

- 1).What are the components included in Aggregate Demand (AD)?

1. Net Exports
2. Government Spending
3. Private investment
4. Consumption

Select the correct answer using the code given below:

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

- 0 mins 34 s
- Explanation
- Status

- There are four components of Aggregate Demand (AD); Consumption (C), Investment (I), Government Spending (G) and Net Exports (X-M).

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- 2).What is the difference between Real GDP and Nominal GDP?

1. Real GDP values are adjusted for inflation, while nominal GDP values are not.
2. Nominal GDP value is usually higher than Real GDP value.
3. Real GDP is expressed in Base year prices but Nominal GDP is expressed in current year prices.

Select the correct answer using the codes given below

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

- 0 mins 27 s
- Explanation
- Status

- 1. Nominal Gross Domestic Product refers to the monetary value of all goods and services produced during the year, within the geographical limits of the country. The economic worth of all goods and services produced in a given year, adjusted as per changes in the general price level is known as Real Gross Domestic Product.
- 2. Nominal GDP is the GDP without the effects of inflation or deflation whereas you can arrive at Real GDP, only after giving effects of inflation or deflation.
- 3. Nominal GDP reflects current GDP at current prices. Conversely, Real GDP reflects current GDP at past (base) year prices.
- 4. The value of nominal GDP is greater than the value of real GDP because while

calculating it, the figure of inflation is deducted from the total GDP.

5. With the help of Nominal GDP, you can make comparisons between different quarters of the same financial year. Unlike Real GDP, in which comparison of various financial years can be made easily because by removing the figure of inflation, the comparison is made only between the outputs produced.

6. Real GDP shows the actual picture of the economic growth of the country, which is not with the case of Nominal GDP.

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• 3).Economic growth in “Country X” will necessarily have to occur if

- a . There is technical progress in the world .
- b . There is population growth in x
- c . There is capital formation in x
- d . The volume of trade grows in the world .

- 0 mins 26 s
- Explanation
- Status

- • Much economic development is not possible without making and using of industrial machinery, making of agricultural tools and implements, building of dams, bridges, factories, roads, railways, airports, ships, ports, harbours, etc., which are all capital. All these capital goods are man-made instruments of production and increase the productive capacity of the .
- From the viewpoint of economic growth capital formation is important because it makes large-scale production and greater degree of specialisation possible. Thus, with capital accumulation the advantages of large-scale production and specialisation are obtained.

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• 4).With respect to Financial Stability Development Council (FSDC), consider the following statements

- 1. It aims to strengthen and institutionalize the mechanism of maintaining financial stability, financial sector development and inter regulatory coordination.
- 2. Governor of the Reserve Bank of India is the chairperson of FSDC.
- 3. It coordinates with international financial sector bodies like Financial Action Task Force (FATF) and Financial Stability Board.

Which of the statements given above are correct?

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

- 0 mins 27 s

- Explanation
- Status

- FSDC is chaired by the Union Finance Minister and its members include.
 1. RESERVE BANK OF INDIA Governor
 2. SEBI Chairman
 3. IRDA Chairman
 PFRDA Chairman and Chief economic advisor, Finance secretary and the secretary of the department of financial services.

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- 5) .Recently the 2016 Nuclear Security Summit was held in Washington, D.C., United States. It was the fourth edition of the conference. In this regard consider the following statements

1. All participating countries voluntarily pledged to take specific actions to increase domestic nuclear security and to work through bilateral or multilateral mechanisms to improve security globally.
2. It was agreed that the International Atomic Energy Agency (IAEA), the INTERPOL, the U.N., the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, and the Global Initiative to Combat Nuclear Terrorism will coordinate the global cooperation on nuclear security.
3. Only signatories to NPT and CTBT can attend this summit.

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

- 0 mins 18 s
- Explanation
- Status

- Nuclear security summit
 - The fourth and final Nuclear Security Summit took place in Washington DC from March 31-April 01, 2016. Despite the initial apprehension about the summits in certain parts of the world, it has been a useful process. With more than 50 countries represented from across the world, the summits elevated the level of awareness of nuclear security. Leaders of established nuclear states began to think about nuclear security in a new way, reducing complacency about the risks of terrorism and sabotage. This thinking took shape in national and multilateral commitments in areas including nuclear security regulation, physical protection of nuclear materials, nuclear forensics, protection against nuclear smuggling, and insider threats and nuclear terrorism.
 - Many participating countries voluntarily pledged to take specific actions to increase domestic nuclear security and to work through bilateral or multilateral mechanisms to

improve security globally.

- At this final summit, Indian Prime Minister Narendra Modi committed to concrete steps that will push India's nuclear security agenda to the next level. These are important not just for the international campaign to improve nuclear security, but also specifically for India. They signalled the continuing opening of India's nuclear establishment and the greater confidence that India has begun to exhibit in its engagement with the global nuclear community. Maybe the most important of these steps is India's decision to join the initiative on strengthening nuclear security implementation.

- In addition, India agreed to join 'gift baskets' in the area of counter-nuclear smuggling, sharing of know-how and best practices through centres of excellence such as India's Global Centre for Nuclear Energy Partnership (GCNEP), and lastly to take forward the summit process through an informal contact group in Vienna.

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- 6).Consider the following statements about Gross National Product (GNP)

1. GNP is the sum of Gross Domestic Product (GDP) and Net Factor Income from Abroad (NFIA).

2. India's GNP has always been lower than its 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

- 0 mins 48 s
- Explanation
- Status

- India's GNP is always lower than its GDP because its Net income from abroad is always negative.

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- 7).Consider the following:

1. Government debts

2. Recoveries of loans and advances

3. Tax Receipts

4. Disinvestments

Which of the above mentioned is/are included into the Capital Account?

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

- 0 mins 25 s
- Explanation
- Status

- Tax receipts are in current account (Revenue receipts and expenditure).

•

• 8).What is Tax expenditure?

- a . Non-recurring expenditure spent by Government in increasing earning capacity of the business.
- b . Amount spent on to improve tax-GDP ratio.
- c . Government expenditure from the tax revenues.
- d . Ratio of total tax revenue collected to the aggregate tax base.

- 0 mins 40 s
- Explanation
- Status

- The divergence between the statutory tax rate and effective tax rate (defined as the ratio of total tax revenue collected to the aggregate tax base) is mainly on account of tax exemptions. Tax expenditure is also termed as 'revenue forgone', but it does not necessarily imply that this quantum of revenue has been waived by the government.

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• 9).When there is an increase in demand for Money and supply of money remaining constant, then it should be followed by

- a . A fall in the level of prices
- b . An increase in the rate of interest
- c . A decrease in the rate of interest
- d . An increase in the level of income and employment

- 0 mins 35 s
- Explanation
- Status

- • Interest rates are determined by the interaction of the quantity supplied and the quantity demanded of money. The quantity supplied of money is determined by the actions of the central bank and the banking system. Suppose that the interest rate is too high in the sense that the quantity of money supplied is greater than the quantity of money demanded. People will respond by purchasing bonds, in which case money will be reduced. The greater demand for bonds will push interest rates down, towards

equilibrium.

- When there is no demand for money, no or little investment going on then interest rates will tend to fall. When interest rates are close to, and in some places even below zero, meaning money is available, but there is no demand for it. No one knows what to do with the money, where to invest it, to produce, because there is little money "out there" that would allow people to buy what is being produced.

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- 10). The white tiger is a pigmentation variant of the Bengal tiger, which is reported in the wild from time to time in various Indian states. Such a tiger has the black stripes typical of the Bengal tiger, but carries a white or near-white coat. In this context where the first White Tiger Safari of the World was opened?

- a . Rajasthan
- b . West Bengal
- c . Madhya Pradesh
- d . Uttarakhand

- 0 mins 11 s
- Explanation
- Status

- Madhya Pradesh Chief Minister Shivraj Singh Chouhan inaugurated the world's maiden 'White Tiger Safari' at Mukundpur in Satna district in the state's Vindhya region where the feline was first discovered more than 100 years ago. The white tiger is a pigmentation variant of the Bengal tiger, which is reported in the wild from time to time in the Indian states of Assam, West Bengal and Bihar in the Sunderbans region and especially in the former State of Rewa. Such a tiger has the black stripes typical of the Bengal tiger, but carries a white or near-white coat.

- 11). Scientists have found that a radio emission, called Fast Radio Burst. What is a Fast Radio Burst?

- a . Powerful spurts of radio energy from a black hole lasting only a few milliseconds.
- b . Sending radio signals simultaneously to more than 10 satellites.
- c . It is the reflection of radio waves by the ionosphere.
- d . These are radio waves produced during earthquakes which help in early detection.

- 0 mins 6 s
- Explanation
- Status

- A fast radio burst (FRB) is a high-energy astrophysical phenomenon manifested as a transient radio pulse lasting only a few milliseconds. These are bright, unresolved, broadband, millisecond flashes found in parts of the sky outside the Milky Way. The

component frequencies of each burst are delayed by different amounts of time depending on the wavelength. This delay is described by a value referred to as a dispersion measure. Fast radio bursts have dispersion measures which are: much larger than expected for a source inside the Milky Way; and consistent with propagation through an ionized plasma. The origin of fast radio bursts is not known. It is conjectured to be extragalactic because of the anomalously high value of pulse dispersion observed. Some have speculated that these signals might be signs of extraterrestrial intelligence.

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- 12). Which of the following parameters are included in the calculation of Human Development Index (HDI)?

1. Standard of Living
2. Women empowerment
3. Level of education
4. Life expectancy

Select the correct answer using the code given below:

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

- 0 mins 31 s
- Explanation
- Status

- The Human Development Index (HDI) is a composite statistic of life expectancy, education, and per capita income indicators, which are used to rank countries into four tiers of human development. A country scores higher HDI when the lifespan is higher, the education level is higher, the GDP per capita is higher, the fertility rate is lower, and the inflation rate is lower. The HDI was developed by the Pakistani economist Mahbub ul Haq working alongside Indian economist Amartya Sen, often framed in terms of whether people are able to "be" and "do" desirable things in their life, and was published by the United Nations Development Programme.

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- 13). The Fiscal Responsibility and Budget Management (FRBM) Act aimed for

1. Eliminating revenue deficit and reducing fiscal deficit
2. To introduce a more equitable and manageable distribution of the country's debts over the years

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

- 0 mins 28 s
- Explanation
- Status

- FRBM Act had the objective of ensuring prudence in fiscal management by eliminating revenue deficit, reducing fiscal deficit, establishing improved debt management and improving transparency in a medium term framework with quantitative targets to be adhered by the state with regard to deficit measures and debt management. The act was also expected to give necessary flexibility to Reserve Bank of India (RBI) for managing inflation in India.

