka Digital Economy Mission :**  
Mysuru, Mangaluru,  
Hubballi-Dharwad-Belagavi &  
Shivamogga

**Global Capability Centres**

**Local Economy Accelerator Programme (LEAP)**

## Chapter 2: Importance of "Western Ghats" :

### Prelims Snapshot on "Great Escarpment" :

Western Ghats are "**Living Ecological Spine**" of India

**1600+** km long : Tapi Estuary  
to Kanyakumari

**Gaps :** Goa, Palghat &  
Shencottah

1 out of 45 **UNESCO WHS**

Meet Eastern Ghats at **Nilgiri**  
& Highest Peak : **Anamudi** in  
Eravikulam NP (Kerala)

**1 / 8** Hottest Biodiversity  
Hotspots : Hornbills, Mountain  
imperial pigeons & Eagle owls

Nearly **50%** of India's Flowering  
plant species & **>300** globally  
threatened species

**Lifeblood of Deccan :** Godavari,  
Krishna, Kaveri & Tungabhadra

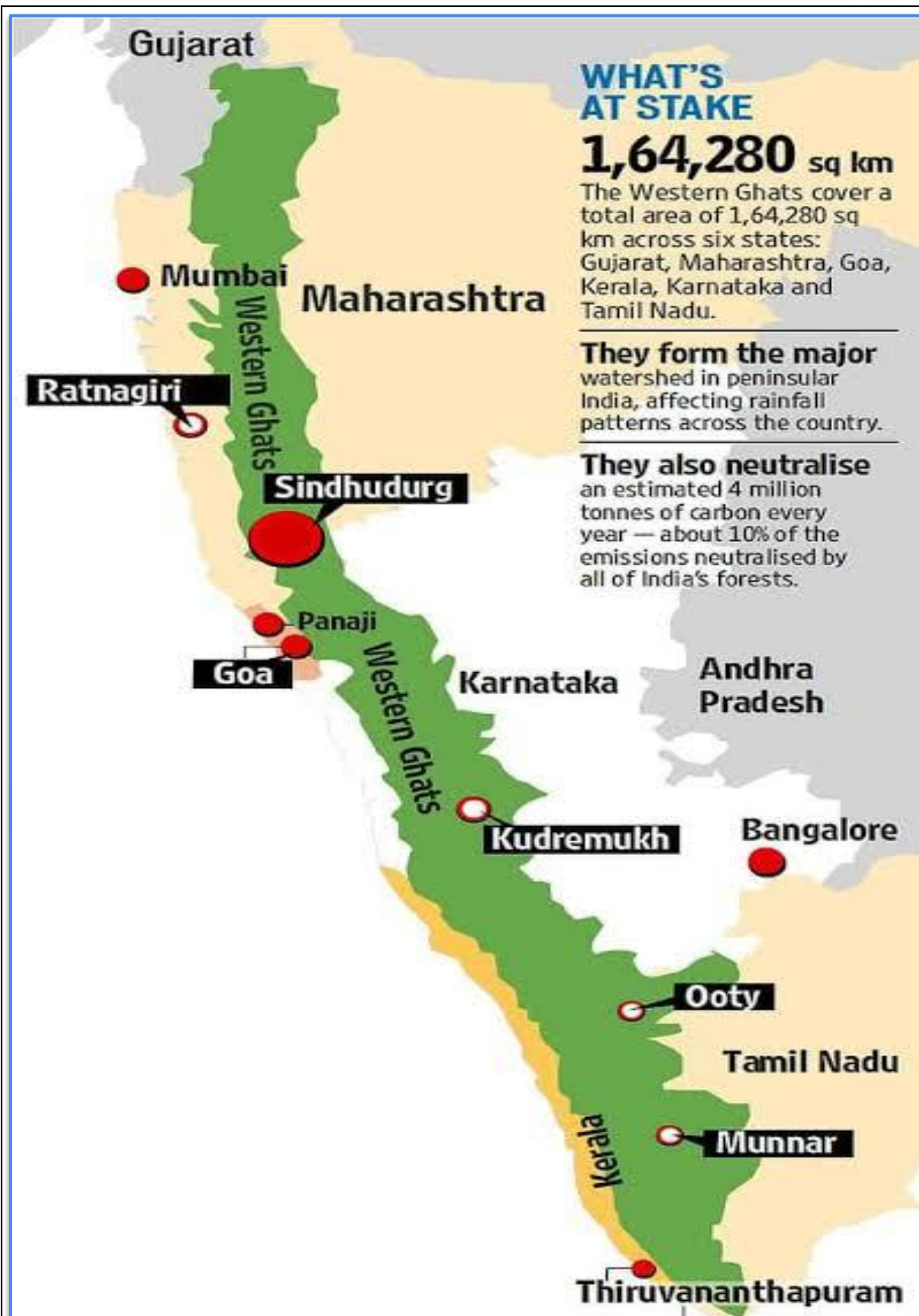
**Amazon of India :** Sequesterate  
138 mt CO<sub>2</sub> / year basis

Ratna



# Why Karnataka objected to ESA?

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## Chapter 3 : Why Western Ghats are prone to Landslide?

