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Test Booklet Series

TEST BOOKLET

C

GENERAL STUDIES (P) 2024 – Test – 4146

Time Allowed: Two Hours

Maximum Marks: 200

INSTRUCTIONS

1. IMMEDIATELY AFTER THE COMMENCEMENT OF THE EXAMINATION, YOU SHOULD CHECK THAT THIS BOOKLET DOES **NOT** HAVE ANY UNPRINTED OR TURN OR MISSING PAGES OR ITEMS, ETC. IF SO, GET IT REPLACED BY A COMPLETE TEST BOOKLET.
2. ENCODE CLEARLY THE TEST BOOKLET SERIES **A, B, C** OR **D** AS THE CASE MAY BE IN THE APPROPRIATE PLACE IN THE ANSWER SHEET.
3. You have to enter your Roll Number on the Test Booklet in the Box provided alongside. **Do NOT** write anything else on the Test Booklet.
4. This Test Booklet contains **100** items (Questions). Each item is printed in **English**. Each item comprises four responses (answers). You will select the response which you want to mark on the Answer Sheet. In case you feel that there is more than one correct response with you consider the best. In any case, choose **ONLY ONE** response for each item.
5. You have to mark all your responses **ONLY** on the separate Answer Sheet provided. See direction in the answers sheet.
6. All items carry equal marks. Attempt all items. Your total marks will depend only on the number of **correct responses** marked by you in the answer sheet. For **every incorrect** response **1/3rd of the allotted marks** will be deducted.
7. Before you proceed to mark in the Answer sheet the response to various items in the Test booklet, you have to fill in some particulars in the answer sheets as per instruction sent to you with your Admission Certificate.
8. After you have completed filling in all responses on the answer sheet and the examination has concluded, you should hand over to Invigilator only the answer sheet. You are permitted to take away with you the Test Booklet.
9. Sheet for rough work are appended in the Test Booklet at the end.

DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ASKED TO DO SO

1. Consider the following statements regarding near money:
1. It refers to non-cash assets that can be easily converted to cash.
 2. The nearness of near money varies depending on the actual time frame required for cash conversion.
 3. The certificates of deposit (CDs) are an example of near money.
- How many of the above statements are correct?
- (a) Only one
 - (b) Only two
 - (c) All three
 - (d) None
2. How many of the following economic activities are **not** included in the estimation of the GDP of a country?
1. Transfer payments
 2. Unpaid work
 3. Stock purchases
 4. Construction of a room in an existing building
- Select the correct answer using the code given below.
- (a) Only one
 - (b) Only two
 - (c) Only three
 - (d) All four
3. Consider the following statements :
- Statement I: In comparison to demand-pull inflation, cost-push inflation is less responsive to monetary policy measures.
- Statement II: Cost-push inflation is driven by supply-side factors and monetary policy may have limited effectiveness in addressing these factors.
- Which one of the following is correct in respect of the above statements?
- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
 - (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
 - (c) Statement-I is correct but Statement-II is incorrect
 - (d) Statement-I is incorrect but Statement-II is correct

4. Consider the following:
1. Corporation Tax
 2. Income Tax
 3. Union Excise Duties
 4. Customs
- Arrange the contribution of the above taxes in decreasing order for the year 2021-22:
- (a) 2-1-4-3
 - (b) 2-1-3-4
 - (c) 1-2-3-4
 - (d) 1-2-4-3
5. With reference to the Periodic Labour Force Reports (PLFS), consider the following statements regarding the last 5 years' trends of employment parameters as per the usual status:
1. In the last five years, the Labour Force Participation Rate (LFPR) has increased.
 2. In the last five years, the Worker Population Ratio (WPR) has increased.
 3. In the last five years, the Unemployment Rate (UR) has declined.
- How many of the statements given above is/are correct?
- (a) Only one
 - (b) Only two
 - (c) All three
 - (d) None
6. Consider the following statements regarding India's GDP on purchasing power parity (PPP):
1. India is the second-largest economy by purchasing power.
 2. Indians enjoy higher purchasing power as goods and services tend to be relatively costlier in India.
- Which of the statements given above is/are correct?
- (a) 1 only
 - (b) 2 only
 - (c) Both 1 and 2
 - (d) Neither 1 nor 2

