

Crypto coordination

Crypto assets, including private crypto currencies and **non-fungible tokens**, **pose** a unique challenge to regulators with their issuance as well as the transactions **taking place** beyond traditional channels involving banks, other financial intermediaries or central banks. With users able to **transact** on platforms located in other countries and transfer funds easily across borders, **ability to tax** these transactions and to **halt** the misuse of these channels for **illicit** purposes also **becomes** difficult through **unilateral** action. Therefore, India and some other countries have been **calling for concerted** action by all nations and a standardised regulatory framework to regulate these assets. **The Crypto-Asset Reporting Framework (CARF)**, drafted by the **OECD**, is in response to this. It primarily **seeks** to enable exchange of information between countries so that all crypto asset related transactions or money transfer done by the residents of a country are available with the government and regulators.

Indian regulators were extremely **concerned** about the **surge** in trading in crypto assets during the pandemic; about 9 to 11 crore users were estimated to be **indulging** in **speculative trading** in these assets. But the Centre's **move** to tax gains made in trading crypto assets at **punitively** high rate in the Union Budget of 2022 and **mandating** crypto trading platforms to deduct **TDS** of 1 per cent on sale of these assets **have** helped **restrain** this **speculative fervour** effectively. **Trading volume** on Indian crypto trading platforms **is** down over 75 per cent over the last one year. But India, as well as other countries are yet to decide whether holding and trading in crypto assets is a legal activity or not. Also, it is currently not possible to acquire information regarding crypto trading transactions by Indian residents on **overseas** platforms. The CARF regulation **outlines** a way in which information can be collected from crypto asset trading platforms and service providers and shared with the countries where the traders or users **reside**. The **framework addresses** four areas – one, the scope of crypto currencies covered by the rules, two, the entities and individuals mandated to collect the data and the reporting requirement, three, the kind of transactions which have to be reported and four, the **due diligence** needed to identify the crypto asset users and to identify the tax **jurisdiction** to which they belong so that information can be exchanged. **The model rules** contained in the CARF **can** be included in the domestic laws and the OECD is planning to work with all jurisdictions over the coming months to implement the framework.

The OECD has met decent success with the Common Reporting Standard which has **resulted in** over 100 countries exchanging information regarding 111 million financial accounts in 2021, helping **check tax evasion**. **Replicating** this with crypto transactions **may** be **the way forward** to **bring** all countries **onboard** in adopting similar rules for regulating crypto assets. Though regulatory **scrutiny** could result in reducing the speculative activity in this segment, users will be pleased as **adoption** of these rules will make trading and use of crypto assets a legal activity. This will ensure that those who wish to **mine** and trade in these assets can continue doing so, but under full regulatory **glare**.

Vocabulary

1. **Non-fungible token** (noun) – a unique digital identifier that cannot be copied, substituted, or subdivided, that is recorded in a blockchain, and that is used to certify authenticity and ownership
2. **Pose** (verb) – constitute, present, create, cause, produce, give rise to, खड़ा करना (चुनौती)
3. **Take place** (phrasal verb) – Happen, occur, come about, come off, transpire घटित होना
4. **Transact** (verb) – to do business, to buy or sell things: कारोबार करना
5. **Tax** (verb) – impose a tax on (someone or something). कर लगाना
6. **Halt** (verb) – stop, come to a halt, come to a stop, come to a standstill रोक देना
7. **Illicit** (adjective) – illegal, unlawful, illegitimate अवैध
8. **Unilateral** (adjective) – Involving only one part or side एकपक्षीय
9. **Call for** (phrasal verb) – demand, require, request, ask for, मांग करना
10. **Concerted** (adjective) – strenuous, vigorous; collective, combined, ठोस; सम्मिलित
11. **The Crypto-Asset Reporting Framework (CARF)** (noun) – a new tax transparency framework which provides for the automatic exchange of tax information on transactions in Crypto-Assets in a standardised manner with the jurisdictions of residence of taxpayers
12. **Organisation for Economic Co-operation and Development (OCED)** (noun) – an international organisation of 38 countries committed to democracy and the market economy.
13. **Seek** (verb) – try, attempt, endeavour, strive प्रयास करना
14. **Concerned** (adjective) – worried, anxious, troubled, afraid, disturbed, alarmed, fretful चिंतित
15. **Surge** (noun) – Sudden rise उछाल
16. **Indulge** (verb) – to allow yourself to have or do something for pleasure किसी काम में लिप्त होना
17. **Speculative trading** (noun) – the act of buying or selling stock simply because you have heard or believe that it will rise in value
18. **Punitively** (adverb) – Harshly, strictly, severely, unforgivingly, toughly दंडात्मक रूप से
19. **Mandate** (verb) – to order someone to do something
20. **TDS** (noun) – Tax deduct at source.