### Landslide Atlas of India - ISRO

Published: 13 July 2022

The tale of three landslides in the Western Ghats, India: lessons to be learnt

#### Conditioning Factors:

- ❑ Soil Topography
- ❑ Rock Geomorphology
- ❑ Slope Angle

#### Triggering Factors:

- ❑ Extreme Weather Events
- ❑ Land use changes
- ❑ Unscientific construction
- ❑ Mining activities
- ❑ Blockage of Stream networks
- ❑ Large scale Hydropower projects



## Issue of Deforestation

## Impact of Deforestation

- ① Commercial exploitation due to "growing economic hunger"
  - Iron
  - Bauxite
  - Manganese



### Illegal Mining

- ② Plantation of Commercial Crops & unchecked livestock grazing



+

- ③ Anthropogenic pressure: Urbanisation, Dams, Infrastructure



Loss of fertile soil cover



Decline of food productivity



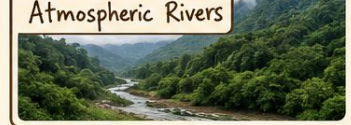
Loss of sink of CO<sub>2</sub> : Increased Greenhouse gases



Loss of Habitat for wildlife



Release moisture in air - creates Atmospheric Rivers



Loss of precipitation



(a)



Stable  
(In plains and gentler slopes)

(b)



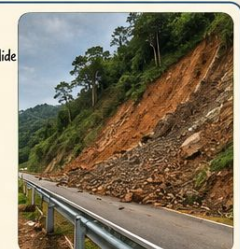
Meta-stable  
(In steeper slope)

(c)



Meta-stable changed to Unstable  
(During storm in steeper slope)

■ Unconsolidated soil ■ Massive crystalline Precambrian rocks



# Why Karnataka objected to ESA?

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## Why Karnataka rejected the Kasturirangan report on the Western Ghats

State cites economic concerns and political pressure from local representatives, despite growing ecological threats to the biodiversity-rich region.

Published : Oct 09, 2024 17:16 IST

VIKHAR AHMED SAYEED



Personnel from the Mysuru Division of South Western Railway at work on the Hassan-Mangaluru line, near Kadagaravalli, Karnataka, on July 28, 2024. | Photo Credit: By Special Arrangement

### Chapter 4 : Government appointed **Committees** & Recommendations :

| Gadgil Committee 2011                                                        | Kasturirangan 2013                                                                      |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Each state responsible for their share of WGs                                | 90% of Natural landscape shall be protected                                             |
| Convert <b>entire</b> Western Ghats into <b>Eco - Sensitive Zone (ESZ)</b>   | 37% Western Ghats : Eco - Sensitive Zone (ESZ)                                          |
| No new environmental clearance for <b>mining</b>                             | Business shall continue : Provide incentive to move towards " <b>Greener practise</b> " |
| <b>Phase out mining</b> completely by 2015<br>No new Red & Orange industries | Ban on all new " <b>polluting industries</b> "                                          |
| Demarcation of ESZ : Inputs from <b>local communities</b>                    | Projects allowed only after consent of <b>Gram Sabhas</b>                               |
| WG Ecological Authority as <b>Statutory body</b>                             | Rights of Displaced recognised Under <b>Forest Rights Act 2006</b>                      |

### Karnataka's Fury?

- ☐ 37% area (59,940 km<sup>2</sup>) = Low population density, WHS, Tiger & Elephant corridors
- ☐ Karnataka = **2159 villages**
- ☐ Contest = Include only notified forest areas & leave **plantation, horticulture & residential areas**
- ☐ Areas were demarcated using Satellite data & **NOT Joint Survey** on land
- ☐ No reference to provide "**Alternative Livelihood**"
- ☐ Use for "**Political Staging**" : No restriction on building houses

# Why Karnataka objected to ESA?



**CONTEXT:** The article highlights the issue of landslides in the Western Ghats and suggests for the implementation of Eco - Sensitive Zone

## Chapter 5: Affirmative action taken by GOI:

### ESA under Section 3 of EPA 1986

#### Banned Activities

- Commercial Mining & Quarrying
- Commercial use of Timber
- Polluting Industries
- Major Hydroelectric Projects & TPPs
- Discharge of Solid wastes
- Construction of buildings beyond 20,000 square metres

#### Regulated Activities

- Felling of Trees
- Establishment of Recreational Infrastructure
- Commercial use of Natural water
- Underground cables
- "Drastic" change in cropping patterns

### Forest & Tree Cover

- Total F & T Cover : **25.17%**
- NFP 1988 : **33%** of area under Forest Cover
- Increase in Forest Cover : **156.4 Km<sup>2</sup>**

### Largest decrease in Forest Cover

- Madhya Pradesh
- **Karnataka**
- Ladakh
- Nagaland

## Chapter 5: Affirmative action taken by GOI:

### Concept of Agroforestry Under NMSA

### Urban Afforestation Under Miyawaki Method

### Accredited Compensatory Afforestation in FCA 2023

### Recommendation of Gadgil Committee

What to do?

2BT Programme in Canada

### Green India Mission

- Launched in 2014
- Centrally Sponsored Scheme
- Increased forest cover on **5 million hectare** of forest & Non - Forest land
- Improve quality of Forest cover on additional 5 million hectare of forested land
- Enhance CO<sub>2</sub> Sequestration by **60 million tonnes** by 2030



# Why Karnataka objected to ESA?

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## Mains Practise Question

**Question :** What do you understand by the term **Ecologically Sensitive areas?** Illustrate the need of application of Ecologically Sensitive areas in the Western Ghats.  
(10 Marks, 150 words)

Discuss how the contradiction between 'rapid infrastructure development' and 'disaster-risk reduction' in ecologically-sensitive areas of India can be managed, with suitable examples. (Answer in 150 words)

10



27th September 2026

**CONTEXT:** The article highlights the Social discrimination faced by Transgender Community & the loopholes which prevails in Transgender Protection Act 2026

## Mains Heading 1 : Decoding the News : **WHO are Transgenders?**

### Context of News :

- ❑ NDA ruled Andhra Pradesh govt has refused to defend Centre's controversial 2026 amendments to the **Transgender Persons (Protection of Rights) Act** in Supreme Court
- ❑ Under which Centre removed provisions that guaranteed transgender people the right to their **"self-perceived gender identity"**
- ❑ Limited the definition of a **"transgender person"** to **physiological characteristics**

