

GS SCORE

An Institute for Civil Services

1 Yr. Complete CURRENT AFFAIRS REVISION

through 450 MCQ

PART - 2

- **Economy-1**
- **Economy-2**
- **Economic Survey**
- **Budget**





IAS Prelims - 2019

CURRENT AFFAIRS (ECONOMY PART - I)

Time Allowed: 1 Hrs.

Maximum Marks: 100

Roll No.:

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. Please note that it is the candidate's responsibility to encode and fill in the Roll Number carefully and without any omission or discrepancy at the appropriate places in the OMR Answer Sheet. Any omission/ discrepancy will render the Answer Sheet liable for rejection.
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. While writing name and Roll No. on the top of the OMR Sheet in appropriate boxes use "**ONLY BLACK BALL POINT PEN**".
5. This Test Booklet contains **100 items (questions)**. 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.
6. You have to mark all your responses **ONLY** on the separate **OMR Answer Sheet** provided.
7. All items carry equal marks. **(2 marks each)**
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.
 - (a) 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 of the marks** assigned to that question will be **deducted as penalty**.
 - (b) 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.
 - (c) If a question is left blank, i.e., no answer is given by the candidate, there will be no penalty for that question.

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

1. Which of the following banks has been listed as a Domestic Systemically Important Banks (DSIBs) by the Reserve bank of India?

- (a) Punjab National Bank
- (b) Bank of Baroda
- (c) HDFC Bank
- (d) IndusInd Bank

2. The Ministry of Consumer Affairs, Food and Public Distribution had launched negotiable warehousing receipts (NWR) in electronic format. Consider the following in this regard:

- 1. The depositors are bailee against commodities deposited in warehouses for which documents are issued by warehouses.
- 2. NWRs can be traded, sold, swapped and used as collateral to support borrowing or loans from banks.
- 3. It is an important step towards doubling farmers' income by 2022.

Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 and 3 only
- (c) 1, 2 and 3
- (d) None

3. Which of the following statements is/are correct regarding The National Agricultural Higher Education Project?

- 1. The project has been formulated by the Ministry of Agriculture & Farmers' Welfare in partnership with the World Bank.
- 2. Project Management and Learning is an important component of the project.
- 3. The project has been launched with 50:50 cost sharing basis with the World Bank.

Select the correct answer using the code given below:

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

4. Bharat 22 is the second ETF (Exchange Traded Fund) launched by the Government of India. Consider the following in this regard:

- 1. ETF's are more liquid than mutual funds as they can be sold quickly on stock exchanges.
- 2. Bharat 22 comprises of 22 stocks and is managed by SBI Blue-chip Fund.
- 3. It gives highest sector wise weightage to energy.

Which of the above statements is/are correct?

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

5. Which of the following are the features of the Hydrocarbon Exploration and Licensing Policy (HELP)?

- 1. Uniform license
- 2. An open acreage policy
- 3. Profit sharing model
- 4. Marketing and pricing freedom

Select the correct answer using the code given below:

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

6. Consider the following statements regarding the Pradhan Mantri Vaya Vandana Yojana (PMVVY):

- 1. It is a pension scheme launched by the Ministry of Social Justice and Empowerment.
- 2. It is operated by Life Insurance Company in collaboration with the National Insurance Company (NIC).
- 3. The scheme also offers loan up to 75% of the purchase price after 3 policy years.

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

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

7. Consider the following statements regarding the Jute-ICARE project:

1. It has been launched by the Ministry of Textiles to double the income of jute farmers.
2. A microbial consortium called SONA has been developed by the National Jute Board under Jute-ICARE project.
3. Retting is a process in which jute is placed in liquid so as to promote tightening of the fibres in the woody tissue.

Which of the above statements is/are correct?

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

8. Administered Price Mechanism (APM) for petrol and diesel was dismantled by the government in 2017. Consider the following statements:

1. In dynamic fuel pricing, the oil retailers fortnightly revise the retail selling prices of petrol and diesel.
2. In India, the dynamic fuel pricing has been introduced for fixing the petrol prices only.