7. In the context of the Market Stabilization Scheme (MSS), consider the following statements:

1. They are included as a part of the country's 'internal Central Government debt'.
2. The amount raised under the MSS does not get credited to the Government Account.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

8. With reference to the circular flow of income, consider the following:

1. Flow of goods and services
2. Payment of rent for land
3. Flow of wages for labour

How many of the above are considered as real flow?

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

9. Consider the following statements regarding the National Startup Advisory Council (NSAC):

1. It was constituted by the Department for Promotion of Industry and Internal Trade.
2. NSAC advises the Government on measures needed to build a strong ecosystem for nurturing innovation and startups in the country.
3. The Council is headed by the Union Minister of Commerce and Industry.

How many of the statements given above are correct?

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

10. Consider the following statements regarding the regulation of Over The Top (OTT) platforms in India:

1. The OTT platforms are regulated under the Telecommunications Act 2023.
2. The Telecommunications Act 2023 does not empower the government to break the encryption of messages exchanged via OTT platforms.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

11. Which of the following is/are the major objectives of the Palna Scheme?

1. To provide day-care facilities for children (6 months to 6 years) of working mothers
2. To promote institutional deliveries.
3. To monitor compliance of the Maternity Benefit Act, 2017 for setting up creche facilities.

Select the correct answer using the code given below.

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

12. Which of the following statements best describes the Capital Conservation Buffer?

- (a) It is the additional capital which corporates must set aside to repay the debt amount.
- (b) it is the additional funds which the government keeps to face the fiscal crisis situation.
- (c) It is the additional capital which banks are required to hold to withstand periods of stress.
- (d) It is the reserve funds maintained by the RBI to maintain exchange rate stability in case of a flight of capital from domestic markets.

- 13.** Consider the following subsidies:
1. Food Subsidy
 2. Fertiliser subsidy
 3. Petroleum subsidy
- Arrange the above subsidies in decreasing order of their value.
- (a) 1-2-3
 - (b) 1-3-2
 - (c) 2-1-3
 - (d) 3-2-1
- 14.** What does "dynamic scoring" refer to in the evaluation of fiscal policy proposals?
- (a) Assessing the impact of policies on multiple economic variables over time
 - (b) Ignoring the potential long-term effects of fiscal policies
 - (c) Relying solely on historical data for policy analysis
 - (d) Avoiding the consideration of inflationary pressures
- 15.** Consider the following statements regarding the Quarterly Employment Survey (QES):
1. It is conducted by the National Sample Survey Office (NSSO).
 2. It covers establishments with ten or more workers in certain major sectors of the economy.
- Which of the statements given above is/are correct?
- (a) 1 only
 - (b) 2 only
 - (c) Both 1 and 2
 - (d) Neither 1 nor 2

- 16.** With reference to the Reserve Bank of India (RBI), Minimum Reserve System is
- (a) The minimum cash deposits that the scheduled commercial banks have to keep with the RBI.
 - (b) The minimum deposits that the scheduled commercial banks have to keep in the form of government securities.
 - (c) The minimum reserve that RBI has to maintain in the form of gold bullion and foreign currencies.
 - (d) The minimum amount that RBI has to earmark for lending to the state governments.
- 17.** Logistics Ease Across Different States (LEADS) 2023 Report was released by
- (a) NITI Aayog
 - (b) Ministry of Road Transport & Highways
 - (c) Ministry of Consumer Affairs, Food and Public Distribution
 - (d) Ministry of Commerce and Industry
- 18.** *'Investors that provide to startup companies and small businesses that are believed to have long-term growth potential. It generally comes from well-off investors, investment banks and any other financial institutions. However, it does not always take just a monetary form; it can be provided in the form of technical or managerial expertise.'*
- Which of the following types of investments has been described by the passage given above?
- (a) Angel Investment
 - (b) Venture Capital
 - (c) Personal Investment
 - (d) Peer to Peer Lending