•

- 14) .Consider the following

1. Minimum Alternative Tax
2. Security Transaction Tax
3. Luxury Tax
4. Entertainment Tax

Which of the above mentioned items is/are Direct Tax?

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

- 0 mins 34 s
- Explanation
- Status

- Entertainment and Luxury Tax are Indirect Taxes.

•

- 15) .Consider the following statements about Stand up India Scheme

1. Under this scheme loans are provided to people from Scheduled Castes and Scheduled tribes only.
2. The Stand up India scheme is anchored by Department of Financial Services (DFS) to encourage Greenfield enterprises by entrepreneurs.
3. The Stand up India scheme provides for refinance window through Small Industries Development Bank of India (SIDBI).

Which of the statements given above are correct?

- a . 1 and 3 only
- b . 1 and 2 only

c . 2 and 3 only

d . 1, 2 and 3

- 0 mins 18 s
- Explanation
- Status

- • The Stand Up India scheme focuses on handholding support for both SC/ST and Women borrowers.
- The Stand Up India scheme is anchored by Department of Financial Services (DFS) to encourage greenfield enterprises by SC/ST and women entrepreneurs.
- The Stand Up India scheme is intended to facilitate at least two such projects per bank branch, on an average one for each category of entrepreneur.
- The expected date of reaching the target of at least 2.5 lakh approvals is 36 months from the launch of the Stand Up India scheme.
- The Stand Up India scheme provides for refinance window through Small Industries Development Bank of India (SIDBI) with an initial amount of Rs 10,000 crore.
- The Stand Up India scheme provides for creation of a credit guarantee mechanism through the National Credit Guarantee Trustee Company (NCGTC).

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• 16) .Recently Death Penalty Report was published, the report notes that number of people executed by different countries show an alarming 54% increase over the previous year. This report is published by

- a . International Criminal Court
- b . United Nations Human Rights Council
- c . Amnesty International
- d . Red Cross Society

- 0 mins 16 s
- Explanation
- Status

- There is no explanation for this question.

•

• 17) .Phillips curve explains the relationship between

- a . Rates of taxation and the resulting levels of Government revenue.
- b . Relation between rates of unemployment and corresponding rates of inflation.
- c . Deviation of Distribution of income among individuals or households within an .
- d . Graph depicting the relationship between the price of a certain commodity and the amount of it that consumers are willing and able to purchase at that given price.

- 0 mins 11 s
- Explanation
- Status

- The Phillips curve is a single-equation empirical model, named after A. W. Phillips, describing a historical inverse relationship between rates of unemployment and corresponding rates of inflation that result within an . Stated simply, decreased unemployment, (i.e., increased levels of employment) in an will correlate with higher rates of inflation.

•

- 18). Which of the following is/are the part of Non-tax Revenue receipts?

1. Stamp printing
2. Long-term loans raised by the Government.
3. Fees, Penalties and Fines received by the Government.
4. Grants which the Governments receives.

Select the correct answer using the code given below:

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

- 1 mins 12 s
- Explanation
- Status

- Non-tax Revenue Receipts
 - This includes all money earned by the government from sources other taxes. In India they are—
 - (i) Profits and dividends which the government gets from its public sector undertakings (PSUs).
 - (ii) Interests received by the government out of all loans forwarded by it, be it inside the country (i.e., internal lending) or outside the country (i.e., external lending). It means this income might be in both domestic and foreign currencies.
 - (iii) Fiscal services also generate incomes for the government, i.e., currency printing, stamp printing, coinage and medals minting, etc.
 - (iv) General Services also earn money for the government as the power distribution, irrigation, banking, insurance, community services, etc.
 - (v) Fees, Penalties and Fines received by the government.
 - (vi) Grants which the governments receives—it is always external in the case of the central government and internal in the case of state governments.
 - Long-term loans raised by the government comes under Capital receipts.

•

- 19). Which of the following is/are not part of the Revenue expenditure?

1. Defence expenditures
2. Law and Order expenditures
3. Subsidies forwarded to all sectors by the Government

Select the correct answer using the code given below:

- a . 1 only
- b . 2 and 3 only
- c . 3 only
- d . None of the above

- 0 mins 22 s
- Explanation
- Status

- Revenue Expenditure: All the expenditures incurred by the government are either of revenue kind or current kind or compulsive kind. The basic identity of such expenditures is that they are of consumptive kind and do not involve creation of productive assets. They are either used in running of a productive process or running a government. A broad category of things that fall under such expenditures in India—
 - (i) Interest payment by the government on the internal and external loans;
 - (ii) Salaries, Pension and Provident Fund paid by the government to the government employees;
 - (iii) Subsidies forwarded to all sectors by the government;
 - (iv) Defence expenditures by the government;
 - (v) Postal Deficits of the government;
 - (vi) Law and order expenditures (i.e., police & paramilitary);
 - (vii) Expenditures on social services (includes all social sector expenditures as education, health care, social security, poverty alleviation, etc.) and general services (tax collection, etc.);
 - (viii) Grants given by the government to Indian states and foreign countries.

•

- 20). Consider the following statements about Xenotransplants:

1. It is the organ transplantation between different species.
2. Hearts, lungs or livers can be transplanted from one species to the other
3. It is the most common method used for anti-aging in humans.

Which of the statements given above is/are correct?

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

- 0 mins 4 s
- Explanation
- Status

- • Xenotransplantation is the transplantation of living cells, tissues or organs from one species to another. Such cells, tissues or organs are called xenografts or xenotransplants. It is contrasted with allotransplantation (from other individual of same species), Syngeneic transplantation (Grafts transplanted between two genetically identical individuals of the same species) and Autotransplantation (from one part of the body to another in the same person).
- Xenotransplantation of human tumor cells into immunocompromised mice is a research technique frequently used in pre-clinical oncology research. Human xenotransplantation offers a potential treatment for end-stage organ failure, a significant health problem in parts of the industrialized world. It also raises many novel medical, legal and ethical issues.

- 21). The world's largest messaging app, WhatsApp which is owned by Facebook, has beefed up its security feature for users around the world across all platforms recently. All private communications now would be protected by enabling end-to-end encryption. Consider the following statements about end-to-end encryption:

1. Only the people who are communicating can read the messages sent.
2. Even the company who is providing the messaging service cannot access the cryptographic keys needed to decrypt the conversation.
3. End-to-end encrypted messages are secure as they are never saved in servers.

Which of the statements given above is/are correct?

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

- 1 mins 0 s
- Explanation
- Status

- End-to-end encryption (E2EE) is a system of communication where only the communicating users can read the messages. In principle, it prevents potential eavesdroppers – including telecom providers, Internet providers, and even the provider of the communication service – from being able to access the cryptographic keys needed to decrypt the conversation. The systems are designed to defeat any attempts at surveillance and/or tampering because no third parties can decipher the data being communicated or stored. For example, companies that use end-to-end encryption are unable to hand over texts of their customers' messages to the authorities.

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- 22). Which of the following statement is correct regarding the Primary deficit?

- It is the difference between Revenue receipts and Revenue Expenditure.
- It is the difference between capital receipts and Interest Payment.
- It is the difference between the Fiscal Deficit and Interest Payment.
- It is an addition of Fiscal Deficit and Interest Payment.

- 1 mins 11 s
- Explanation
- Status

- Primary deficit is one of the parts of fiscal deficit. While fiscal deficit is the difference between total revenue and expenditure, primary deficit can be arrived by deducting interest payment from fiscal deficit. Interest payment is the payment that a government makes on its borrowings to the creditors.
- $\text{Primary deficit} = \text{government spending} - \text{tax revenues}$
- $\text{Fiscal deficit} = \text{primary deficit} + \text{interest payments on borrowings}$.

•

- 23). Government can borrow from which of the following institutions?

- Reserve Bank of India
- Scheduled Commercial Banks
- Life Insurance Corporation of India

Select the correct answer using the code given below:

- 1 only
- 1 and 2 only
- 2 and 3 only
- 1, 2 and 3

- 0 mins 21 s
- Explanation
- Status

- Government of India has three main avenues of borrowings:
 - Money printing: it can print its own money, but this has its disadvantages as it may lead to hyper inflation
 - Domestic borrowing: GOI has three avenues
 - Borrow from the central bank: GOI can borrow from RBI , which it mostly does, but it reduces the amount available for other PSB'S and private sector banks, and so less money for us, but, this can depends on how the GOI spends the borrowed money.
 - Float government bonds: the government can float numerous types of bonds to raise long term and short term capital from the markets, but , here too it diverts the money of the investors from capital and private bond markets and makes them invest in GOI BONDS as they're much safer. For example: muni bonds, infrastructure bonds.LIC

hugely subscribes to these bonds.

- Borrow from PSB'S and PRIVATE BANKS: this is rarely followed, as it will really decrease the liquidity in the leading to a shortage of investments and growth. (Again depends on what the government is borrowing for).

3. International Borrowing:

- From friendly countries: India can borrow from other Forex surplus countries, but this greatly depreciates our currency and our Forex reserves, as interest and capital has to be paid back mainly in hot currencies like USD OR EUROS.

- From international organization: This is mostly the route followed by GOI to raise huge amounts of money, we borrow from organizations like IMF, WORLD BANK, the new ones like AIIB and NDB. The interests are comparably low and pay back periods usually long. We have done this successfully from 1970's.

- Float international bonds: GOI may float international, government backed bonds which can be hugely advantageous to us, coz we will be paying the bond interests on our own currency, keeping it near to the Goldilocks rate. For ex-masala bonds.

•

- 24) .What is/are the implications of the huge Fiscal Deficit?

1. Debt Trap

2. Inflation

3. Hampers the future economic growth

Select the correct answer using the code given below:

a . 2 only

b . 1 and 3 only

c . 2 and 3 only

d . 1, 2 and 3

- 0 mins 25 s
- Explanation
- Status

- The implications of fiscal deficit are as follows:

1. Debt Trap:

- Fiscal deficit indicates the total borrowing requirements of the government. Borrowings not only involve repayment of principal amount, but also require payment of interest.

- Interest payments increase the revenue expenditure, which leads to revenue deficit. It creates a vicious circle of fiscal deficit and revenue deficit, wherein government takes more loans to repay the earlier loans. As a result, country is caught in a debt trap.

2. Inflation:

Government mainly borrows from Reserve Bank of India (RBI) to meet its fiscal deficit. RBI prints new currency to meet the deficit requirements. It increases the money supply in the and creates inflationary pressure.

3. Foreign Dependence:

Government also borrows from rest of the world, which raises its dependence on other

countries.