### Definition as per TPA 2019?

**"People whose Gender doesn't match with Gender assigned at Birth"**

**"Inter-sex variations, Gender-Queer & Person having Socio-Cultural Identities"**

**CENSUS 2011 : 4.87 Lakh Transgenders**

## Mains Heading 2 : **"Invisible Barriers : Discrimination faced by Transgenders"**

**Deviance Labelling** which leads to **Stigmatisation & Social Exclusion**

Inter generational **"Value Conflict"** Transitions into **"Social Disorganisation"**

Subject to **"Inequality"** at workplace & Forms of Violence

Trauma, Mental Illness & Acute depression leads to **"Identity Crisis"**

**Socio - Economic Discrimination**

**Social Isolation & Marginalised communities**

Transwomen in India face discrimination, stigma, contributing to their mental health struggles: study

A new study has found that entrenched inter-personal and structural stigma, including amongst law enforcement and healthcare professionals, deeply impacts the mental health of transwomen



27th September 2026

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## Mains Heading 2: "Invisible Barriers : Discrimination faced by Transgenders"



**Rakshita Mallikarjuna**  
Transgender Activist from Bengaluru

**1 Background**  
Rakshita Mallikarjuna is a transgender activist from Bengaluru.

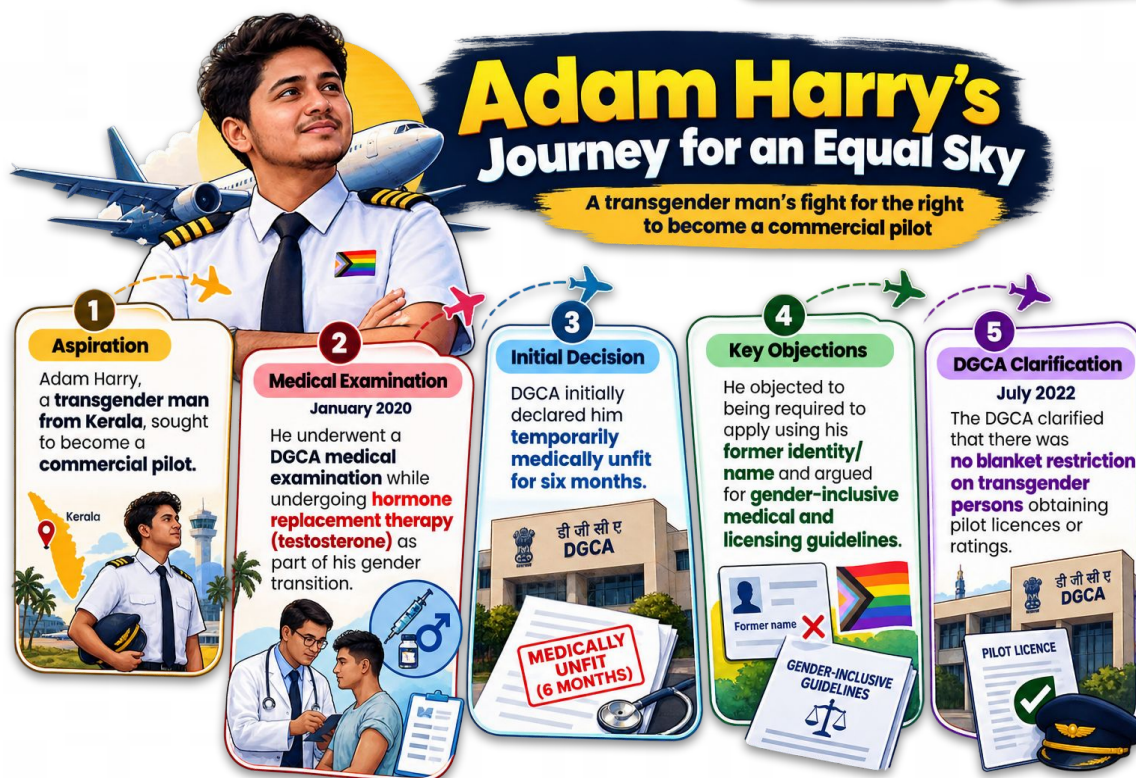
**2 Corporate Career**  
She previously worked in the private corporate sector.

**3 Discrimination and Barriers**  
She has spoken publicly about discrimination in workplaces and difficulties faced by transgender persons while accessing institutional mechanisms.

**4 Experience of Sexual Violence**  
She has described an incident of sexual violence in which fear of harassment at the police station prevented her from reporting the incident immediately.

**5 Advocacy and Change**  
She has worked with police departments to improve the treatment of transgender persons who approach the police to file complaints.

- SENSITISATION
- INCLUSIVE POLICING
- SAFE COMPLAINT MECHANISMS



**Adam Harry's Journey for an Equal Sky**  
A transgender man's fight for the right to become a commercial pilot

**1 Aspiration**  
Adam Harry, a transgender man from Kerala, sought to become a commercial pilot.

**2 Medical Examination**  
January 2020  
He underwent a DGCA medical examination while undergoing hormone replacement therapy (testosterone) as part of his gender transition.

