SHANKAR IAS ACADEMY

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T.B.C: P-SIA-D-UPGI

Serial: 737245

TEST BOOKLET

TEST BOOKLET SERIES-04

GENERAL STUDIES - PAPER - I

A

Test - 4 - ECONOMY - I

Time Allowed: Two hours

Maximum Marks: 200

INSTRUCTIONS

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

    THERE WILL BE PENALTY FOR WRONG ANSWERS MARKED BY A CANDIDATE IN THE OBJECTIVE TYPE QUESTION PAPERS.

    (i) There are four alternatives for the answer to every question. For each question for which a wrong answer has been given by the candidate, **one-third (0.66)** of the marks assigned to that question will be deducted as penalty.

    (ii) If a candidate gives more than one answer, it will be treated as a **wrong answer** even if one of the given answers happens to be correct and there will be same penalty as above to that question.

    (iii) If a question is left blank, i.e., no answer is given by the candidate, there will be **no penalty** for that question.

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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

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

3. Economic growth in "Country X" will necessarily have to occur if

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

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 given above statements are correct?

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

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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

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

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

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.

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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

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

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.

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

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

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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

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

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

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 economy.
(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.

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

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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

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

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

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

(a) It is the difference between Revenue receipts and Revenue Expenditure.
(b) It is the difference between capital receipts and Interest Payment.
(c) It is the difference between the Fiscal Deficit and Interest Payment.
(d) It is an addition of Fiscal Deficit and Interest Payment.

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

1. Reserve Bank of India
2. Scheduled Commercial Banks
3. Life Insurance Corporation of India

Select the correct answer using the code given below:

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

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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

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

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.

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

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

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

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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

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

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

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

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

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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

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

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.

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)

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

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

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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

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

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

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

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 are correct?

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

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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

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 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

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

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

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

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

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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

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

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

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

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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

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

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

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

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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

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

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

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

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

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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.

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

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

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

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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

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

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) = ($GDP_{@FC}$) + Indirect Taxes + Subsidies

(b) ($GDP_{@MP}$) = ($GDP_{@FC}$) - Indirect Taxes + Subsidies

(c) ($GDP_{@MP}$) = ($GDP_{@FC}$) + Indirect Taxes – Subsidies

(d) ($GDP_{@MP}$) = ($GDP_{@FC}$) - Indirect Taxes – Subsidies

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

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

1. Dawn Mission - Dwarf Planet Ceres
2. New Horizons Mission - Kuiper belt
3. Messenger - Mars

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

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

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

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

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

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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

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

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

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

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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

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

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

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

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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

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

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

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

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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

91. Consider the following pairs:

Committee		Purpose
1. Narasimhan committee	-	Banking reforms
2. Malegam Committee	-	Micro finance
3. Dr. Nachiket Mor committee	-	Differentiated banks
4. Usha Thorat committee	-	NBFC reforms

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

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

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

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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

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 3only
(d) 1, 2 and 3

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

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

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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

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

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

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