19. The term 'Zero Trust Authentication' (ZTA) was recently seen in the news in the context of
- (a) nuclear missiles
 - (b) hypersonic glide vehicles
 - (c) quantum communications
 - (d) cyber security

20. Consider the following indicators:
1. Perceptions of corruption
 2. Maternal Mortality Rate
 3. Labour Market Participation Rate
 4. Life Expectancy at Birth
- How many of the above are considered in computation of the Human Development Index (HDI)?
- (a) Only one
 - (b) Only two
 - (c) Only three
 - (d) All four

21. In the context of National Asset Reconstruction Company Limited (NARCL), consider the following statements:
1. It would house bad loans of Rs.100 crore and above.
 2. It is the first asset reconstruction company where private sector banks hold the majority of the ownership.
 3. It will be capitalised through equity from banks and non-banking financial companies.
- How many of the above statements are correct?
- (a) Only one
 - (b) Only two
 - (c) All three
 - (d) None

22. Recently, World Health Organization (WHO) has recognized Noma as a Neglected Tropical Disease (NTD). In this context, consider the following statements regarding Noma:

1. It is a severe gangrenous disease of the liver and pancreas.
2. It is associated with extreme poverty, malnutrition, and poor access to sanitation.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

23. Consider the following statements regarding the union government's fiscal parameters in the last 5 years:

1. The revenue expenditure has never been more than 10% of GDP.
2. The capital expenditure has never been more than 3% of GDP.
3. The non-tax revenue increased continuously.

How many of the statements given above are correct?

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

24. In the context of national income accounting, consider the following statements:

Statement I: Money supply in an economy is an example of a stock variable.

Statement II: Stocks are defined over a period of time.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
- (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
- (c) Statement-I is correct but Statement-II is incorrect
- (d) Statement-I is incorrect but Statement-II is correct

25. Consider the following statements regarding the Foreign Currency Non-Resident (Bank) (FCNR (B)) account:

- 1. FCNR(B) accounts can be opened by both NRIs and Overseas Corporate Bodies with an authorized dealer.
- 2. Repatriation of funds in FCNR(B) accounts is permitted.
- 3. Deposits in these accounts are not included in India's external debt outstanding.

Which of the statements given above is/are correct?

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

26. Consider the following statements regarding extra-budgetary resources (EBR):

- 1. The repayment of the entire principal and interest of EBR is done from the government budget.
- 2. It is excluded from the fiscal deficit calculations but added to the total debt of the government.
- 3. State governments are not permitted to make Extra Budgetary Borrowings.

How many of the statements given above are correct?

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

27. In the context of macroeconomics, marginal propensity to consume (MPC) refers to

- (a) fraction of total additional income that people use for consumption.
- (b) fraction of total consumption that is incurred on basic necessities like food.
- (c) fraction of income that is put into savings for future consumption.
- (d) fraction of income that is incurred on capital investment.

28. Consider the following statements regarding the United Nations Convention against Corruption (UNCAC):

- 1. It is the only legally binding universal anti-corruption instrument.
- 2. The United Nations Office on Drugs and Crime (UNODC) serves as the custodian of the Convention.
- 3. India has not signed the Convention.

How many of the statements given above are correct?

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

29. Which of the following countries has recently withdrawn from the Organization of the Petroleum Exporting Countries (OPEC)?

- (a) Nigeria
- (b) Qatar
- (c) Libya
- (d) Angola

30. Which of the following represents "built-in inflation"?

- (a) Inflation caused by external factors
- (b) Inflation caused by changes in government policies
- (c) Inflation resulting from automatic increases in wages and prices
- (d) Inflation driven by speculative activities in financial markets

31. Consider the following banks:

1. Scheduled Commercial Banks
2. Regional Rural Banks
3. Urban Co-operative Banks
4. Small Finance Banks
5. Local Area Banks

How many of the above are eligible to participate in the trading of Priority Sector Lending Certificates (PSLC) through Reserve Bank of India's E-Kuber platform?