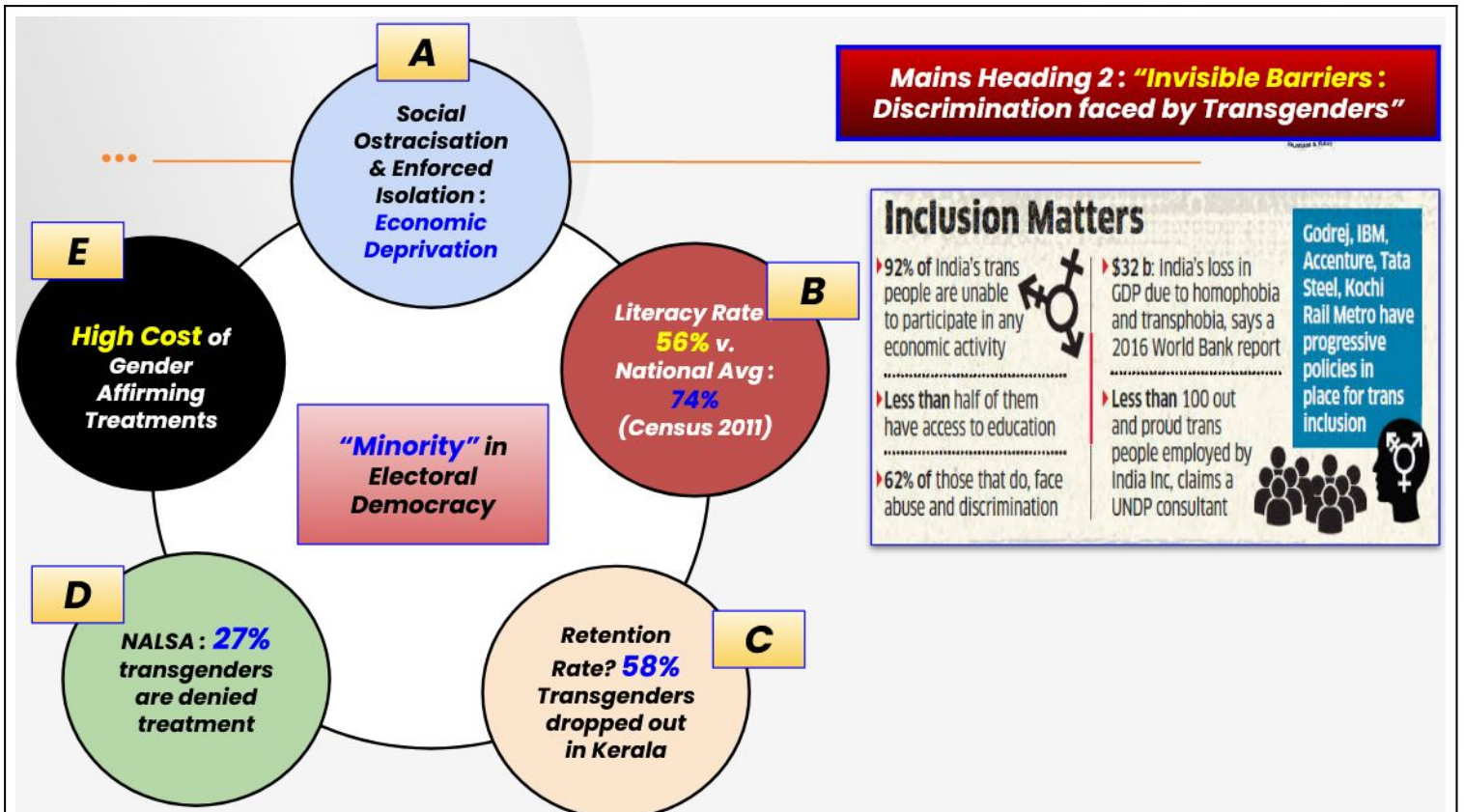
**3 Initial Decision**  
DGCA initially declared him temporarily medically unfit for six months.

**4 Key Objections**  
He objected to being required to apply using his former identity/ name and argued for gender-inclusive medical and licensing guidelines.

**5 DGCA Clarification**  
July 2022  
The DGCA clarified that there was no blanket restriction on transgender persons obtaining pilot licences or ratings.

# Defending changes to "Trans rights" Law

**CONTEXT:** The article highlights the Social discrimination faced by Transgender Community & the loopholes which prevails in Transgender Protection Act 2026



## Mains Heading 3: **AFFIRMATIVE ACTIONS** Taken by Institutions :

UN Yogyakarta  
Principle 2006

- ❑ Universal Enjoyment of **Human Rights**
- ❑ Right to Equality & **Non - Discrimination**
- ❑ Right to **"Recognition Before Law"**

**NALSA v. UOI 2014**

- ❑ Recognition of **"3rd Gender"** apart from Binary categories
- ❑ Right to determine their **"Own identity"**
- ❑ Treat them as Socially & Educationally Backward Class (**SEBC**)

## **SMILE Scheme (2022)**

- ❑ **Central Sector Scheme**
- ❑ **Ministry of Social Justice**
- ❑ **Skill Development and Employment, scholarships & Medical Health**

## **Other Initiatives**

- ❑ **Garima Greh Centres & Insurance coverage under Ayushman Bharat**
- ❑ **Transgender Protection Cells : Monitor cases of offences**
- ❑ **National Portal Integration**
- ❑ **Karnataka ; 1% Horizontal reservation in Civil Services**
- ❑ **Election Commission : "Other" option in Voter forms**



27th September 2026

**CONTEXT:** The article highlights the Social discrimination faced by Transgender Community & the loopholes which prevails in Transgender Protection Act 2026



## Mains Heading 3 : **AFFIRMATIVE ACTIONS** Taken by Institutions :

| Transgender Person Act 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Amendment 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>❑ Definition do NOT discriminate between <b>Transgenders, transsexuals &amp; genderqueer</b></li> <li>❑ Prohibition against discrimination in <b>education, employment &amp; public facilities</b></li> <li>❑ <b>Self determination &amp; certificate of identity</b> from DM's office</li> <li>❑ <b>National Council for Transgender Person (NCTP)</b></li> <li>❑ <b>Penalties for Offences</b> : 6 months - 2 years of imprisonment</li> </ul> | <ul style="list-style-type: none"> <li>❑ <b>Restricted definition</b> of person considered as Transgenders</li> <li>❑ Expressly covers <b>kinner, hijra, aravani, jogta and eunuch</b></li> <li>❑ <b>Identification by DM</b> after recommendation of "Medical Board"</li> <li>❑ Gender change surgery requires <b>"Revised certificate"</b></li> <li>❑ <b>Stringent penalisation</b> : Upto <b>10 years</b></li> <li>❑ <b>Representatives of State Govt's in NCTP</b></li> </ul> |