4. Hampers the future growth:

Borrowings increase the financial burden for future generations. It adversely affects the future growth and development prospects of the country.

•

- 25). Consider the following:

1. Primary Deficit
2. Current Account Deficit
3. Gross Fiscal Deficit

Which of the given above is/are considered as Fiscal Indicators?

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

- 0 mins 28 s
- Explanation
- Status

- **Fiscal Indicators:** Gross Fiscal Deficit, Revenue Deficit, Primary Deficit.

•

- 26). What is Twin Balance Sheet Syndrome?

- a . Current account and Capital Account Deficits in Balance of Payment.
- b . Fiscal Deficit and Current Account Deficit
- c . Financial Stress faced by Public Sector Banks and Large Corporate houses.
- d . Financial Stress faced by Public Sector Undertakings and Fiscal Deficit.

- 0 mins 21 s
- Explanation
- Status

- One of the most critical short-term challenges confronting the Indian is the twin balance sheet (TBS) problem—the impaired financial positions of the Public Sector Banks (PSBs) and some large corporate houses—what we have hitherto characterized as the ‘Balance Sheet Syndrome with Indian characteristics’.

•

- 27). Consider the following statements about National Hydrology Project (NHP)

1. It is expected to assist in promoting efficient and equitable use of water, especially

groundwater.

2. It will provide information on quality of water as well.

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

- 0 mins 4 s
- Explanation
- Status

- The National Hydrology Project (NHP) is intended for setting up of a system for timely and reliable water resources data acquisition, storage, collation and management. It will also provide tools/systems for informed decision making through Decision Support Systems (DSS) for water resources assessment, flood management, reservoir operations, drought management, etc. NHP also seeks to build capacity of the State and Central sector organisations in water resources management through the use of Information Systems and adoption of State-of-the-art technologies like Remote Sensing. The NHP will help in gathering Hydro-meteorological data which will be stored and analysed on a real time basis and can be seamlessly accessed by any user at the State/District/village level. The project envisages to cover the entire country as the earlier hydrology projects covered only 13 States.

The components of the proposal are:

- a) In Situ Hydromet Monitoring System and Hydromet Data Acquisition System.
- b) Setting up of National Water Informatics Centre (NWIC).
- c) Water Resources Operation and Management System
- d) Water Resources Institutions and Capacity Building

The NHP will result in the improvement of:

- 1. Data storage, exchange, analysis and dissemination through National Water Informatics Centre.
- 2. Lead time in flood forecast from 1 day to at least 3 days.
- 3. Mapping of flood inundation areas for use by the disaster management authorities.
- 4. Assessment of surface and ground water resources in a river basin for better planning & allocation for PMKSY and other schemes of Govt. of India.
- 5. Reservoir operations through seasonal yield forecast, drought management, SCADA systems, etc.
- 6. Design of SW & GW structures, hydropower units, interlinking of rivers, Smart Cities.
- 7. Fulfilling the objectives of Digital India.
- 8. People Centric approach: The programme envisages ultimate aim for water management through scientific data collection, dissemination of information on water availability in all blocks of the country and establishing of National Water Information Centre. The automated systems for Flood Forecasting is aimed to reduce water disaster ultimately helping vulnerable population. It is people and farmer centric programme as information on water can help in predicting water availability and help farmers to plan

their crops and other farm related activities. Through this programme India would make a place among nations known for scientific endeavours.

Elucidation on the impact of the Project:

- a) Development of real time flood forecasting and reservoir operations in a manner that does not result in sudden opening of gates which inundates the area down below;
- b) It will facilitate integrated water resource management by adopting river basin approach through collation and management of hydro-meteorological data. This will also help in water resource assessment – as surface as well as ground water, for water resource planning, prioritize its allocations and its consumptive use for irrigation;
- c) It will help in providing real time information on a dynamic basis to the farmers about the ground water position for them to accordingly plan their cropping pattern;
- d) This will also help in promoting efficient and equitable use of water particularly of ground water at the village level;
- e) This will also provide information on quality of water.

•

- 28) .Panama disease, which is frequently in news, is related to

- a . Brain growth in new born children
- b . Soil-borne fungus threatening Banana crops
- c . Bio-accumulation of heavy metals in fish
- d . Stunting in children aged below 10 years

- 0 mins 6 s
- Explanation
- Status

- There is no explanation for this question.

•

- 29) .Recently a study conducted by the Gujarat Ecological Education and Research (GEER) to prepare a hierarchy of local trees in India that can reduce the carbon dioxide content of the atmosphere. Which of the following trees have the highest carbon sequestration capacity?

- a . Teak
- b . Mahogany
- c . Sal
- d . Banyan

- 0 mins 18 s
- Explanation
- Status

- There is no explanation for this question.

- 30) .Which of the following sectors/institutions come under the Priority Sector Lending guidelines of the Reserve Bank of India?

1. Marginal farmers
2. Education
3. Renewable energy
4. Small commercial banks

Select the correct answer using the code given below:

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

- 0 mins 36 s
- Explanation
- Status

- Priority Sector refers to those sectors of the which may not get timely and adequate credit in the absence of this special dispensation. Priority Sector Lending is an important role given by the Reserve Bank of India (RBI) to the banks for providing a specified portion of the bank lending to few specific sectors like agriculture and allied activities, micro and small enterprises, poor people for housing, students for education and other low income groups and weaker sections.. This is essentially meant for an all round development of the as opposed to focusing only on the financial sector.

• The RBI has modified Priority Sector Lending norms after the recommendations of the Internal Working Group in 2015. Changes in classification of the priority sectors and targets were also made as per the new norms. Following are the main categories of PSL (credit percentage are expressed in terms of Adjusted Net Bank Credit or ANBC or Credit Equivalent Amount of Off-Balance Sheet Exposure; whichever is higher):

Categories under priority sector

Agriculture 18%: Within the 18 percent target for agriculture, a target of 8 percent of ANBC is prescribed for Small and Marginal Farmers.

Micro, Small and Medium Enterprises 7.5 percent.

Export Credit: Incremental export credit up to 2 percent for domestic banks and foreign banks with 20 branches and above.

Education: Loans to individuals for educational purposes including vocational courses upto Rs 10 lakh.

Housing: Loans to individuals up to Rs 28 lakh in metropolitan centres (with population of ten lakh and above) and loans up to Rs 20 lakh in other centres for purchase/construction of a dwelling unit per family.

Social Infrastructure: Bank loans up to a limit of Rs 5 crore per borrower for building social infrastructure for activities namely schools, health care facilities, drinking water facilities and sanitation facilities in Tier II to Tier VI centres.

Renewable Energy: Bank loans up to a limit of Rs 15 crore to borrowers (individual

households- Rs 10 lakh) including for public utilities viz. street lighting systems, and remote village electrification.

Others: SHG, JLG etc.

- From the above categories a subcategory called Weaker sections is also identified so that they can get special preference under PSL. The new regulations stipulate that banks should give 10% of their loans to the weaker sections. Weaker sections include: Small Marginal Farmers, artisans, village and cottage industries with a credit limit upto Rs 1 lakh, beneficiaries of certain government sponsored schemes, SC/STs, SHGs, persons with disabilities, overdrafts upto Rs 5000 under PMJDY, distressed persons, individual women beneficiaries up to Rs 1 lakh, beneficiaries of differential interest rate regime.
- Several changes are made (2015) in PSL norms by the RBI after the working group (2014) recommendations. The changes include new categories of PSL: medium enterprises, social infrastructure and renewable energy. A separate target for small and marginal farmers (7.5%) and microenterprises (8%) and weaker sections (10%) and inclusion of food and agro processing units under agriculture are the major changes. The priority sector non-achievement will be assessed on quarterly average basis at the end of the respective year from 2016-17 onwards, instead of annual basis as at present.
- Banks (SCBs) having shortfall in lending to priority sector/subsectors vis-avis the stipulated targets, are required to contribute to the funds of Rural Infrastructure Development Fund (RIDF) and similar funds set up with National Bank of Agriculture and Rural Development (NABARD) / Small Industries Development Bank of India (SIDBI) / National Housing Bank (NHB).
- PSL norm for foreign banks
- Another modification is the PSL made by the RBI after the recommendations of the Working group is related with foreign banks. Foreign Banks with 20 branches and above already have priority sector targets of 40% and sub-targets for Agriculture and Weaker Sections. These targets are to be achieved by March 31, 2018 as per the action plans approved by RBI. Foreign banks with less than 20 branches will move to total Priority Sector target of 40 percent by 2019-20. The sub-target for MSME sector will be made in 2018.
- The Priority sector lending certificates are also introduced by the RBI as part of the modifications to the existing PSL norms.

- 31) .Consider the following statements about Payment Banks:

1. They can accept demand deposits.
2. They will have a wide network of access points particularly in remote areas.
3. They can provide small loans.

Which of the statements given above is/are correct?

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

- 0 mins 33 s
- Explanation
- Status

- Both Payments Banks and Small Banks are ‘niche’ or ‘differentiated’ banks with the common objective of furthering financial inclusion. Small banks will provide a whole range of banking products — deposits and loans — but in a limited area of operation.
- Payments Banks will provide a limited range of products such as acceptance of demand deposits and remittances of funds, but will have a wide network of access points particularly in remote areas. It is expected that they will supplement their own network with business correspondents and even depend on network provided by others. Technology will be extensively used to add value.

•

- 32) .Non-Banking Financial Companies (NBFCs) are companies that are engaged in which of the following activities?

1. Merchant banking
2. Stock broking
3. Investment business
4. Chit fund

Select the correct answer using the code given below:

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

- 0 mins 16 s
- Explanation
- Status

- NBFCs in India include not just the finance companies that the general public is largely familiar with; the term also entails wider group of companies that are engaged in investment business, insurance, chit fund, Nidhi, merchant banking, stock broking, alternative investments, etc., as their principal business. All are though not under the regulatory purview of the Reserve Bank.

•

- 33) .The National Green Tribunal (NGT) has suspended the Union Environment Ministry’s clearance for the hydro power project in Tawang, Arunachal Pradesh. It was suspended to protect which of the following species?

- a . Spoon billed sandpiper
- b . Black necked crane
- c . Jerdon’s Courser
- d . Great Indian Bustard

- 0 mins 24 s
- Explanation

- Status

- • The National Green Tribunal (NGT) has suspended the Union Environment Ministry's clearance for the project granted in 2012. The clearance, the court noted, didn't consider the impact of the hydro project — promoted by Noida-based textile-to-steel conglomerate, LNJ Bhilwara Group — on the habitat of the black-necked crane, a species that breeds on the Tibetan plateau and migrates to Tawang for the winter. The bird, most commonly found in China, is legally protected in Bhutan and India and is considered sacred to certain Buddhist traditions.
- The black-necked crane is rated as 'vulnerable' in the International Union for Conservation of Nature (IUCN) list of endangered species and is listed in India's Wildlife Act as a Schedule 1 species, which gives animals and birds the highest legal protection. Other species that are found in the region include the red panda, the snow leopard and the Arunachal macaque *Macaca munzala*.