- (a) Only two
- (b) Only three
- (c) Only four
- (d) All five

32. Consider the following statements regarding the Toll-Operate-Transfer (TOT) Model:

1. The TOT model was designed to encourage private participation in the Highway sector.
2. Under this model, national highways are given on short-term leases to private entities.
3. The TOT operator collects user fees under the prescribed rates by NHAI.

How many of the statements given above are correct?

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

33. In the context of finance, the term 'Total Expense Ratio' refers to

- (a) the amount of capital required to produce one unit of output.
- (b) the loss of potential gain by selecting one share of a company over another.
- (c) the total costs associated with managing and operating a mutual fund.
- (d) the ratio of a bank's capital in relation to its risk weighted assets and current liabilities.

34. Consider the following statements regarding the Payments Infrastructure Development Fund (PIDF) Scheme:

1. It aims to encourage the deployment of payment acceptance infrastructure such as physical Point of Sale (PoS) terminals.
2. PIDF is governed through an Advisory Council and managed and administered by the Ministry of Finance.
3. Beneficiaries of the PM Vishwakarma Scheme have been incorporated as merchants eligible for deployment under PIDF.

How many of the statements given above are correct?

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

- 35.** Consider the following statements:
1. Bond price and bond yield are inversely related.
 2. Bond yield and interest rates are inversely related.
 3. Interest rates and bond prices are inversely related.
- How many of the above statements are correct?
- (a) Only one
(b) Only two
(c) All three
(d) None

- 36.** Consider the following statements regarding surcharge and cess:
1. Proceeds collected from both cess and surcharge will be deposited in the Consolidated Fund of India.
 2. State governments in India cannot impose any cess.
 3. Proceeds of the surcharge are kept as a separate fund after being collected into the Consolidated Fund of India.
- How many of the statements given above are correct?
- (a) Only one
(b) Only two
(c) All three
(d) None

- 37.** Consider the following indexes:
1. Physical Quality of Life Index
 2. Better Life Index
 3. Gross National Happiness Index
 4. Gender Inequality Index
- How many of the above are published by United Nations Development Programme (UNDP)?
- (a) Only one
(b) Only two
(c) Only three
(d) All four

- 38.** What does the concept of "job polarization" in the labor market refer to?
- (a) The simultaneous growth of high-skilled and low-skilled jobs, with a decline in middle-skilled jobs
- (b) The equal distribution of job opportunities across all skill levels
- (c) The elimination of low-skilled jobs and the expansion of high-skilled jobs
- (d) The cyclical nature of employment in the labor market

- 39.** Consider the following statements regarding Gross capital formation:
1. Gross capital formation is a part of the country's total expenditure which is not consumed but added to the nation's fixed tangible assets and stocks.
 2. It represents the excess of current income over current expenditure of various sectors of the economy.
- Which of the statements given above is/are correct?
- (a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2

- 40.** Consider the following statements regarding Windfall Tax:
1. It is imposed when companies increase prices in collaboration with other companies.
 2. It was recently imposed on the pharmaceutical industry in India.
- Which of the statements given above is/are correct?
- (a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2

41. Consider the following statements regarding the National Financial Reporting Authority (NFRA):

1. It is a statutory body constituted under the Goods and Services Tax Act, 2017.
2. NFRA monitors and enforces compliance with accounting standards and auditing standards
3. It also recommends accounting and auditing policies and standards to be adopted by companies.