21. **Restrain** (verb) – curb, check, control, suppress, hold back रोकना
22. **Speculative** (adjective) – done with the aim of making money but also with the risk of losing it सट्टेबाज़ी पर आधारित
23. **Fervour** (noun) – ardour, passion, zeal, vehemence, excitement उत्साह, जोश
24. **Overseas** (adjective) – abroad, foreign, external, offshore विदेशी
25. **Outline** (verb) – summarize, delineate, sketch out, draw, give a rough idea, रेखांकित करना
26. **Reside** (verb) – live (in a certain place) रहना
27. **Framework** (noun) – a system of rules or ideas which help you decide what to do रूपरेखा
28. **Address** (noun) – tackle, see to, deal with, confront, grapple with सुलझाना, निपटाना
29. **Due diligence** (noun) – reasonable steps taken by a person to avoid committing a tort or offence
30. **Jurisdiction** (noun) – authority, control, power, dominion, rule, administration क्षेत्राधिकार
31. **Result in** (phrasal verb) – cause, bring on, call forth, be the cause of (something) to happen परिणामस्वरूप
32. **Check** (verb) – halt, stop, bar, obstruct, hamper, impede, inhibit, रोकना
33. **Tax evasion** (noun) – The illegal nonpayment or underpayment of tax. कर की चोरी
34. **Replicate** (verb) – recreate, repeat, perform again दोहराना
35. **The way forward** (phrase) – the best option or solution because it is likely to lead to success आगे बढ़ने का रास्ता
36. **Bring someone onboard** (phrase) – consider something and deal with it.
37. **Scrutiny** (noun) – Inspection, examination, enquiry जांच
38. **Adoption** (noun) – Acceptance, implementation, espousal, acquiring अपनाना
39. **Mine** (verb) – to use special software to try to obtain new cryptocurrency (= digital currency produced by a public network rather than by a government):
40. **Glare** (noun) – a focus of public attention

Practice Exercise

Direction (Q1 – Q3): Select the best express synonym of the given words [Editorial page]

1. Indian regulators were extremely **concerned** about the surge in trading in crypto assets during the pandemic; about 9 to 11 crore users were estimated to be indulging in speculative trading in these assets.
 - A. Zealous
 - B. Refute
 - C. Strenuous
 - D. Compendium
2. With users able to transact on platforms located in other countries and transfer funds easily across borders, ability to tax these transactions and to halt the misuse of these channels for **illicit** purposes also becomes difficult through unilateral action.
 - A. Unlawful
 - B. Apathy
 - C. Rudimentary
 - D. Infer
3. But the Centre's move to tax gains made in trading crypto assets at punitively high rate in the Union Budget of 2022 and mandating crypto trading platforms to deduct TDS of 1 per cent on sale of these assets have helped restrain this speculative **fervour** effectively.
 - A. Blithe
 - B. Ardour
 - C. Coalesce
 - D. Aesthetic
4. **Idioms & Phrase**

She really **drove home** the message that we need to economize.