•

- 34). Consider the following statements regarding World Investment Report (WIR)
 1. It provides the latest data and analysis of Foreign Direct Investment (FDI) and other activities of transnational corporations, as well as the policies to regulate them at the national and international levels.
 2. It is released by the World Economic Forum (WEF).
 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

- 1 mins 19 s
- Explanation
- Status

- World Investment Report
 - It is being released by UNCTAD.
 - India continues to be among the top ten countries in terms of foreign direct investment (FDI) inflows globally and the fourth in developing Asia, as per the World Investment Report 2016 by the United Nations Conference for Trade and Development (UNCTAD).

•

- 35). Which of the following is/are examples of pre-paid payment instruments?
 1. Smart cards
 2. Credit cards

3. Mobile wallets

Select the correct answer using the code given below:

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

- 0 mins 34 s
- Explanation
- Status

- Pre-paid instruments are payment instruments that facilitate purchase of goods and services against the value stored on these instruments. The value stored on such instruments represents the value paid for by the holders by cash, by debit to a bank account, or by credit card. The pre-paid payment instruments can be issued in the form of smart cards, magnetic stripe cards, internet accounts, internet wallets, mobile accounts, mobile wallets, paper vouchers, etc.

•

- 36) .Economic survey 2015-16 states that the global macroeconomic landscape is characterized by weak growth. Which of the following will exacerbate this situation?

- 1. Reduction in crude oil prices
- 2. Turbulent financial markets
- 3. Volatile exchange rates

Select the correct answer using the code given below:

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

- 0 mins 32 s
- Explanation
- Status

- Self Explanatory. For further information, please refer Economic Survey – 2015/16.

•

- 37) .The analogy of Chakravyuha was used by the Economic survey 2015-16 in which of the following context?

- a . Preparing plans for combating terrorism.
- b . To exit the recession cycle and follow the growth path.
- c . Helping stalled projects and businesses to exit from the market.

d . Lifting poor from the vicious cycle of poverty.

- 0 mins 14 s
- Explanation
- Status

- Key to creating a more competitive environment will be to address the exit (the Chakravyuha) problem which bedevils the Indian and endures as an impediment to investment, efficiency, job creation and growth. The Indian had moved from socialism with restricted entry to “marketism” without exit. The government is undertaking a number of initiatives such as introducing a new bankruptcy law, rehabilitating stalled projects, and considering guidelines for public private partnerships that can help facilitate exit, thereby improving the efficiency of the .

•

- 38) .Advance Estimates of GDP is released by
a . Central Statistical Organisation (CSO)
b . Department of Economic Affairs (DEA)
c . National Sample Survey Organisation (NSSO)
d . Chief Economic Advisor (CEA)

- 0 mins 6 s
- Explanation
- Status

- There is no explanation for this question.

•

- 39) .World Press Freedom Index reflects the degree of freedom that journalists, news organizations, and netizens enjoy in each country, and the efforts made by the authorities to respect and ensure respect for this freedom. It is published by
a . Associated Press
b . World Bank
c . Reporters without Borders
d . World Economic Forum

- 0 mins 26 s
- Explanation
- Status

- The Press Freedom Index is an annual ranking of countries compiled and published by Reporters Without Borders based upon the organization's assessment of the countries' press freedom records in the previous year. It reflects the degree of freedom that journalists, news organizations, and netizens enjoy in each country, and the efforts made by the authorities to respect and ensure respect for this freedom. Reporters Without Borders is careful to note that the index only deals with press freedom and does not measure the quality of journalism nor does it look at human rights violations in general.

•

- 40). Which of the following sector has attracted the highest percentage of Foreign Direct Investment (FDI) in India in the year 2015?

- a . Manufacturing
- b . Service Industries
- c . Infrastructure
- d . Pharmaceutical

- 0 mins 12 s
- Explanation
- Status

- There is no explanation for this question

- 41). Which of the following are considered as the objectives of JAM trinity?

- 1. Reduce leakages
 - 2. Reduce idle funds
 - 3. Lower corruption
 - 4. Improve ease of doing business with Government
- Select the correct answer using the code given below:

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

- 0 mins 11 s
- Explanation
- Status

- Economic Survey: Introduction of DBT in LPG and MGNREGS have proved that use of JAM can considerably reduce leakages, reduce idle funds, lower corruption and improve ease of doing business with the government.

•

• 42) .Given the deterioration in asset quality in Banks, which of the following recommendations is appropriate?

- a . Mandatory Implementation of Know Your Customer (KYC) norms.
- b . Gradual implementation of Basel III norms.
- c . Refinancing of Asset reconstruction companies.
- d . Both B and C

- 0 mins 23 s
- Explanation
- Status

- The survey recommends that given the deterioration in asset quality and gradual implementation of Basel III, banks will have to improve their capital positions to meet unforeseen losses in future.

•

• 43) .Gross Fixed Capital Formation (GFCF) or Fixed Investment refers to

- a . The total value of goods and services produced in a country in a given year.
- b . The value of new machinery and equipment installed plus the value of new construction activity undertaken during the year.
- c . The value of public and private savings combined with the private investment in a given year.
- d . The total value of increase in the stocks of capital

- 1 mins 55 s
- Explanation
- Status

- Gross fixed capital formation or fixed investment mainly refers to the value of new machinery and equipment plus the value of new construction activity undertaken during the year.

•

• 44) .There are eight Core Industries in the Index of Industrial Production (IIP). Which among the following is not one of them?

1. Crude oil
2. Textile
3. Oil refining
4. Fisheries

Select the correct answer using the code given below:

- a . 3 and 4 only
- b . 2, 3 and 4 only
- c . 2 and 4 only

d . 1, 2 and 4

- 0 mins 27 s
- Explanation
- Status

- The Eight Core Industries are Coal, Cement, Electricity, Crude Oil, Refinery products, Steel, Fertilizers and Natural Gas, which have the following weights in IIP.

•

- 45) .Ministry of Health & Family Welfare had constituted an Expert Committee under the Chairmanship of Prof. Ranjit Roy Chaudhury to formulate policy and guidelines for approval of new drugs, clinical trials and banning of drugs. In this regard consider the following statements
1. Clinical trials can only be carried out at centres which have been accredited for such purpose.
2. The Government of India, state governments and institutions should create a fund in order to encourage academic and clinical research.
3. In cases of clinical trials being carried out on patients suffering from terminal illnesses such as cancer, compulsory compensation should be payable.

Which of the statements given above is/are correct?

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

- 0 mins 23 s
- Explanation
- Status

- There is no explanation for this question.

•

- 46) .Recently the Indian President has paid the first ever State visit to which of the following pacific island nations?

- a . Papua New Guinea
- b . Tasmania
- c . Hawaii
- d . Taiwan

- 0 mins 20 s
- Explanation
- Status

- There is no explanation for this question.

•

- 47) .Consider the following statements regarding the Marginal Standing Facility (MSF)

1. MSF functions as the last resort for banks to borrow short term funds.
2. MSF is on the line of the existing Liquidity Adjustment Facility (LAF) and is part of it.
3. Being a penal rate, MSF is a costlier route than Repo.
4. MSF is linked to the Net Demand and Time Liabilities (NDTL) of the banks.

Which of the statements given above is/are correct?

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

- 0 mins 41 s
- Explanation
- Status

- RBI announced this route in 2011-12 as penal route for the banks to borrow once they have exhausted all borrowing option, i.e., the repo route. MSF rate is regulated by the RBI above the correct repo rate. This route can be used by banks only overnight borrowings and is linked to their net demand and time liabilities (NDTL).

•

- 48) .Which of the following actions can combat deflation?

1. Increasing money supply
2. Decreasing cash reserve ratio
3. Increasing statutory liquidity ratio

Select the correct answer using the code given below:

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

- 0 mins 34 s
- Explanation
- Status

•

•

- 49).Consider the following statements about Peer to Peer lending
 1. Lending is done through an online platform that matches lenders with borrowers
 2. It is a secured way for the lenders.
 3. The borrower can either be an individual or a business requiring a loan

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

- 0 mins 14 s
- Explanation
- Status

- There is no explanation for this question.

•

- 50).Laser walls have been made operational along the international border to plug the porous riverine and treacherous terrain and keep an effective vigil. It was established along the border of India and

- a . Pakistan
- b . Bangladesh
- c . China
- d . Myanmar

- 0 mins 7 s
- Explanation
- Status

- Laser walls have been made operational along the India-Pakistan international border in Punjab to plug the porous riverine and treacherous terrain and keep an effective vigil against intruders and terrorists exploiting the frontier areas to cross over

- 51).What is e-Kuber?

- a . Electronic transfer of Debt instruments from the primary holder to secondary holder.
- b . A computerised system of Reserve Bank of India facilitating remittance of funds from a bank's surplus account at one location to its deficit account at another.
- c . A new payment gateway for buying and selling stocks in the secondary market.
- d . A scheme through which new entrepreneurs can initiate public offerings online.

- 0 mins 5 s
- Explanation
- Status

- The Reserve Bank also facilitates remittance of funds from a bank's surplus account at one location to its deficit account at another. Such transfers are electronically routed through a computerised system called e-Kuber. The computerisation of accounts at the Reserve Bank has greatly facilitated banks' monitoring of their funds position in various accounts across different locations on a real-time basis.

•

- 52). Consider the following statements about Pradhan Mantri Mudra Yojana (PMMY)

1. It seeks to offer refinance products having a loan requirement upto Rs.10 lakh and support to micro finance institutions (MFI) by way of refinance.
2. It aims to provide formal bank credit to the more than 5.7 crore existing informal sector micro enterprises.
3. PMMY are categorized into three buckets of finance named Shishu, Kishor and Tarun.

Which of the given above mentioned statements are correct?

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

- 1 mins 56 s
- Explanation
- Status

- In pursuance of the announcement in the Union Budget 2015-16 of the setting up of a Micro Units Development Refinance Agency (MUDRA) to refinance last mile financiers, the Pradhan Mantri Mudra Yojana (PMMY) has been launched on 8 April 2015. MUDRA seeks to offer refinance products having a loan requirement up to Rs.10 lakh and support to micro finance institutions (MFI) by way of refinance. The products designed under the PMMY are categorized into three buckets of finance named Shishu (loan up to R50,000), Kishor (R50,000 to R5 lakh) and Tarun (Rs.5 lakh to R10 lakh) based on the stage of growth/development of the micro business units, with about 60 per cent of the allocation to Shishu. The PMMY aims to provide formal bank credit to the more than 5.7 crore existing informal sector micro enterprises and many more aspiring micro entrepreneurs in the country.