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

42. Consider the following statements regarding Operation Prosperity Guardian:

1. It is a multinational security initiative launched by the USA.
2. It was launched to aid the safe movement of ships in the South China Sea.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

43. Consider the following statements in the context of Banking Stability Index :

1. The index measures the level of interdependence of financial institutions mainly banks.
2. It is published by The Economist Intelligence Unit.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

44. Consider the following statements with respect to Inverted Duty Structure:

1. Under this, the import duty on finished goods is kept high, while import duty on intermediate goods is kept low.
2. It adversely affects the domestic manufacturing industries.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

45. Consider the following statements regarding Public Debt in India:

1. The proportion of external liability in the public debt of India is more than 10 percent.
2. A major portion of the public debt of India consists of marketable securities.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

46. Which of the following is/are *not* included in the Personal Income?

1. Corporation tax
2. Saving of private corporate sector
3. Transfer income

Select the correct answer using the code given below.

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

47. In the context of economics, the 'Marginal Productive Theory' deals with which of the following four factors of production?

- (a) Labour
- (b) Land
- (c) Capital
- (d) Entrepreneurship

48. Which of the following best describes the term Base effect?

- (a) It refers to the contribution of price changes in the previous year to the current change in inflation.
- (b) It is the impact of the surge in demand due to rapid economic growth.
- (c) It refers to the effect of increasing foreign investments on the economy
- (d) None of the above

49. Which of the following acts are recommended as per the Clean Note Policy of the RBI?

- 1. Write/put rubber stamps
 - 2. Staple the banknotes
 - 3. Use banknotes for making garlands/toys
- Select the correct answer using the code given below.
- (a) 1 and 2 only
 - (b) 1, 2 and 3
 - (c) 1 only
 - (d) None

50. In the context of National Income Accounting, consider the following territories:

- 1. Fishing vessels operated by the residents of India in the international waters
- 2. Military establishments of India located in other countries
- 3. Embassies and consulates of a foreign country located in India
- 4. Offices of international organisations located in India

How many of the above constitute the domestic territory of India?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

51. During a liquidity trap, what step might be taken when traditional monetary policy is ineffective?

- (a) Lowering interest rates further
- (b) Increasing government spending
- (c) Selling government bonds
- (d) Imposing capital controls

52. Consider the following statements regarding the National Sports Awards:

- 1. Major Dhyan Chand Khel Ratna Award is given to honor sportspersons who continue to contribute to the promotion of sports events even after their retirement.
- 2. The Arjuna Award is given for showing qualities of leadership, sportsmanship, and a sense of discipline.
- 3. The Dronacharya Award is given to coaches for doing outstanding and meritorious work.

How many of the statements given above are correct?

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

53. Consider the following statements regarding Tax Inspectors Without Borders (TIWB) program:

1. The initiative enables the sharing of tax audit knowledge and skills with tax administrations in developing countries.
2. It is a joint initiative of the Organisation for Economic Co-operation and Development (OECD) and the United Nations Development Programme (UNDP).

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

54. A Small Finance Bank:

1. should have minimum equity paid-up capital of 500 cr.
2. is required to extend 75 percent of its Adjusted Net Bank Credit (ANBC) to Priority Sector Lending sectors.
3. should have 25% of branches in unbanked areas

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

55. Consider the following:

Statement I: Intermediate goods are not included in the calculation of national income.

Statement II: The inclusion of intermediate goods in national income will lead to the problem of double counting.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
- (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
- (c) Statement-I is correct but Statement-II is incorrect
- (d) Statement-I is incorrect but Statement-II is correct

56. Recently, RBI has released a draft framework on Self-Regulatory Organisations (SROs). In this context, consider the following statements:

1. SROs are government organizations that sets and enforces rules and standards relating to the conduct of its member entities.
2. Entities intending to function as an SRO shall be set up as a not-for-profit company registered under the Companies Act, 2013

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

57. Which of the following is/are the merits of Direct Taxes?

1. They are progressive in nature.
2. They factor in the impact of externalities in the calculation of tax rates.
3. They act as a tool to control inflation.

Select the correct answer using the code given below.

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

58. Consider the following statements:

1. Sand is classified as a major mineral under the Mines and Minerals (Development and Regulations) Act, of 1957.
2. Administrative control over sand mining vests with respective State Governments.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

59. If there is excess demand for certain products in the market leading to their high prices, the central bank can increase the down payment and reduce the number of installments of repayment of such credit. This mechanism of the central bank to check inflation most likely represents the use of which of the following qualitative tools under Monetary Policy?