## Key Issues with Amendment?

**Clinical Gatekeeping** : Violates body autonomy under Article 21

**Burden of Proof & Institutional Barriers** : Identification depends upon Scrutiny

**Institutionalisation of Transgenders** who can't live with biological families

**Omission of "Reservation" & criminalisation of Begging**



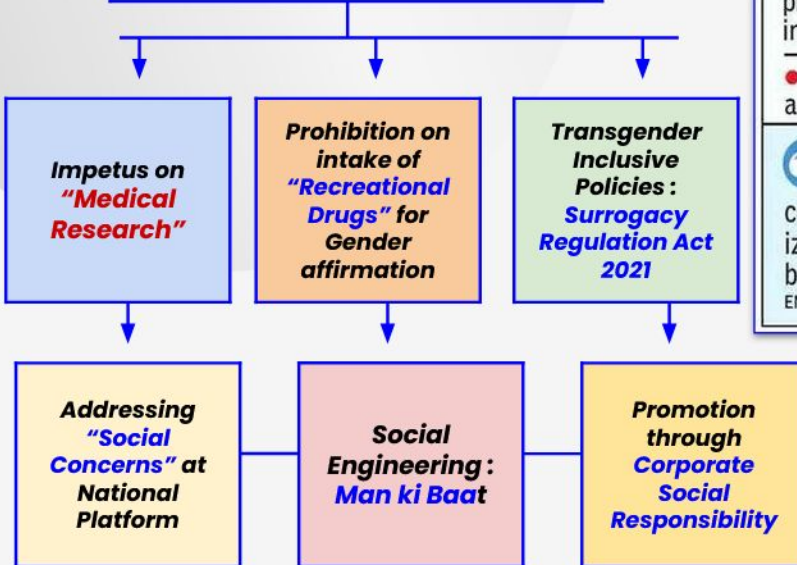
# Defending changes to "Trans rights" Law



**CONTEXT:** The article highlights the Social discrimination faced by Transgender Community & the loopholes which prevails in Transgender Protection Act 2026

## Mains Heading 4 : What can be The Way Forward?

### The road less taken?



## MATTER OF PRIDE

### Steps being taken

- Making hiring process inclusive
- Developing resume application system to include gender neutral language
- At offices, 'Pride groups' are being introduced
- Sensitisation initiatives for all employees
- Gender neutral restrooms are being created

In India, companies have become more open to LGBTQ talent hiring since 2018, after the country's highest court effectively abolished a colonial-era law that criminalized same-sex relations. However, progress in India has been too slow — **Gautam Vohra**, VP & BUSINESS HEAD, TELECOM & ENGINEERING STAFFING, TEAMLEASE DIGITAL

## Mains Practise Question

**Question : Right to privacy relating to self-identity is very dear to every human being and well protected under Article 21 of the Constitution. In this context, examine the effect of the amendment in 2026, to the Transgender Persons (Protection of Rights) Act, 2019. (150 words, 10 marks)**

9. In India, Legal Services Authorities provide free legal services to which of the following type of citizens ?

1. Person with an annual income of less than ₹ 1,00,000
2. Transgender with an annual income of less than ₹ 2,00,000
3. Member of Other Backward Classes (OBC) with an annual income of less than ₹ 3,00,000
4. All Senior Citizens

Select the correct answer using the code given below :

- (a) 1 and 2 only
- (b) 3 and 4 only
- (c) 2 and 3 only
- (d) 1 and 4 only



**Newspaper :** Indian Express, **Page No :** 10

## IIT-B to dinner table, the camera is on

### Context of News :

***"Trial by Social Media" & "Kangaroo courts" which emerged against the IIT - Bombay professor against the backdrop of Student suicide has brought issue of Social Media ethics into forefront***

### What is **Social Media Ethics**?

***Kaushal Kishor v.  
State of Uttar  
Pradesh (2023)***

***Internet & social-media platforms have enormously increased the speed and reach of speech while also making communication susceptible to misuse***

***Shreya Singhal v.  
Union of India (2015)***

***Responsible exercise of **freedom of expression** on digital platforms in a manner that respects **truth, dignity, privacy, public order & rights of others**, while avoiding misuse of the enormous reach***

***Alone Together by  
Sherry Turkle***

***Aim to create balance between connectivity & freedom of expression with **truthfulness, privacy & moral responsibility*****

***Section 79 of  
IT & Digital Media  
Ethics Rules 2021***

***Responsible use & governance of social media platforms through concepts of **accountability, grievance redressal and compliance with laws*****



**Newspaper :** Indian Express, **Page No :** 10

| Core Value of Social Media Ethics                              | Application of Core Value                                                                                                  | Real Life examples                                                                                                                            |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Truthfulness</b>                                            | Content shall be factually correct & Information spread shall be verified                                                  | WHO developed mechanisms to identify and counter harmful misinformation during <b>Pandemic</b>                                                |
| <b>Transparency &amp; Disclosure by Social Media Platforms</b> | Users shall be able to distinguish facts, official information, uncertainty & institutional positions                      | Absence leads to <b>Astroturfing</b> : Deliberate creation of an <b>artificial narrative</b> by using fake, anonymous or coordinated accounts |
| <b>Accountability</b>                                          | Mechanisms through which harmful content or violations can be reported and remedied                                        | <b>IT Rules 2021</b> : Victims of abuse at social media platforms shall have a forum for redressal of their grievances                        |
| <b>Responsiveness &amp; Citizen Engagement</b>                 | Social media should not be merely a broadcasting channel rather institutions should listen, respond & use citizen feedback | <b>Cyber Jaagrookta Diwas</b> by Ministry of Home Affairs                                                                                     |