•

- 53). Consider the following statements:

1. Frictional unemployment is the time period between jobs when a worker is searching for or transitioning from one job to another.
2. Structural unemployment occurs when there is a mismatch between the skills of the unemployed workers and the skills needed for the available jobs.

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

- 0 mins 26 s
- Explanation
- Status

- Unemployment may be defined as “a situation in which the person is capable of working both physically and mentally at the existing wage rate, but does not get a job to work”.
 - **Disguised Unemployment:** It is a situation in which more people are doing work than actually required. Even if some are withdrawn, production does not suffer. In other words it refers to a situation of employment with surplus manpower in which some workers have zero marginal productivity.
 - **Seasonal Unemployment:** It is unemployment that occurs during certain seasons of the year. In some industries and occupations like agriculture, holiday resorts, ice factories etc., production activities take place only in some seasons. So they offer employment for only a certain period of time in a year. People engaged in such type of activities may remain unemployed during the off-season.
 - **Cyclical Unemployment:** It is caused by trade cycles at regular intervals. Generally capitalist economies are subject to trade cycles. The down swing in business activities results in unemployment. Cyclical unemployment is normally a short-run phenomenon.
 - **Structural Unemployment:** This type of unemployment arises due to drastic changes in the economic structure of a country. These changes may affect either the supply of a factor or demand for a factor of production. Structural unemployment is a natural outcome of economic development and technological advancement and innovation that are taking place rapidly all over the world in every sphere.
 - **Chronic Unemployment:** If unemployment continues to be a long term feature of a country, it is called chronic unemployment. Rapid growth of population and inadequate level of economic development on account of vicious circle of poverty are the main causes for chronic unemployment.
 - **Frictional Unemployment:** Frictional unemployment is caused due to improper adjustment between supply of labour and demand for labour. This type of unemployment is due to immobility of labour, lack of correct and timely information, seasonal nature of work. etc.

•

- 54) .Consider the following statements about JUNO
 1. It is a solar powered spacecraft.
 2. It will probe for the evidence of a dense inner core in Saturn.
 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

- 0 mins 11 s
- Explanation
- Status

- There is no explanation for this question.
-

• 55) .Consider the following statements about Foreign Currency Non-Resident (FCNR) deposits:

1. They are demand deposits maintained in foreign currency.
2. The deposits can be made in any foreign currency which is freely convertible.

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

- 0 mins 44 s
- Explanation
- Status

- • An FCNR account is a term deposit account that can be maintained by NRIs and PIOs in foreign currency. Thus, FCNRs are not savings accounts but fixed deposit accounts.
- Prior to 2011, FCNR deposits were allowed to be maintained in six currencies: US dollar, Pound Sterling (GBP), Euro, Japanese Yen, Australian dollar and Canadian dollar. However, in October 2011, the RBI decided that authorised dealer banks in India may be permitted to accept FCNR deposits in any permitted currency. 'Permitted currency' for this purpose would mean a foreign currency which is freely convertible and popularly include Danish Krone, Swiss Franc and Swedish Krona among others.
- The funds in an FCNR account must necessarily come from your overseas funds. There are several ways in which you can open an FCNR account.
- You can transfer funds from your overseas bank account directly to open an FCNR account. You can do this either as a wire transfer or a cheque transaction.
- You can transfer funds from an existing NRE account.
- You can open an FCNR account using foreign currency notes or travellers cheques when you visit India.

•

• 56) .Consider the following statements

1. EXIM bank is fully owned by Government of India.

2. RBI is the regulatory authority for Regional Rural Banks (RRB).
 3. National housing bank is a fully owned subsidiary of Reserve Bank of India.
 Which of the statements given above is/are not correct?

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

- 1 mins 2 s
- Explanation
- Status

- • NABARD is the regulatory authority for Regional Rural Banks (RRB).
 • NABARD was established on the recommendations of B. Shivaraman Committee, on 12 July 1982 to implement the National Bank for Agriculture and Rural Development Act 1981. It replaced the Agricultural Credit Department (ACD) and Rural Planning and Credit Cell (RPCC) of Reserve Bank of India, and Agricultural Refinance and Development Corporation (ARDC). It is one of the premier agencies providing developmental credit in rural areas. NABARD is India's specialised bank for Agriculture and Rural Development in India. It regulates the cooperative banks and the RRB's, and manages talent acquisition through IBPS CWE.

•

- 57) .Financial market is classified into money market and capital market. Which of the following are money market instruments?

- 1. Treasury Bills
- 2. Preference shares
- 3. Commercial papers

Select the correct answer using the codes given below.

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

- 0 mins 37 s
- Explanation
- Status

- The short-term debts and securities sold on the money markets—which are known as money market instruments—have maturities ranging from one day to one year and are extremely liquid. The Treasury bills are short-term money market instrument that mature in a year or less than that. Commercial Paper is short-term loan that is issued by a

corporation use for financing accounts receivable and inventories. **Preference shares are capital market instrument.**

•

- 58). With reference to the Financial Sector Legislative Reforms Commission (FSLRC) recommendations, consider the following statements

1. Setting up of the Unified Financial Agency for the regulation and monitoring of all financial market related functions.
2. Financial Sector Appellate Tribunal to be set up to hear appeals regarding the financial sector.
3. Financial Redress Agency to be established to redress the consumer grievances.

Which of the statements given above are correct?

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

- 0 mins 7 s
- Explanation
- Status

- • The Financial Sector Legislative Reforms Commission (FSLRC) is a body set up by the Government of India, Ministry of Finance, on 24 March 2011, to review and rewrite the legal-institutional architecture of the Indian financial sector. This Commission is chaired by a former Judge of the Supreme Court of India, Justice B. N. Srikrishna and has an eclectic mix of expert members drawn from the fields of finance, economics, public administration, law etc.
- The model of the proposed regulatory architecture will comprise the following agencies:
 - The central bank as the monetary authority, banking regulator and payment system regulator.
 - A unified regulator for the rest of the financial sector.
 - A deposit insurance-cum-resolution agency.
 - A public debt management agency.
 - A financial redressal agency.
 - A financial sector appellate tribunal.
 - A mechanism for coordination, systemic risk, financial development and other issues where the role of multiple agencies are involved (FSDC/similar to FSDC).

•

- 59). Consider the following statements about Interest Subvention Scheme 2016-17

1. Through this scheme farmers can avail short term crop loan upto one year.
2. Interest subvention for providing short term crop loan to farmers has been provided to Public

Sector, Private Sector, Cooperative, Regional Rural banks and NABARD.

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

- 0 mins 13 s
- Explanation
- Status

- Interest Subvention Scheme for farmers for year 2016-17
 - The Union Cabinet has approved the Interest Subvention Scheme for farmers for the year 2016-17.
 - The scheme will help farmers getting short term crop loan payable within one year up to 3 lakhs Rupees at only 4% per annum. Interest subvention for providing short term crop loan to farmers has been provided to Public Sector, Private Sector, Cooperative, Regional Rural banks and NABARD.

•

- 60) .The Directorate of Revenue Intelligence (DRI) strives to eradicate the smuggling of

- 1. Drugs
- 2. Gold
- 3. Foreign currency
- 4. Counterfeit Indian Currency

Select the correct answer using the code given below:

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

- 0 mins 9 s
- Explanation
- Status

- The Directorate of Revenue Intelligence (DRI) is an Indian intelligence agency. The Directorate is run by officers from Central Excise and Customs. The organisation runs on much smaller staff than other intelligence agencies such as IB or state police organisations. Though its early days were committed to combating the smuggling in of gold, it now also addresses narcotics and economic crimes. DRI routinely makes fake Indian currency note seizures. In the last 5 years, the DRI has seized more than 540 kg of heroin and 7,409 kg of ephedrine along with other narcotics and psychotropic substances.

- 61).Consider the following statements regarding the Monetary Policy Committee in India
 1. It is headed by the Union Finance Minister.
 2. It aims to fix the repo rate to contain inflation within the specified target.
 3. It abandons the 'multiple indicator' approach and make 'inflation targeting' approach as the primary objective of the monetary policy.

Which of the statements given above are correct?

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

- 0 mins 57 s
- Explanation
- Status

- It is headed by the RBI governor and other members include Dy. Governor (RBI), one official nominated by RBI and three persons nominated by the Government of India.

•

- 62).To prevent the changing of food habit and to promote traditional food consumption, imposing Fat Tax is considered as a proper measure. In this context, for the first time which of the following state in India has recently introduced a 'Fat tax'?

- a . Karnataka
- b . Kerala
- c . Delhi
- d . Bihar

- 0 mins 10 s
- Explanation
- Status

- • The Kerala government has proposed a 14.5 per cent 'fat tax' on burgers, pizzas and other junk food served in branded restaurants which officials from the quick service industry termed as 'detrimental' to consumption while some indicated the levy may not be passed on to customers.
- Fat tax on junk food, a reality in European countries such as Denmark and Hungary, looks out of place in a market barely recovering from a six-quarter back-to-back slump in eating out. This is more of a preventive measure as Kerala's food habits are changing dramatically. People are eating a lot of junk food and rejecting traditional food. Kerala has the most number of people suffering from obesity after the northern state of Punjab in India, according to a national family health survey. With increasing affluence, lifestyle diseases are on the rise and the government aims to check this with the fat tax.

•

• 63) .Which of the following states are coming under Armed Forces Special Powers Act (AFSPA)?

1. Assam
2. Sikkim
3. Jammu and Kashmir
4. Nagaland

Select the correct answer using the code given below:

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

- 0 mins 17 s
- Explanation
- Status

- Armed Forces (Special Powers) Acts (AFSPA), are Acts of the Parliament of India that grant special powers to the Indian Armed Forces in what each act terms "disturbed areas". According to The Disturbed Areas (Special Courts) Act, 1976 once declared 'disturbed', the area has to maintain status quo for a minimum of 3 months. One such act passed on September 11, 1958 was applicable to the Naga Hills, then part of Assam. In the following decades it spread, one by one, to the other Seven Sister States in India's northeast. Another one passed in 1983 and applicable to Punjab and Chandigarh was withdrawn in 1997, roughly 14 years after it came to force. An act passed in 1990 was applied to Jammu and Kashmir and has been in force since.