- (a) Rationing of credit
- (b) Margin Requirements
- (c) Direct Action
- (d) Regulation of consumer credit

60. In the context of the banks, Provisioning Coverage Ratio is calculated by:

- (a) dividing the total value of the bank's provisions for bad loans by the total value of its non-performing assets.
- (b) dividing the bank's capital by its total risk-weighted assets.
- (c) dividing a bank's total loans by its total deposits.
- (d) dividing a bank's operating expenses by its operating income.

61. Consider the following statements with respect to indicators of the Indian Stock market i.e. Sensex and Nifty:

1. Sensex is an index of the top 50 companies traded on the Bombay stock exchange while Nifty is an index of the top 30 companies traded on the National Stock Exchange.
2. For Sensex, the base year is 1978-79 whereas for the Nifty base year is 1995.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

62. The Legal Entity Identifier (LEI) is a global reference number that uniquely identifies every legal entity or structure that is party to a financial transaction, in any jurisdiction. The issuance of LEI in India is under the purview of:

- (a) The Clearing Corporation of India Limited
- (b) The Reserve Bank of India
- (c) Registrar of Companies, Ministry of Corporate Affairs
- (d) National Payments Corporation of India

63. In the context of the economy, what do you understand by the term shadow banking?

- (a) It refers to an illegal foreign exchange market where trading of currency happens outside the conventional banking system.
- (b) It refers to provisions of accessing banking related services without actually going to the bank branch.
- (c) It refers to the non bank financial intermediaries that provide services similar to those of traditional commercial banks.
- (d) It is a term coined to denote the crony capitalism in banks that provide loans to kith and kin of politicians and business conglomerates.

64. Consider the following statements regarding Net Factor Income from Abroad (NFIA):

- 1. It is the difference between the factor income earned by a country from abroad and the factor income paid by a country to the rest of the world.
- 2. NFIA will be positive when the factor income earned from abroad is less than the factor income paid to abroad.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

65. Which of the following is *not* an advantage of buy-back of G-Secs by the Government of India?

- (a) It allows the government to extend the maturity date of outstanding G-Secs.
- (b) It increases liquidity in the secondary G-secs market.
- (c) It reduces the gross fiscal deficit of the Central Government in the current year.
- (d) It eases the redemption pressure on the government in the immediate following year.

66. Consider the following statements :

Statement I: Cyclical unemployment tends to rise during economic downturns.

Statement-II: Cyclical unemployment is associated with fluctuations in the business cycle, and during recessions, businesses may cut back on hiring, leading to higher unemployment rates.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
- (b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
- (c) Statement-I is correct but Statement-II is incorrect
- (d) Statement-I is incorrect but Statement-II is correct

- 67.** Consider the following items :
1. Dividends and profits earned from PSU's
 2. Disinvestment receipts
 3. Provident funds
 4. Revenue earned from direct taxes such as income tax

How many of the above are included in the Consolidated Fund of India?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

- 68.** Which of the following statements best describes the situation of "debt overhang"?

- (a) A situation in which a debt is difficult or impossible to repay because of high-interest rates.
- (b) A situation where all current income gets used up in repaying the accumulated debt.
- (c) A situation in which underlying debt is written off the balance sheet due to the liquidation of borrowers.
- (d) None

- 69.** Which of the following are the functions of Money?

1. Store of Value
2. Unit of Accounting
3. Medium of exchange

Select the correct answer using the code given below.

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

- 70.** Consider the following:

1. Currency (notes and coins)
2. Net demand deposits held by commercial banks
3. Net time deposits of commercial banks
4. Total deposits with Post Office savings organisations (excluding National Savings Certificates)

Which of the above form components of broad money?

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

- 71.** Which of the following terms best described Angel Tax, sometimes seen in the news?

- (a) Tax imposed on unlisted companies exclusively financed by foreign companies.
- (b) Tax imposed on foreign imports to protect local business and market.
- (c) Income tax payable on capital raised by unlisted companies via issue of shares.
- (d) Taxes imposed on capital flows from tax havens.