 - A. To start working on a plan from the beginning because your previous attempt failed completely
 - B. To say something clearly and with a lot of force so that you are certain people understand it
 - C. To be ready to work immediately on a new activity
 - D. To go beyond the limits of something
5. **Direction: Six statements are given below, which are jumbled in any random order. These statements will form a coherent and meaningful paragraph, when arranged in the correct sequence. Arrange the sentences in the right order and answer the questions that follow.**

The slogans raised by a child at a rally in Kerala's Alappuzha on May 21 were chilling not merely for the death threats that they make.

P. The Islamist group's claim that its rally was to save the Republic does not cut ice, considering its track record and the threatening posturing that it has engaged in, in recent years.

- Q.** Organisers of the rally, the Social Democratic Party of India (SDPI), disowned the slogans, but not in any reassuring manner.
- R.** in SDPI-Rashtriya Swayamsevak Sangh (RSS) rivalry in the State in recent months.
- S.** At least five people have been killed in Kerala
- T.** The fact that an innocent child could be indoctrinated and tutored such that he could call for violence portends a communal storm that is making landfall in the State.
- U.** It is merely using the democratic space and the prevailing environment of Hindutva upsurge to advance its dangerous, nihilistic communal agenda.

Which among the following will be the **Second** sentence of the paragraph after the rearrangement?

- A. P B.T C.U D.Q E.R

Direction (Q6 – Q9): Read the given sentences to find out whether there is any grammatical error in them

6. We went with (A)/ guptas to (B)/ a movie called 'deewar'.(C)/ No error (D)/
7. Once an old (A)/ hermit saw a cat (B)/ pounce upon a rat.(C)/ No error (D)/
8. A computer virus works exactly (A)/ like the biological variety (B)/ which invade the human body. (C)/ No error (D)
9. When I first started my school (A)/ my boys had (B)/ no evident love for music. (C)/ No error (D)
10. **Find out the misspelt word**
 - A. Vacuum
 - B. Withold
 - C. Upholstery
 - D. Tomatoes

Direction: Read the passage given below and answer the following questions.

Public-spirited activists have done good **(A)**/ to challenge in the Supreme Court the premature release of 11 convicts who were **(B)**/ serving life terms for the gang-rape of a woman and **(C)**/ the murder of at least seven people during the 2002 anti-Muslim **pogrom** in Gujarat. **(D)** Bilkis Bano, the survivor, has not moved the courts so far, but it is clear that the controversial order of the Gujarat government, granting remission to the convicts, should be subject to judicial review. That those found guilty of multiple murders, including that of a three-year-old child, and a gang-rape, were found suitable candidates for premature release is unacceptable. Even otherwise there are specific legal grounds to question the government's decision. The remission was based on a direction from a two-judge Bench of the Supreme Court on a petition by one of the convicts. The question to be decided was whether the Gujarat government or the Maharashtra government was the appropriate government for considering their plea for remission. The Court ruled that the State government of Gujarat, where the crime occurred, should consider the matter, and not Maharashtra, the State to which the trial was transferred by the Supreme Court to ensure an _____ **11** _____ trial. While passing this order, the Bench also said the remission should be considered under a policy framed in July 1992, as that was the _____ **12** _____ policy on the date of their 2008 conviction. This meant that the bar on granting

remission to those convicted for murder and rape, found in the current policy, will not apply to these convicts.

First, the State government made a decision on its own without consulting with the Centre. **(1)**/ Under Section 435 of the Code of Criminal Procedure, such consultation with the Centre is mandatory in cases probed by the CBI. **(2)**/ There are at least two grounds on which the remission order appears illegal. **(3)**/ Further, the composition of the committee that recommended remission for the convicts consisted of two BJP legislators. **(4)**/ Ideally, a remission panel should comprise senior government officials in charge of home or law, a district judge, the prison superintendent, and officers who deal with probation and rehabilitation of offenders. The presence of political members certainly _____ **13** _____ its decision. Further, it appears that the objection of the district judge concerned was disregarded, casting a _____ **14** _____ on the legitimacy of the remission. It will be appropriate if the Supreme Court constitutes a Bench of sufficient size to reconsider judgments that allow the remission policy obtaining on the date of conviction, instead of the policy currently in force; as well as decide the question of whether the 'appropriate government' should be the one in the State where the crime took place, or the State to which the trial was transferred on judicial orders. It can also spell out the **reform (A)** of a rational remission policy, one that will be informed by humanitarian **considerations (B)** as well as the scope for **contours (C)** of the offenders and their sense of **remorse (D)**.