•

• 64) .With reference to Repo Rate, consider the following functions

1. It is the rate at which Reserve Bank of India lends to commercial banks against the pledge of the G-secs.
2. Repo rate functions as the benchmark rate for the inter-bank short term money market.
3. Increase in the repo rate will make the loans costly.

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

- 0 mins 36 s
- Explanation
- Status

- Repo rate is the rate at which the central bank of a country (Reserve Bank of India in case of India) lends money to commercial banks in the event of any shortfall of funds. Repo rate is used by monetary authorities to control inflation. In the event of inflation, central banks increase repo rate as this acts as a disincentive for banks to borrow from the central bank. This ultimately reduces the money supply in the economy and thus helps in arresting inflation.

•

- 65). Which of the following is an objective of SARFAESI Act, 2002?
 - a . To reduce lending to the borrowers with poor record of loan repayments.
 - b . To provide restructured platform to the Banking sector for managing its Non-Performing Assets (NPAs) by cracking down on the wilful defaulters.
 - c . To recommend the priority sector lending rate of Indian banks.
 - d . To recommend the Minimum Wages for workers.

- 0 mins 13 s
- Explanation
- Status

- SARFAESI Act, 2002 was introduced to legalize securitization and reconstruction of financial assets and enforcement of security interest. It facilitates securitization of financial assets of banks, empower securitization and asset reconstruction companies to raise funds by issuing security receipts to qualified institutional buyers (QIBs). It empowers banks and FIs to take possession of securities given for financial assistance and sell or lease the same to take over management in the event of default.

•

- 66). Consider the following statements regarding the Depreciation of an economy
 1. Depreciation is not accounted in Net Domestic Product of an economy.
 2. Depreciation means the total value of the 'wear and tear' that happened in the assets during the production of the goods and services.
 3. Depreciation can be lowered by improving the cutting edge technologies in the area of research and development.

Which of the statements given above are correct?

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

- 0 mins 35 s
- Explanation
- Status

-
-

- 67) .Consider the following statements about National Human Rights Commission:

1. It is a constitutional body.
2. The Chairman should be a retired Chief Justice of India.
3. After retirement they are not eligible for further reappointment.

Which of the statements given above is/are correct?

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

- 0 mins 12 s
- Explanation
- Status

- There is no explanation for this question.

-

- 68) .Captain Radhika Menon, first woman captain of the Indian Merchant Navy will receive International Maritime Organization (IMO) Award for Exceptional Bravery at Sea. In this context Consider the following statements regarding International Maritime Organization

1. It is a specialized agency of United Nations.
2. Its main purpose is to check the over exploitation of oceanic resources.

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

- 0 mins 8 s
- Explanation
- Status

- There is no explanation for this question.

-

- 69) .The per capita income of the nation is determined by using

- a . Gross Domestic Product
- b . Net Domestic Product

- c . Gross National Product
- d . Net National Product

- 0 mins 37 s
- Explanation
- Status

- The per capita income of the nation or income per head per year is determined by dividing NNP with the total population of the country.

•

- 70) .According to the latest GDP calculation method, consider the following statements:
 1. GDP is currently calculated on the basis of market prices unlike older method which measures on the cost of factors of production.
 2. GDP at market prices captures the economic activity from the consumer's angle.
 3. The current base year for GDP calculation is 2004-05.

Which of the statements given above are correct?

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

- 0 mins 25 s
- Explanation
- Status

- • The current base year for GDP calculation is 2011-12.
 • Earlier GDP at factor cost essentially looks from the producers' side but the current GDP at market price looks the economic activity from the consumers' side.

- 71) .Consider the relation between the GDP calculated at the Factor Cost ($GDP_{@FC}$) and GDP calculated at the Market Price ($GDP_{@MP}$). Which one of the following statements is correct?

- a . $(GDP - MP) = (GDP) + \text{Indirect Taxes} + \text{Subsidies}$
- b . $(GDP_{@MP}) = (GDP_{@FC}) - \text{Indirect Taxes} + \text{Subsidies}$
- c . $(GDP_{@MP}) = (GDP_{@FC}) + \text{Indirect Taxes} - \text{Subsidies}$
- d . $(GDP_{@MP}) = (GDP_{@FC}) - \text{Indirect Taxes} - \text{Subsidies}$

- 0 mins 32 s
- Explanation
- Status

- Earlier while calculating, GDP at factor cost, indirect taxes were deducted from the GDP at market prices and subsidies were added to the GDP at market prices.

•

- 72) .Consider the following statements:

1. Reflation is an act of stimulating the economy by increasing the money supply or by reducing the taxes.

2. Stagflation is a situation in which both inflation and unemployment levels are very high.

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

- 0 mins 14 s
- Explanation
- Status

•

- Reflation is the act of stimulating the economy by increasing the money supply or by reducing taxes, seeking to bring the economy (specifically price level) back up to the long-term trend, following a dip in the business cycle. It is the opposite of disinflation, which seeks to return the economy back down to the long-term trend.

- Reflation, which can be considered a form of inflation (increase in the price level), is contrasted with inflation (narrowly speaking) in that "bad" inflation is inflation above the long-term trend line, while reflation is a recovery of the price level when it has fallen below the trend line.

- Stagflation occurs when the price of goods rise while unemployment increases and spending declines. This all happens when the economic growth rate is slow. It raises a dilemma for economic policy since actions designed to lower inflation may exacerbate unemployment and vice versa.

•

- 73) .Which of the following pairs is/are correctly matched?

Select the correct answer using the code given below:

- a . 2 only
- b . 1 and 2 only
- c . 2 and 3 only
- d . 1 and 3 only

- 0 mins 14 s
- Explanation

- Status

- There is no explanation for this question.

•

- 74). Recently India and EU have endorsed EU-India Agenda for Action-2020 as a common roadmap to jointly guide and strengthen the India-EU Strategic Partnership in the next five years. In this context consider the following statements

1. They agreed to develop cooperation on the implementation of the Paris Climate Agreement including on Intended Nationally Determined Contributions (INDC) implementation.
2. European Union agreed to supply uranium continuously for Indian nuclear programme, under ITER Guidelines

Which of the statements given above is / are correct?

- a . 1 only
- b . 2 only
- c . 1 and 2 only
- d . Neither 1 nor 2

- 0 mins 30 s
- Explanation
- Status

- There is no explanation for this question.

•

- 75). Consider the following statements regarding Core inflation

1. An inflation measure which excludes transitory or temporary price volatility as in the case of some commodities such as food items, energy products etc
2. Core inflation is calculated using the Consumer Price Index (CPI)

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

- 0 mins 37 s
- Explanation
- Status

•

- Core inflation reflects the long-term trend in a particular price level. It is a measure of

inflation that excludes certain items that face volatile price movements because in finding out the legitimate long run inflation, short-term price volatility and transitory changes in price must be removed. Core inflation is most often calculated using the consumer price index (CPI), which eliminates products — usually those in the energy and food sectors — that can have temporary price shocks because these shocks can diverge from the overall trend of inflation and give a false measure of inflation.

- It is important to measure core inflation because it reflects the relationship between the price of goods and services and the price of consumers' general income. If goods and services increase over time but the income of consumers do not, consumers will have weaker buying power since the value of their money decreases in comparison to the value of basic goods and services. However, if inflation happens to consumers' income and nothing changes with the prices of goods and services, consumers will have better buying power and can afford more of the same goods and services. When consumers' stock portfolio or home price increase, asset inflation happens, which provides more money for the consumer as well.

•

- 76) .The Reserve Bank of India is mandated to target inflation in the range of

- a . 4 % of CPI and tolerance band of 2 %
- b . 6 – 8 % of CPI
- c . 4 % of WPI and tolerance band of 2 %
- d . 6 – 8 % of WPI

- 0 mins 21 s
- Explanation
- Status

- Inflation target from 2 % to 6 % of CPI is to be maintained till March 2021. If the target is missed for three consecutive quarters will regard as monetary policy failure and Reserve Bank of India will have to explain reasons and suggest corrective measures.

•

- 77) .The Twenty Point Programme (TPP), initiated in the year 1975 and restructured many times and finally in the year 2006. Which of the following items have been included into this programme?

1. Swarnajayanti Gram Swarozgar Yojana (SGSY)
 2. Antyodaya Anna Yojana (AAY)
 3. Pradhan Mantri Gram Sadak Yojana (PMGSY)
 4. Rashtriya Sadbhavana Yojana
- Select the correct answer using the codes given below
- a . 1 and 2 only
 - b . 1, 2 and 3 only
 - c . 1, 3 and 4 only

d . 1, 2, 3 and 4

- 0 mins 8 s
- Explanation
- Status

- TPP
 - The Twenty Point Programme (TPP) was launched by the Govt. of India in 1975. The programme was first revised in 1982 and again in 1986. Over the years, the need for restructuring the Programme has been felt in the light of achievements and experiences as well as the introduction of several new policies and programmes by the Govt. of India. Although the TPP has been in existence for last 30 years, it is still relevant today as the desired objectives of eradication of poverty and improvement in the quality of life of the common man have yet to be completely attained. The TPP – 1986 has now been restructured in conformity with the priorities of the Govt. of India as contained in the National Common Minimum Programme (NCMP), the Millennium Development Goals (MDGs) of the United Nations and the SAARC Social Charter. It renews the nation's commitment to eradicating poverty, raising productivity, reducing income inequalities and removing social and economic disparities
 - The Twenty Point Programme – 2006 consists of 20 points and 66 monitorable items
 - 20 Points as defined in 2006 The TPP further restructured in 2006 had following Points:
 1. Poverty eradication
 2. power to people
 3. Support to farmers
 4. Labour welfare
 5. Food security
 6. Clean drinking water
 7. Housing for all
 8. Health for all
 9. Education for all
 10. Welfare of SC/ ST/ OBC and minorities
 11. Women welfare
 12. Child welfare
 13. Youth Development
 14. Improvement of slums
 15. Environment protection and afforestation
 16. Social security
 17. Rural Roads
 18. Energising of rural areas
 19. Development of Backward areas
 20. IT enabled and e-governance

-

- 78). Consider the following statements regarding Index of Industrial Production (IIP)
 1. It is an Index for India which details out the growth of various sectors in an economy such as mining, fishing, electricity and manufacturing.
 2. It measures the short-term changes in the volume of production of a basket of industrial products during a given period with respect to that in a chosen base period.
 3. It is compiled and published monthly by the Central Statistical Organization (CSO) six weeks after the reference month ends.

Which of the given above statements are correct?