- 72.** In the context of the Indian Financial System Code (IFSC), consider the following statements:

1. It is an alpha-numeric code that uniquely identifies a bank branch participating in the NEFT system.
2. It's an 11-digit code with the first 4 alpha characters representing the branch, and the last 6 characters representing the bank.
3. There must be a zero in the code.

How many of the above statements are correct?

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

73. What is the difference between Net National Product at Market Price and Gross National Product at Market Price?

- (a) Net Factor Income from abroad
- (b) Depreciation
- (c) Net Indirect Taxes
- (d) Indirect Taxes and Subsidies

74. Consider the following statements regarding the UPI Tap and Pay facility:

- 1. UPI Tap and Pay facility can initiate payments without the need for a quick response (QR) code.
- 2. It utilises Bluetooth technology to capture details about a payee's UPI ID.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

75. Consider the following statements:

- 1. Shares are debt instruments issued by a company with a fixed rate of interest.
- 2. Shareholders do not get any right to vote in company's general meetings.
- 3. Shares are considered riskier investments compared to the debentures.

How many of the above statements are correct?

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

76. Consider the following countries :

- 1. Japan
- 2. India
- 3. USA

In terms of General Government debt to GDP ratio arrange the above countries in decreasing order:

- (a) 1-3-2
- (b) 2-1-3
- (c) 1-2-3
- (d) 3-1-2

77. Consider the following statements regarding Bear Market:

- 1. It is a market that is on the rise.
- 2. In a bear market, investors rush to sell their stocks instead of buying.
- 3. During it the country's economy is strong and employment levels are high.

Which of the statements given above is/are correct?

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

78. Consider the following statements with respect to the RBI Prompt Corrective Action (PCA) Framework:

- 1. RBI may allow PCA banks to incur capital expenditure only to upgrade technology.
- 2. Urban Cooperative banks fall under the regulatory framework of Prompt Corrective Action (PCA).

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

79. Which one of the following best describes the aim of the Reserve Bank of India (RBI) - Retail Direct Scheme?

- (a) Providing financial restructuring of large debted projects by allowing the bank's lender in acquiring equity of the stressed project.
- (b) Regulating retail inflation by directly linking repo rates to bank rates.
- (c) Improving the grievance redress mechanism for resolving customer complaints against RBI's regulated entities.
- (d) Providing a one-stop solution to facilitate investment in Government Securities by individual investors.

80. Which of the following is **not** a transfer payment?

- (a) Public health insurance
- (b) Old age pension
- (c) Unemployment allowance
- (d) Corporate bailouts

81. Consider the following statements regarding the Cost Inflation Index:

- 1. It is notified by the National Sample Survey Office(NSSO) every year.
- 2. It is used for the computation of long-term capital gain.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

82. In the context of Indian defence sector, Project 15B is associated with development of

- (a) stealth guided-missile destroyer
- (b) nuclear powered submarines
- (c) nuclear powered aircraft carrier
- (d) advanced medium combat aircraft

83. Consider the following items of expenditure with respect to the Union government (in 2021-22):

- 1. Defence
- 2. Pensions
- 3. Education
- 4. Interest payments

Arrange the above items in decreasing order.

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

84. Which of the following are considered as leakages from the circular flow of income?

- 1. Saving by households
- 2. Investment
- 3. Spending on imports
- 4. Government spending

Select the correct answer using the code given below.

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

85. Consider the following statements regarding fiscal deficit trends in India in the last 10 years:

1. Fiscal Deficit was the highest in the year 2020-21.
2. It has never been less than 3 percent of GDP.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

86. Consider the following statements regarding Minimum Alternate Tax:

1. It was first introduced through the Special Economic Zones Act, of 2005.
2. It cannot be imposed on companies that are a unit of the International Financial Services Centre and deriving its income solely in convertible foreign exchange.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

87. Consider the following passage:

It is an group of islands that extends from Kamchatka Peninsula (Russia) to Hokkaido Island (Japan). It separates the Sea of Okhotsk from the Pacific Ocean. Russia and Japan both assert sovereignty over this region.