Fill in the blank with the most appropriate word given in the option (From Q11 – Q14)

11. The Court ruled that the State government of Gujarat, where the crime occurred, should consider the matter, and not Maharashtra, the State to which the trial was transferred by the Supreme Court to ensure an _____ **11** _____ trial.
 - A. Levity
 - B. Inferring
 - C. Coalescing
 - D. Impartial
12. The Bench also said the remission should be considered under a policy framed in July 1992, as that was the _____ **12** _____ policy on the date of their 2008 conviction
 - A. Forgoing
 - B. Prevailing
 - C. Facetious
 - D. Elliptical
13. The presence of political members certainly _____ **13** _____ its decision.
 - A. Impeccable
 - B. Myopia
 - C. Vitiates
 - D. Clique
14. Further, it appears that the objection of the district judge concerned was disregarded, casting a _____ **14** _____ on the legitimacy of the remission.
 - A. Partisan
 - B. Shadow

- C. Mollifying
D. Vicissitude
15. **The following sentence may or may not contain an error in one of its parts. Identify the part containing the error. If the sentence is correct, select 'No error' as your answers.**
Public-spirited activists have done good **(A)**/ to challenge in the Supreme Court the premature release of 11 convicts who were **(B)**/ serving life terms for the gang-rape of a woman and **(C)**/ the murder of at least seven people during the 2002 anti-Muslim pogrom in Gujarat. **(D)**
- A. (A)
B. (B)
C. (C)
D. (D)
E. No Error
16. **Rearrange the sentence to form a meaningful sentence.**
First, the State government made a decision on its own without consulting with the Centre. **(1)**/ Under Section 435 of the Code of Criminal Procedure, such consultation with the Centre is mandatory in cases probed by the CBI. **(2)**/ There are at least two grounds on which the remission order appears illegal. **(3)**/ Further, the composition of the committee that recommended remission for the convicts consisted of two BJP legislators. **(4)**/
- A. 1234
B. 2341
C. 4321
D. 2143
E. 3124
17. Given below is a word, followed by three sentence that consist of that word. Identify the sentence (S) that best express (es) the meaning of the word. Choose option 5 'None of the above' if the word is not suitable in any of the sentence
- POGROM**
- (i) The **pogroms** of the 1880s drove many westwards to the USA
(ii) The famines and **pogroms** in 19th-century eastern Europe forced many Jewish refugees to emigrate.
(iii) A systematic **pogrom** against southern black Mauritians.
- A. Only (i)
B. Only (ii)
C. Only (iii)
D. (i), (ii)
E. (i), (ii), (iii)
18. **In the following question, a sentence is given with four words marked as (A), (B), (C), and (D). These words may or may not be placed in the correct order. Four options with different arrangements of these have been provided. Mark the option with the correct arrangement as the answer. If no rearrangement is required, mark option (5) as your answer.**

It can also spell out the **reform (A)** of a rational remission policy, one that will be informed by humanitarian **considerations (B)** as well as the scope for **contours (C)** of the offenders and their sense of **remorse (D)**.

- A. C – A
- B. A – D
- C. B – C
- D. D – C
- E. No arrangement

19. **Select the connector from the given options which can be used to form a single sentence from the two sentences given below, implying the same as expressed in the statement sentence.**

- (i) This project was started in an effort to understand how certain kinds of tumors form,
 - (ii) We ended up learning why hair turns gray and discovering the identity of the cell that directly gives rise to hair.
- A. Whereas
 - B. Although
 - C. As soon as
 - D. While

20. **Fill the appropriate preposition in the given blanks**

The P.M. has great influence _____ the people of tribal regions.