# Asia – Pacific Economic Cooperation (APEC)



**SYLLABUS: Prelims:** Important International Institutions  
**Newspaper :** The Indian Express, **Page No : 12**

## Asia – Pacific Economic Cooperation (APEC)

### Context of News :

- ❑ Xi Jinping – Donald Trump's Bromance : Reduction of **\$30 Billion reciprocal tariff** on Chinese imports
- ❑ **Trade Council** for further trade negotiations
- ❑ **Dialogue on AI** based technology risks & benefits
- ❑ **"Iran** shall fulfill its commitment to **NOT** develop Nuclear weapons"

### What is APEC?

Established in **1989** in advent of Success of ASEAN's Summits

Initially **12 economies** met at Canberra, Australia

Formal Treaty? **NO.**  
Voluntary, non - binding & Consensus based forum

Headquarter : **Singapore**

**3 Observers :** ASEAN, PECC & Pacific Island Forum Secretariat

Currently **21 economies** are part of APEC

Is **India** part of APEC? **NO.**

Membership process requires **consensus of all** existing members

APEC Summit 2025 : Hosted by **South Korea**

Over **50% share** in Global Imports & Exports :  
Total Trade : **\$24 trillion**



# Asia – Pacific Economic Cooperation (APEC)

**SYLLABUS: Prelims:** Important International Institutions  
**Newspaper :** The Indian Express, **Page No : 12**

## Asia-Pacific Economic Cooperation (APEC)

Established in 1989, after 27 years of development, APEC continues to affirm its position as the leading economic cooperation forum of the Asia Pacific region.



### Annual activities include

- APEC Economic Leaders' Meeting
- APEC Foreign– Economic Ministers' Meeting
- APEC Trade, Finance, SME Ministers' Meeting
- Senior Officials' Meeting