Which of the following is being described in the above given passage?

- (a) Paracel Islands
- (b) Chagos Islands
- (c) Spratly Islands
- (d) Kuril Islands

88. Consider the following statements:

Statement I: Banks generally keep the reserve deposit ratio low.

Statement II: Keeping reserves is costly for banks.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement I and Statement II are correct and Statement II is the correct explanation for Statement I.
- (b) Both Statement I and Statement II are correct and Statement II is not the correct explanation for Statement I.
- (c) Statement I is correct but Statement II is incorrect.
- (d) Statement I is incorrect but Statement II is correct.

89. Consider the following statements regarding the PACE Mission:

1. The mission aims to study the atmosphere of Mars.
2. The PACE Mission was being developed by NASA.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

90. With reference to secondary markets, consider the following statements :

1. In the secondary market, the sale and purchase of existing or second-hand securities take place.
2. The price of securities in a secondary market is fixed by the management of the company issuing them.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

- 91.** Consider the following statements regarding the Antarctic Circumpolar Current (ACC):
1. Antarctic Circumpolar Current is the only current that flows completely around the globe.
 2. It is driven by strong easterly winds.
- How many of the statements given above are correct?
- (a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2
- 92.** What is the concept of the "lump of labor fallacy" in the context of employment?
- (a) The belief that the total amount of work available in an economy is fixed
(b) The idea that workers should be paid based on the quantity of work they produce
(c) The notion that technology always leads to increased employment
(d) The concept that labor is the only factor of production
- 93.** Which of the following is/are part of 'production tax'?
1. Stamps and registration fees
 2. Goods and Services Tax
 3. Tax on profession
- Select the correct answer using the code given below.
- (a) 1 and 2 only
(b) 2 and 3 only
(c) 1 and 3 only
(d) 2 only

- 94.** With reference to the Spot Exchanges, consider the following statements:
1. These are trading platforms which facilitate purchase and sale of specified commodities.
 2. NCDEX Spot Exchange Limited is the only spot exchange currently operating in the country.
- Which of the statements given above is/are correct?
- (a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2
- 95.** With reference to "Income elasticity of demand", which of the following statements is/are correct?
1. Normal goods have a positive income elasticity of demand.
 2. Inferior goods have a negative income elasticity of demand.
- Select the correct answer using the code given below.
- (a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2
- 96.** How many of the following are *not* eligible to be identified as a Social Enterprise to be listed on the Social Stock Exchange (SSE)?
1. For-profit social enterprises
 2. Corporate foundations
 3. Political or religious organizations
 4. Trade associations
- Select the correct answer using the code given below.
- (a) Only one
(b) Only two
(c) Only three
(d) All four

97. Consider the following statements regarding the Akash Weapon System:

1. It is a short range air to air missile system.
2. The weapon system can simultaneously engage multiple targets at short ranges.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

98. Which of the following best defines the Anchor Investors?

- (a) High Net Worth Individuals (HNWI) who invest their own money into start-ups.
- (b) An individual who works as part of a financial institution and is concerned with raising capital for corporates.
- (c) A company that deals mostly in international finance, business loans for companies and underwriting.
- (d) Institutional investors who are offered shares in an Initial Public Offering (IPO) a day before the offer opens.

99. With reference to the Nidhi Company, consider the following statements:

1. They are created mainly to cultivate the habit of savings amongst their members.
2. They can lend money to both their members and nonmembers.
3. They are regulated by the Ministry of Corporate Affairs (MCA).

Which of the statements given above are correct?

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

100. London Interbank Offered Rate (LIBOR) refers to the rate at which

- (a) European banks sell foreign currencies to its customers.
- (b) world's leading banks lend money to Corporates.
- (c) British banks lend money to its international customers.
- (d) world's leading banks charge each other for short-term loans.