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

- 0 mins 23 s
- Explanation
- Status

- Index of industrial production
 - The Index of Industrial Production (IIP) is an index for India which details out the growth of various sectors in an economy such as mining, electricity and manufacturing. The all India IIP is a composite indicator that measures the short-term changes in the volume of production of a basket of industrial products during a given period with respect to that in a chosen base period. It is compiled and published monthly by the Central Statistical Organisation (CSO) six weeks after the reference month ends.
 - The level of the Index of Industrial Production (IIP) is an abstract number, the magnitude of which represents the status of production in the industrial sector for a given period of time as compared to a reference period of time. The base year was at one time fixed at 1993–94 so that year was assigned an index level of 100. The current base year is 2011–2012.
 - The Eight Core Industries comprise nearly 38 % of the weight of items included in the Index of Industrial Production (IIP). These are Electricity, steel, refinery products, crude oil, coal, cement, natural gas and fertilisers.

•

- 79). Consider the following statements regarding the Human Development Index (HDI)
 1. It is prepared by the United Nations Development Programme (UNDP).
 2. The real per capita income adjusted for the Purchasing Power Parity (PPP) is given more weightage than the other two parameters.

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

- 0 mins 20 s
- Explanation
- Status

- The three parameters have equal weightage.
 - (a) **Standard of living:** The real per capita income adjusted for the differing Purchasing power parity.
 - (b) **Knowledge:** This is indicated by the level of education
 - i. Educational attainment among the adults (2/3 weightage)
 - ii. Gross enrollment (1/3rd weightage)
 - (c) **Life expectancy:** to be calculated at the time of birth.

•

- 80). Consider the following statements regarding the Government expenditure in India

1. Plan expenditure is any expenditure incurred on programmes detailed under the Five year plan.
2. Plan expenditure includes both revenue and capital expenditure.
3. In recent years, non-plan expenditure has exceeded the plan expenditure and is used for interest payments, subsidies and grants to States.

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

- 0 mins 53 s
- Explanation
- Status

- • As planning commission is replaced by NITI Aayog, Government is mulling to abolish plan and non-plan expenditure and replace it as revenue and capital expenditure. The plan expenditure of 2015-16 (RE) is 477197 crores whereas, the non-plan expenditure is 13,08,194 crores.
 - The plan expenditure includes expenditure on infrastructure like roads, electricity generation, bridges etc. Central assistance to states also comes under the plan expenditure only.

- 81). Consider the following statements regarding Members of Parliament Local Area Development Scheme (MPLADS)

1. MPs would be allowed to spend up to Rs 10 lakh a year on projects in any State or Union Territory other than the one from where they were elected.
2. Elected Members of Rajya Sabha representing the whole of the State as they do may select works for implementation in one or more district(s) as they may choose.

3. Nominated Members of the Lok Sabha and Rajya Sabha may also select works for implementation in one or more districts, anywhere in the country.

Which of the given above statements are correct?

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

- 0 mins 54 s
- Explanation
- Status

- MPLADS

- Each Member of Parliament of India has the choice to suggest to the Head of the District works to the tune of 5 crore (US\$740,000) per year, to be taken up in his/her constituency.
- Initially, this scheme was administered by Ministry of Rural Development.
- Later, in October 1994, Ministry of Statistics and Programme Implementation (MOSPI) has been looking into its working.
- Elected Members of Rajya Sabha representing the whole of the State as they do, may select works for implementation in one or more district(s) as they may choose.
- Nominated Members of the Lok Sabha and Rajya Sabha may also select works for implementation in one or more districts, anywhere in the country.
- It also allows MPs to spend up to 10 lakhs in any other constituency in India.

-

• 82) .The Central Statistics Organization (CSO) is responsible for coordination of statistical activities and evolving and maintaining statistical standards for which of the following activities?

1. Compilation of National Income Accounts
2. Compilation of Consumer Price Index Inflation
3. Revision of National Industrial Classification
4. Compilation and release of Wholesale Price Index Inflation

Which of the given above statements are correct?

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

- 0 mins 15 s
- Explanation
- Status

- **Central Statistics Organisation:**

The Central Statistics Organisation (CSO) of India is responsible for coordination of statistical activities in India, and evolving and maintaining statistical standards. The Central Statistics Organisation is responsible for coordination of statistical activities in the country, and evolving and maintaining statistical standards. Its activities include National Income Accounting; conduct of Annual Survey of Industries, Economic Censuses and its follow up surveys, compilation of Index of Industrial Production, as well as Consumer Price Indices for Urban Non-Manual Employees, Human Development Statistics, Gender Statistics, imparting training in Official Statistics, Five Year Plan work relating to Development of Statistics in the States and Union Territories; dissemination of statistical information, work relating to trade, energy, construction, and environment statistics, revision of National Industrial Classification, etc.

Office of the Economic Adviser (OEA)

- Wholesale Price Index (WPI) is computed by the Office of the Economic Adviser in Ministry of commerce & Industry, Government of India. It was earlier released on weekly basis for Primary Articles and Fuel Group. However, since 2012, this practice has been discontinued. Currently, WPI is released monthly.
- It is an attached office of the Ministry of Commerce & Industry.

Policy Functions:

- Economic policy inputs on industrial development.
- Rendering advice relating to formulation of Industrial Policy, Foreign Trade Policy with respect to industrial sector in general with thrust on manufacturing, issues relating to bilateral and multilateral trade, as well as taxes and duties related to industry, including but not restricted to safeguard and anti-dumping duties.
- Analysis of trends of industrial production and growth.
- Examination of multilateral and bilateral issues and processing Policy Notes with economic implications referred to the Office.
- Planning and Gender Budgeting on behalf of the Department of Industrial Policy and Promotion.

Statistical Functions

- Compiling and releasing monthly Wholesale Price Indices
- Compiling and releasing monthly Index of Core Industries Production
- Developing other Indices on experimental basis, e.g. select business service price indices
- Supervising as a 'source agency', compilation of monthly production statistics for identified industrial items, their validation, and onward transmission for computation of the monthly Index of Industrial Production (IIP) by Central Statistics Office.
- Monthly Statistical compilation of macro indicators (secondary information).

•

- 83) .Which of the following items form capital receipts?

1. The interests received from the loans forwarded by the Government
2. Long term borrowing by the Governments inside and outside the country.
3. Provident funds and Postal Deposits

Select the correct answer using the code given below:

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

- 0 mins 29 s
- Explanation
- Status

- The interests from loans become part of the revenue receipts. The capital which was lend by the Government is returned to the Government and becomes capital receipts.

•

- 84). Which of the following initiatives will ensure the Fiscal Consolidation in India?
 1. Revenue reforms like Goods & Services Tax (GST) and Direct Tax Code (DTC).
 2. Expenditure reforms like cutting down non-essential and unproductive activities, schemes and projects, rationalizing subsidies.

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

- 0 mins 26 s
- Explanation
- Status

- Fiscal consolidation means strengthening of Government finances. Fiscal consolidation provides macroeconomic stability; cuts wasteful expenditure; enables Government to spend more on infrastructure and social sectors.

•

- 85). Consider the following statements regarding the Marginal Cost of Funds based Lending Rate (MCLR) in banking

1. It is the minimum interest rate that a bank is allowed to charge from its customers.
2. Educational loans, export credit, credit to weaker sections can be given at less than the base rate.

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

- 0 mins 45 s
- Explanation
- Status

- Base rate is the minimum rate set by the Reserve Bank of India below which banks are not allowed to lend to its customers. Base rate is decided in order to enhance transparency in the credit market and ensure that banks pass on the lower cost of fund to their customers. Loan pricing will be done by adding base rate and a suitable spread depending on the credit risk premium.

•

- 86). Consider the following statements regarding the term Gross Value Added (GVA)
 1. Gross value added is the output of the country less the intermediate consumption, which is the difference between gross output and net output.
 2. Gross value added is important because it is used in the calculation of gross domestic product (GDP), which is a key indicator of the state of a nation's total economy.
 3. Gross value Added includes GDP with subsidies on products but excludes taxes on products
 Which of the given above statements is/are correct?
 - a . 1 and 2 only
 - b . 1 and 3 only
 - c . 3 only
 - d . 1, 2 and 3

- 0 mins 26 s
- Explanation
- Status

- Gross value added
 - Gross value added (GVA) is the measure of the value of goods and services produced in an area, industry or sector of an economy, in economics. In national accounts GVA is output minus intermediate consumption; it is a balancing item of the national accounts' production account.
 - GVA is linked as a measurement to gross domestic product (GDP), as both are measures of output.
 - The relationship is defined as: $GVA + \text{taxes on products} - \text{subsidies on products} = GDP$.
 - As the total aggregates of taxes on products and subsidies on products are only available at whole economy level, Gross value added is used for measuring gross regional domestic product and other measures of the output of entities smaller than a whole economy.

•

- 87) .India's first International Financial Services Centre (IFSC), which would allow it to set-up offshore banking, insurance, asset management, etc., as an alternate to similar centers in London, Singapore and others, is being constructed in which of the following state?

- a . Maharashtra
- b . Gujarat
- c . Tamil Nadu
- d . Delhi

- 0 mins 7 s
- Explanation
- Status

- IFSC
 - GIFT SEZ has been notified as an International Financial Services Centre (IFSC) by the Govt of India, which would allow it to set-up offshore banking, insurance, asset management, etc., as an alternate to similar centres in London, Singapore and others
 - Gujarat International Finance Tec-City or GIFT is an under-construction central business district between Ahmadabad and Gandhinagar in the Indian state of Gujarat.

•

- 88) .Consider the following statements regarding the Laffer curve:

1. It shows the relationship between tax rates and the tax collected by the Government.
2. As tax rates increase from low levels, the tax collection also increases upto certain point and then as tax rates increase, the tax collection decreases.

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

- 0 mins 20 s
- Explanation
- Status

- Solution: :

•

- 89) .Which of the following taxes are considered as Indirect taxes in India?

1. Service Tax
2. Corporate Tax
3. Minimum Alternate Tax

4. Fringe Benefit Tax

5. Sales Tax

Select the correct answer using the code given below:

- a . 1 and 5 only
- b . 2, 3 and 4 only
- c . 2 and 4 only
- d . 3 and 4 only

- 0 mins 24 s
- Explanation
- Status

- List of direct taxes in India: Income tax, corporate tax, Minimum alternate tax, alternate minimum tax, fringe benefit tax, wealth tax, security transaction tax.

•

- 90) .Which of the following measures are taken by the Government in promoting financial inclusion?

1. Opening of no frills account
2. Business correspondent Model
3. Payment banks
4. Jan Dhan Yojana
5. Banking licenses to new banks

Select the correct answer using the code given below:

- a . 2 and 5 only
- b . 3 and 4 only
- c . 1, 2, 4 and 5 only
- d . 1, 2, 3, 4 and 5

- 0 mins 28 s
- Explanation
- Status

- Self explanatory

- 91) .Consider the following pairs:

Which of the pairs given above are correctly matched?"