Date of establishment: November 1989

Member economies: 21

Accounts for



of world population

Contributes



of world GDP



of world trade

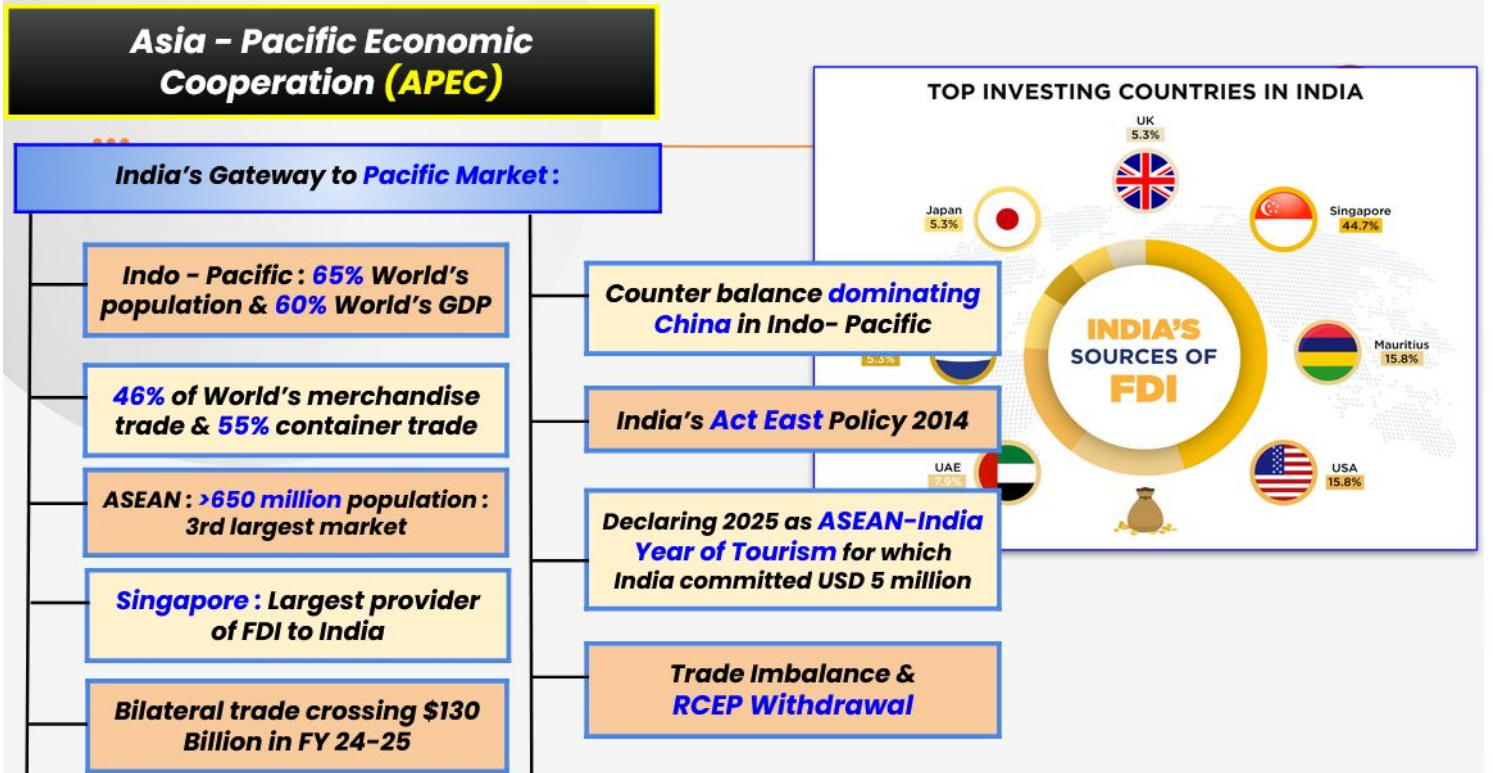
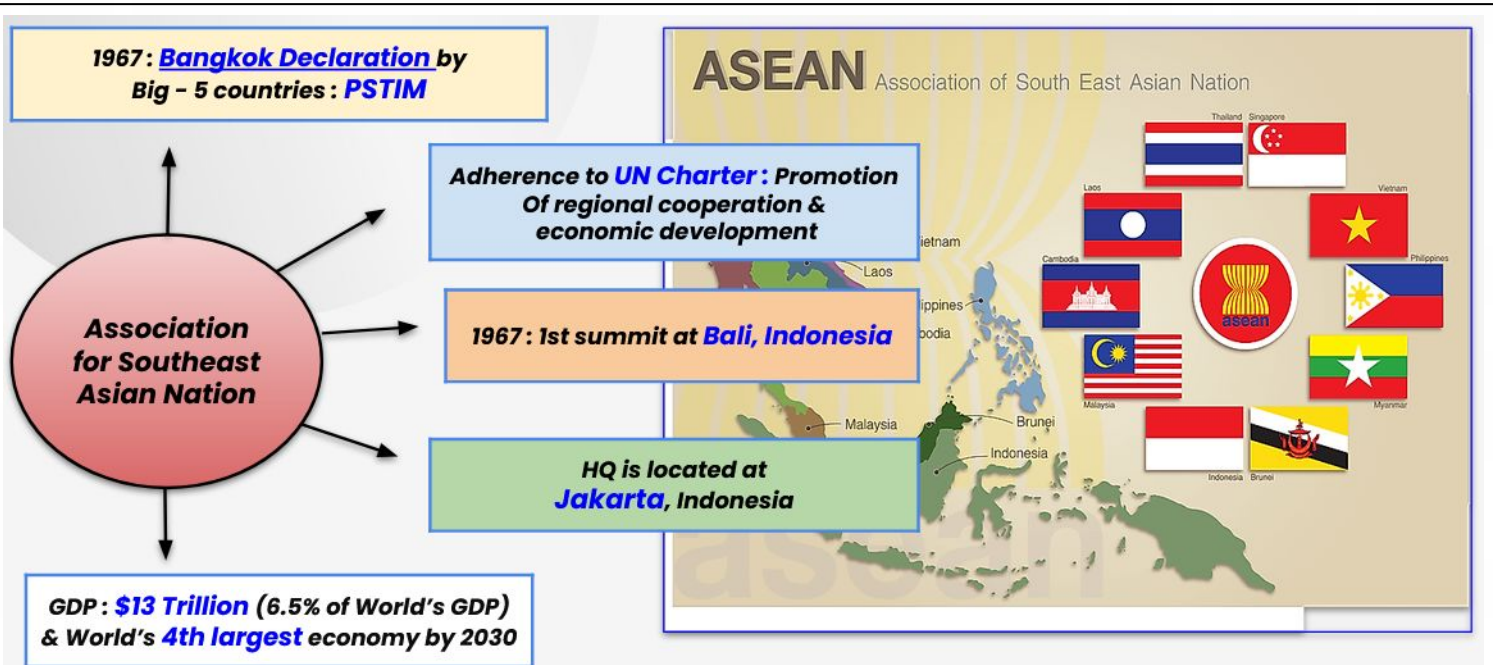
### Principles of operation

Consensus – Voluntary – Non-binding



27th September 2026

**SYLLABUS: Prelims:** Important International Institutions  
**Newspaper :** The Indian Express, **Page No : 12**



**SYLLABUS: Prelims:** Important Acts of Government in News  
**Newspaper :** The Hindu, **Page No : 4**

## Changes in MMDR Act 2026

### Context of News :

- ❑ Jharkhand BJP Leader : **MMDR Act** has been implemented in States like Odisha, West Bengal, Chhattisgarh, Karnataka & Kerala where the Act is being welcomed rather than opposed
- ❑ Black Day for Odisha? Estimated loss would be **₹12,000 crore** as Odisha accounts for nearly **44%** of India's mineral wealth

### Mines & Minerals Amendment Act 2026

States can NOT impose **tax or cess** on mineral rights or mineral bearing land

Union Govt's regulatory domain now extends to "**mineral bearing land**"

**Unpaid & unrecovered State levies** before commencement are treated as Invalid

**MADA v. SAIL Judgement 2024 :** State's Legislative power to tax mineral rights

Odisha's Mining & Quarrying Sector : **9.5%** of GSVA

### Steps taken for Mineral Self - Sufficiency?

**KABIL :** To secure overseas Mineral assets

**GSI + CSIR =** Promotion of Circular Economy

**PLI** for extraction of Critical Minerals

**100% FDI** under Automatic route

### National Critical Mineral Mission 2024

- Fast track regulatory approval process
- **Financial incentive** to private companies
- FDI policy for Investments from **Land Bordering Countries (LBCs)**
- Applications from REEs sector shall process within **60 days**
- **Centre for Excellence** on Critical Minerals

### Mines & Minerals Act 2023:

- Private sector = **6 out of 12** atomic minerals
- **Prospective stage exploration :** Allow drilling & subsurface excavation
- **National Mineral Exploration Trust (NMET) :** Funding G4-G1 explorations
- Under Single License : Explore area upto **1000 km<sup>2</sup>**
- Mine Owners : Sell **50% of annual mineral** including coal in open market



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**SYLLABUS: Prelims:** Government Policies & Interventions  
**Newspaper :** The Hindu, **Page No : 9**