- A. Of
- B. From
- C. Over
- D. To

Answers

1. C 2. A 3. B 4. B 5. D 6. B 7. C 8. C 9. A 10. B 11. D 12. B
 13. C 14. B 15. A 16. E 17. E 18. A 19. B 20. C

[\[Practice Exercise\]](#)

Explanations

4. **Drive something home**(phrase) – to say something clearly and with a lot of force so that you are certain people understand it
5. **TQPUSR**
 The slogans raised by a child at a rally in Kerala's Alappuzha on May 21 were chilling not merely for the death threats that they make. The fact that an innocent child could be indoctrinated and tutored such that he could call for violence portends a communal storm that is making landfall in the State. Organisers of the rally, the Social Democratic Party of India (SDPI), disowned the slogans, but not in any reassuring manner. The Islamist group's claim that its rally was to save the Republic does not cut ice, considering its track record and the threatening posturing that it has engaged in, in recent years. It is merely using the democratic space and the prevailing environment of Hindutva upsurge to advance its dangerous, nihilistic communal agenda. At least five people have been killed in Kerala in SDPI-Rashtriya Swayamsevak Sangh (RSS) rivalry in the State in recent months.
6. 'Guptas' के पहले 'the' का प्रयोग होगा क्योंकि किसी surname (उपनाम , कुलनाम) का यदि plural बनाया जाता है तो उसके पहले 'the' का प्रयोग होता है; जैसे -
 i. The Guptas
 ii. The Sharmas
- 'the' will be used before 'Guptas' because if a surname (surname, surname) is made plural, then 'the' is used before it; like -
 i. The Guptas
 ii. The Sharmas
7. 'upon' के बदले 'on' का प्रयोग होगा क्योंकि 'pounce on somebody / something' (किसी व्यक्ति या वस्तु पर झपट्टा मारना) होता है।
 ➤ 'on' will be used instead of 'upon' because 'pounce on somebody / something'.
8. 'Invade' के बदले 'Invades' का प्रयोग होगा क्योंकि relative pronoun 'which' का antecedent 'variety' singular है, और Relative pronouns 'who, which, that' के बाद आनेवाला verb उनके antecedent के number तथा person पर निर्भर करता है।
 ➤ 'Invade' will be used instead of 'Invades' because the antecedent 'variety' of the relative pronoun 'which' is singular, and the verbs following the relative pronouns 'who, which, that' have their antecedent number and person it depends on.
9. 'first' का प्रयोग अनावश्यक है और इसे हटाना पडेगा क्योंकि 'start' का अर्थ ही है 'प्रारंभ करना, शुरू करना'
 ➤ The use of 'first' is unnecessary and has to be removed as 'start' itself means 'to begin'.

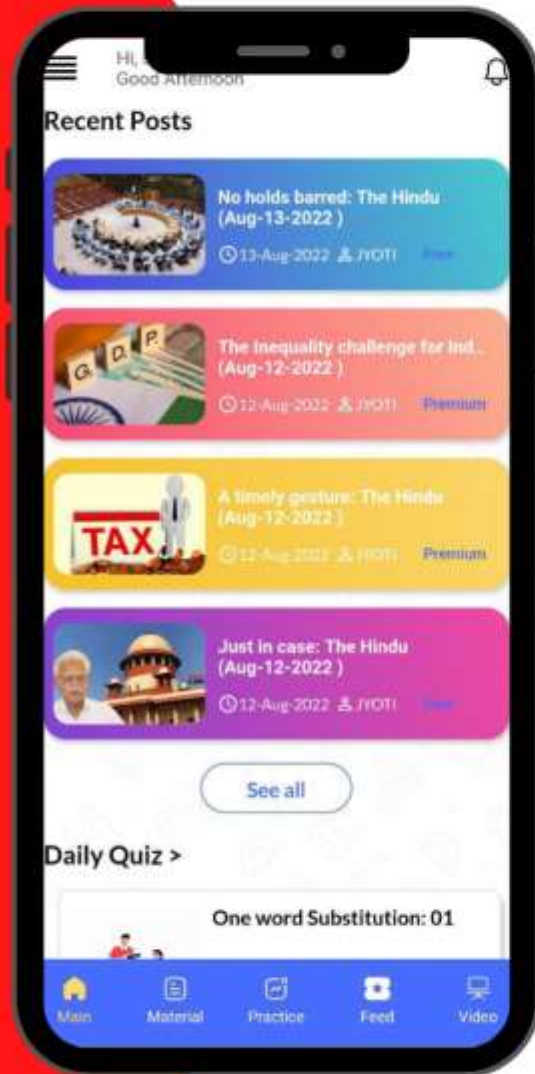
10. **Withhold** (verb) – conceal, deny, suppress, refuse, hold back रोक लेना
11. **Impartial** (adjective) – unbiased, unprejudiced, neutral, non-partisan निष्पक्ष
12. **Prevailing** (adjective) – current, existing, prevalent, be present मौजूदा
13. **Vitiate** (verb) – Destroy or impair the legal validity of. बिगाड़ना, निष्फल करना
14. **Cast a shadow on** (phrase) – to spoil a good situation with something unpleasant असर डालना, उदासी छाना
15. 'Good' के बदले 'Well' का प्रयोग होगा क्योंकि 'Good' Adjective है और adverb (i.e. Well) का प्रयोग होगा !
16. (E) **3124**