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

- 0 mins 17 s
- Explanation
- Status

- Self explanatory

•

- 92) .Which of the components are included into the internal debt of the Union Government?

1. Market loans
2. Treasury Bills
3. Small savings and provident funds
4. Loans from International Monetary Fund (IMF).

Select the correct answer using the code given below:

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

- 0 mins 29 s
- Explanation
- Status

- Loans from the external countries or multilateral organization become part of external debt.

•

- 93) .Consider the following statements regarding Security Appellate Tribunal (SAT)

1. Every proceeding before the Securities Appellate Tribunal is deemed to be a judicial proceeding and the tribunal has all the powers of a Civil Court.
2. The Securities Appellate Tribunal is not bound by the procedure laid down by the Code of Civil Procedure, 1908

Which of the given above statements is/are correct?

- a . 1 only
- b . 2 only
- c . Both 1 and 2
- d . Neither 1 Nor 2

- 0 mins 7 s
- Explanation
- Status

- SAT
 - The first SAT was formed in 1995, through a notification issued by the Central Government and therefore, is a statutory body established under the provisions of Section 15K of the Securities and Exchange Board of India Act, 1992 to: Hear and dispose of appeals against orders passed by the Securities and Exchange Board of India or by an adjudicating officer under the Act and, Exercise jurisdiction, powers and authority conferred on the Tribunal by or under this Act or any other law for the time being in force.
 - The Tribunal is a three-member body composed of a Presiding Officer and two other members who are to be nominated via a notification by the Central Government.
 - The Union Government also reserves the right to notify as many SAT's as is needed.
 - The Securities Appellate Tribunal has only one bench that sits at Mumbai and has jurisdiction over all of India.
 - The Securities Appellate Tribunal is not be bound by the procedure laid down by the Code of Civil Procedure, 1908, but is be guided by the principles of natural justice and, subject to the other provisions of Depositories Act, 1996.
 - The Securities Appellate Tribunal has powers to regulate its own procedure including the places at which it shall have its sittings.
 - Every proceeding before the Securities Appellate Tribunal is deemed to be a judicial proceeding and the tribunal has all the powers of a Civil Court.
 - The Securities Appellate Tribunal is not be bound by the procedure laid down by the Code of Civil Procedure, 1908, but is be guided by the principles of natural justice and, subject to the other provisions of Depositories Act, 1996.

•

- 94). Consider the following statements regarding Forward Market Commission (FMC)
 1. It is a statutory body setup under Forward Contracts (Regulation) Act, 1952
 2. It is the chief regulator of commodity futures markets in India.
 3. It is being overseen by Ministry of Consumer Affairs, Food and Public Distribution (India).
 Which of the given above statements is/are correct?

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

- 0 mins 11 s
- Explanation
- Status

- FMC
 - The Forward Markets Commission (FMC) is the chief regulator of commodity futures markets in India. It is headquartered in Mumbai and this financial regulatory agency is overseen by the Ministry of Finance. The Commission allows commodity trading in 22 exchanges in India, of which 6 are national. On 28 September 2015 the FMC was merged

with the Securities and Exchange Board of India (SEBI)

- Established in 1953 under the provisions of the Forward Contracts (Regulation) Act, 1952. Since futures traded in India are traditionally on food commodities, the agency was originally overseen by Ministry of Consumer Affairs, Food and Public Distribution (India).

•

- 95). With respect to The Insolvency and Bankruptcy Code (2016) of India, consider the following statements

1. The Insolvency and Bankruptcy Board will consist of representatives of Reserve Bank of India, and the Ministries of Finance, Corporate Affairs and Law.
2. It will speed up the process of exit of failing and unsuccessful firms.
3. It will be applicable only for Companies not for Individuals

Which of the given above statements are correct?

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

- 0 mins 21 s
- Explanation
- Status

- Solution: The Insolvency and Bankruptcy Code, 2016 is the bankruptcy law of India which seeks to consolidate the existing framework by creating a single law for insolvency and bankruptcy.

Highlights of the Code

- The Code creates time-bound processes for insolvency resolution of companies and individuals. These processes will be completed within 180 days. If insolvency cannot be resolved, the assets of the borrowers may be sold to repay creditors.
- The resolution processes will be conducted by licensed insolvency professionals (IPs). These IPs will be members of insolvency professional agencies (IPAs). IPAs will also furnish performance bonds equal to the assets of a company under insolvency resolution.
- Information utilities (IUs) will be established to collect, collate and disseminate financial information to facilitate insolvency resolution.
- The National Company Law Tribunal (NCLT) will adjudicate insolvency resolution for companies. The Debt Recovery Tribunal (DRT) will adjudicate insolvency resolution for individuals.
- The Insolvency and Bankruptcy Board of India will be set up to regulate functioning of IPs, IPAs and IUs.

•

- 96) .Consider the following statements regarding National Investment and Infrastructure Fund (NIIF)

1. The objective of NIIF is to maximise economic impact through infrastructure development in viable projects both Greenfield and Brownfield, including stalled projects, mainly in the core infra sector.
2. NIIF has been structured as a fund of funds and set up as Alternate Investment Fund (AIF) under the Securities and Exchange Board of India (SEBI) Regulations.
3. The stake structure has been fixed as 49% for Government and 51% for Private sector

Which of the given above statements is/are correct?

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

- 0 mins 7 s
- Explanation
- Status

- NIIF

- The National Investment and Infrastructure Fund (NIIF) was proposed in Union Budget 2015. In the last week of December, the government has set up this Rs. 40000 crore fund to provide long term capital for infrastructure projects.
- The objective of NIIF is to maximise economic impact through infrastructure development in viable projects both Greenfield and Brownfield, including stalled projects, mainly in the core infra sector.
- NIIF has been structured as a fund of funds and set up as Category II Alternate Investment Fund (AIF) under the Securities and Exchange Board of India (SEBI) Regulations.
- Total corpus of the fund is Rs. 40000 Crore. The government will invest Rs.20,000 crores into it from budget while the remaining Rs. 20,000 crores are expected to come from private investors. Government stake has been fixed at 49%.
- This stake structure (49% government, 51% private) will help NIIF to be seen with characters of both sovereign fund as well as private sector. NIIF is a fund of funds.
- This implies that there would be multiple alternative investment funds underneath the main fund. Examples of such funds include stressed-assets fund, renewable energy fund, Brownfield projects fund etc.

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- 97) .Consider the following statements regarding Heart of Asia Conference

1. It was established to provide a platform to discuss regional issues, particularly encouraging security, political, and economic cooperation among Afghanistan and its neighbors
2. It is a part of Istanbul Process launched in 2011 to expand practical coordination in facing common threats, including counterterrorism, counternarcotics, poverty, and extremism.

Which of the given above statements is/are correct?

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

- 0 mins 8 s
- Explanation
- Status

- Heart of Asia Conference - The Heart of Asia - Istanbul Process was established to provide a platform to discuss regional issues, particularly encouraging security, political, and economic cooperation among Afghanistan and its neighbours. This region-led dialogue was launched in November 2011 to expand practical coordination between Afghanistan and its neighbours and regional partners in facing common threats, including counterterrorism, counternarcotics, poverty, and extremism. The United States and over 20 other nations and organizations serve as “supporting nations” to the process.

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- 98).Consider the following statements regarding Security Printing and Minting Corporation of India (SPMCIL)

1. It is engaged in the production of printing/minting of bank notes and coins
2. It is also engaged in the production of non-judicial stamps, postage stamps, and other government related documents for India.
3. It is the only Public Sector Unit under the Department of Economic Affairs (DEA)

Which of the given above statements is/are correct?

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

- 0 mins 31 s
- Explanation
- Status

- Security Printing and Minting Corporation of India
 - Security Printing and Minting Corporation of India Limited (SPMCIL) is an Indian government-owned corporation that engages in the production of bank notes, coins, non-judicial stamps, postage stamps, and other government related documents for India.
 - The company was formed in 2006 as the result of corporatisation of security presses and mints functioning under the Indian Ministry of Finance.
 - SPMCIL comprises four presses: Currency Note Press (CNP), Bank Note Press (BNP), India Security Press, and Security Printing Press.[3] CNP was established in 1928 as the first printing press for bank notes in India. Both CNP, located in Nashik, Maharashtra,

and BNP, located in Dewas, Madhya Pradesh, print the Indian currency notes. They are currently responsible for the printing of the new 500 rupee notes following the demonetisation of the old 500 rupee and 1000 rupee note. Currency is also printed by the two presses of Bharatiya Reserve Bank Note Mudran Private Limited, a wholly owned subsidiary of Reserve Bank of India. They are currently responsible for the printing of the new 2000 rupee notes.

- SPMCIL comprises four mints: India Government Mint, Mumbai, India Government Mint, Kolkata, India Government Mint, Hyderabad, and India Government Mint, Noida. These mints produce coins, and medals and awards, as required by the Government of India.

- Security Paper Mill was established in 1968 at Hoshangabad, Madhya Pradesh. It produces papers for banknotes and non-judicial stamps and further prints with new enhanced unit. Bank note paper mill India private limited prints paper for Indian currency and located in Mysore.

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- 99) .Consider the following statements regarding Cash Reserve Ratio

1. It is the ratio of the total deposits of a bank with the Reserve Bank of India in cash form.
2. Banks earn interest rate on their deposits with Reserve Bank of India.
3. Banks can't lend this portion of money to borrowers.

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 only

- 0 mins 26 s
- Explanation
- Status

- Banks don't earn interest rate on their deposits with RESERVE BANK OF INDIA. Currently CRR is 4 %.

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- 100) .With respect to Statutory liquidity Ratio (SLR), consider the following statements

1. It is the ratio of the total deposits maintained with the banks in specified financial securities like Government securities.
2. Banks earn interest rate on their deposits.
3. SLR is determined by the Reserve Bank of India.

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 only

- 0 mins 54 s
 - Explanation
 - Status
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- The ratio of liquid assets to net demand and time liabilities (NDTL) is called statutory liquidity ratio (SLR). Apart from Cash Reserve Ratio (CRR), banks have to maintain a stipulated proportion of their net demand and time liabilities in the form of liquid assets like cash, gold and unencumbered securities. Treasury bills, dated securities issued under market borrowing programme and market stabilisation schemes (MSS), etc also form part of the SLR. Banks have to report to the RBI every alternate Friday their SLR maintenance, and pay penalties for failing to maintain SLR as mandated.