## Personal Laws & POCSO

### Context of News :

- ❑ Delhi HC : Marriage recognised under **Muslim personal law** cannot confer immunity from prosecution under **POCSO Act** when the **wife is below 18** at the time of sexual intercourse
- ❑ "Personal law may determine whether a marriage has been contracted", but **cannot create an exception** to a criminal law where Parliament has provided none"

### NCRB Crime in India 2023 report

**9.2% increase in crimes against children**  
(1.7 Lakh cases registered in 2023)

Crime rate : **39** cases per 1 Lakh child population (36 in 2022)

**38%** of all crimes against children fall under **POCSO Act**

762 victims were aged below **6 years**

UNICEF : **1/ 5** Girls & **1/ 20** Boys  
Is a victim of Child sexual abuse

### "Hands off our children":

- **Section 2(d)** : "Child" as any person below 18 years of age
- **Section 3** : Defines penetrative sexual assault
- **Section 7** : Defines sexual assault
- **Section 19** : Reporting of the offence
- **Section 21** : Punishment for failure to report

### "Punishing the Guilty":

- **Section 24** : Child's statement recorded at residence or "**place of choice**"
- **Section 26** : Medical examination in presence of **parent or trusted person**
- **Section 33** : Establishment of **Special Courts**
- **Section 29** : Exception to "**Presumption of Innocence**"
- POCSO Amendment Act 2019 : "**Death Penalty**"

## Personal Laws & POCSO

01

Recognised gaps in existing criminal laws

02

Child centric & gender neutral framework

POCSO ACT 2012

03

Address all kind of sexual offences against children

04

Strong pillar to protect demographic dividend of India



27th September 2026

**SYLLABUS: Prelims:** Indian Economy  
**Newspaper :** The Indian Express, **Page No : 8**

## Highest FDI inflow since 2021



### Context of News :

- ❑ Data released by RBI : India saw jump in FDI inflow in July, 2026
- ❑ July, 2026 : **\$7.35 Billion**
- ❑ **Highest** since May, 2021
- ❑ Strengthen BOP : ₹ closed at **85.82** per dollar
- ❑ **Communication & Computer services** were major sectors

### Recent Trends In FDI

India's NET FDI Inflow :  
**\$4.6 billion** in Feb, 2026

Highest since May, 2022 :  
Net Inflow : **\$5.3 Billion**

USA in Feb, 2026 : Eliminated  
penal **25% tariff**

FY 25 : India's Net FDI Inflow  
Was mere **\$959 million**

Highest : **Singapore (34%)** >  
USA > Mauritius

| Foreign Direct Investment (FDI)                                                 | Foreign Portfolio Investment (FPI)                                                       |
|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| <b>Direct ownership</b> of a business or assets                                 | <b>Purchase of financial assets</b>                                                      |
| Investor seeks significant control over the company or asset                    | Investor has little or no control over the company or asset                              |
| Typically <b>long-term</b> (years to decades)                                   | Typically shorter-term (months to years)                                                 |
| Generally considered <b>higher risk</b> due to involvement in the local economy | Generally considered lower risk as investments are spread across companies and countries |
| Can create <b>jobs, transfer technology, and boost economic growth</b>          | Can provide capital for companies and contribute to market liquidity                     |

51. With reference to Foreign Direct Investment in India, which one of the following is considered its major characteristic ?

- (a) It is the investment through capital instruments essentially in a listed company.
- (b) It is a largely non-debt creating capital flow.
- (c) It is the investment which involves debt-servicing.
- (d) It is the investment made by foreign institutional investors in the Government securities.



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**Q1. With reference to APEC, consider the following statements:**

1. APEC is a voluntary, non-binding, consensus-based forum and not a formal treaty organisation.
2. ASEAN, PECC and the Pacific Island Forum Secretariat are official observers of APEC.
3. India is a member of APEC.
4. Membership admission requires the unanimous consent of all existing members.

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

- a) Only one
- b) Only two
- c) Only three
- d) All Four

**Answer: c**

**Q2. With reference to ASEAN, consider the following statements:**

1. The first ASEAN Summit was held in 1967 at Jakarta.
2. ASEAN's headquarters is located in Bali, Indonesia.
3. ASEAN's objectives include adherence to the UN Charter, promotion of regional cooperation and economic development.

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

- a) Only one
- b) Only two
- c) All three
- d) None

**Answer: a**

**Q3. With reference to the Mines & Minerals (Development and Regulation) Amendment (2026), consider the following statements:**

1. States are prohibited from imposing any tax or cess on mineral rights or mineral-bearing land.
2. The Union Government's regulatory domain has been extended to explicitly cover "mineral-bearing land."
3. Unpaid or unrecovered State levies that arose before the commencement of the Amendment continue to be valid and enforceable.

**Which of the above statements is/are correct?**

- a) 1 only
- b) 1 and 2 only
- c) 2 and 3 only
- d) All of the above

**Answer: b**

**Q4. With reference to POCSO, consider the following statements:**

1. The Act defines "child" as any person below 18 years of age.
2. Failure to report an offence under POCSO attracts penal consequences.
3. A child's statement may be recorded at the child's residence or a "place of choice."
4. Medical examination of a child under POCSO must be conducted in the presence of a parent or a trusted person.

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

- a) Only one
- b) Only two
- c) Only three
- d) All Four

**Answer: d**

**Q5. With reference to Foreign Direct Investment (FDI) and Foreign Portfolio Investment (FPI), consider the following statements:**

1. FDI involves direct ownership of productive assets, while FPI primarily involves investment in financial instruments.
2. FPI investors usually seek active participation in the management of the enterprise.
3. FDI is often associated with long-term commitment to the host economy.

**Which of the statements given above are correct?**

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**Answer: c**





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