There are at least two grounds on which the remission order appears illegal. First, the State government made a decision on its own without consulting with the Centre. Under Section 435 of the Code of Criminal Procedure, such consultation with the Centre is mandatory in cases probed by the CBI. Further, the composition of the committee that recommended remission for the convicts consisted of two BJP legislators.
17. **Pogrom** (noun) – massacre, slaughter, wholesale slaughter, mass slaughter हत्याकांड
According to the given options all are contextually correct.
18. It can also spell out the contours of a rational remission policy, one that will be informed by humanitarian considerations as well as the scope for reform of the offenders and their sense of remorse.
19. **Although** this project was started in an effort to understand how certain kinds of tumors form, we ended up learning why hair turns gray and discovering the identity of the cell that directly gives rise to hair.

Explanation of other important words

Sr.NO	Words		Meanings	
Q1	Zealous	adjective	Enthusiastically devoted to something fervent.	उत्साही
	Refute	verb	To prove to be false; to disprove	झूठा ठहराना
	Compendium	noun	A summary; an abridgment	सारांश
Q2	Apathy	noun	Lack of interest; lack of feeling	उदासीनता
	Rudimentary	adjective	Basic; crude; unreformed or undeveloped	मौलिक
	Infer	verb	To conclude; to deduce	अनुमान करना
Q3	Blithe	adjective	Carefree; cheerful	जिंदादिल
	Coalesce	verb	To come together as one; to fuse; to unite	संगठित होना
	Aesthetic	adjective	Aesthetic, having to do with artistic beauty; artistic	सौंदर्यात्मक
Q11	Levity	noun	Lightness; frivolity; unseriousness	हल्कापन
	Infer	verb	To conclude; to deduce	अनुमान करना
	Coalesce	verb	To come together as one; to fuse; to unite	संगठित होना
Q12	Forgo	verb	To do without; to forbear	त्यागना, छोड़ देना, न लेना
	Facetious	adjective	Humorous; not serious; clumsily humorous	हासकर, ठिठोलिया, मसखरा
	Elliptical	adjective	Oval; missing a word or words; obscure	अंडाकार
Q13	Impeccable	adjective	Flawless; entirely without sin	त्रुटिहीन, निर्दोष
	Myopia	adjective	Nearsightedness; lack of foresight	निकट दृष्टि दोष

	Clique	noun	An exclusive group bound together by some shared quality or interest	गुट
Q14	Partisan	noun	One who support a particular person, cause, idea	पक्षपातपूर्ण
	Mollify	verb	To soften; to soothe; to pacify	शांत करना
	Vicissitude	noun	Upheaval; natural change; change in fortune	भाग्य-परिवर्तन



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