Which of the following statements is/are correct?

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

9. Which of the following statements is/are correct regarding the Innovate in India (i3) project?

1. i3 is a flagship program of the Government of India under the National Biopharma Mission.
2. It has been launched by the Union Ministry of Science & Technology in collaboration with World Bank.

Select the correct answer using the code given below:

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

10. Consider the following statements regarding the Hill Area Development Programme (HADP):

1. The scheme aims to ensure equitable development of every area, tribe and every section in the North Eastern Region.
2. It has been launched by The Ministry for Development of North Eastern Region.

Which of the above statements is/are correct?

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

11. Which of the following statements is/are correct regarding the National Policy on Marine Fisheries?

1. The policy is in line with the FAO's Code of Conduct for Responsible Fisheries on conservation, development and management of fisheries.
2. The Policy has proposed chip-based smart registration cards for fishermen and their fishing vessels.
3. It focuses on Species-specific and area-specific management plans with spatial and temporal measures for sustainable utilization of resources.

Select the correct answer using the code given below:

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

12. With respect to information utilities (IU), consider the following:

1. It maintains information of all financial contracts in a demat format.
2. National E-Governance Services Limited (NeSL) is India's first Information Utility.

Which of the above statements is /are **incorrect**:

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

13. Which of the following committees has recommended an overhaul of corporate governance norms for listed firms?

- (a) Bimal Julka Committee
- (b) Vasudev Committee
- (c) Tarapore Committee
- (d) Uday Kotak Committee

14. Which of the following statements is/are correct regarding the Peer-to Peer lending (P2P)?

- 1. Peer-to Peer lending allows a business to sell its invoices at a discount to a pool of individual or institutional investors for cash.
- 2. P2P platforms are now treated as non-banking financial companies (NBFCs) and thus regulated by Securities and Exchange Board of India.

Select the correct answer using the code given below:

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

15. With reference to 'Non Banking Financial Company (NBFC), consider the following statements:

- 1. NBFC is engaged in loans and advances, industrial activity, the sale, purchase or construction of immovable property.
- 2. NBFC is a company registered under the Companies Act, 1956 of India.
- 3. The Reserve Bank of India (RBI) launched the Ombudsman Scheme for Non-Banking Financial Companies (NBFC).

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

16. Various activities to promote best practices and enhance agriculture income being undertaken under Krishi Kalyan Abhiyan are

- 1. Distribution of Soil Health Cards to all farmers
- 2. Artificial insemination saturation
- 3. Demonstration programmes on Micro-irrigation

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

17. 'Project Sashakt' has been launched is

- (a) Personality development programme through social (or community) service
- (b) Comprehensive medical care facilities to Central Government employees and their family members.
- (c) One-time cash incentive to pregnant women for institutional/home births through skilled assistance.
- (d) A scheme that aims to strengthen the credit capacity, credit culture and credit portfolio of public sector banks.

18. India's first 'freight village' will be developed by

- (a) The Inland Waterways Authority of India
- (b) The National Highways Authority of India
- (c) The State government of Gujarat
- (d) National Bank for Agriculture and Rural Development

19. With reference to the Municipal Bonds in India, which of the following statements is/are incorrect?

- 1. The market for municipal bonds in India is almost non-existent unlike US and many developing countries.
- 2. Thiruvananthapuram Municipal Corporation was the first urban local body in India to issue tax-free municipal bonds.
- 3. RBI has mandated guarantee from the State Government or Central Government for issuing such bond.

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

20. With reference to special economic zone (SEZ) in India, consider the following statements:

1. India's SEZ Policy was implemented from 1991.
2. The Baba Kalyani led committee was constituted to study the existing SEZ policy of India.
3. There is absence of clear exit mechanism for the SEZ developers in India.

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

21. The thirteenth meeting of Group of Twenty (G20) was recently held in

- (a) Buenos Aires, Argentina
- (b) New York, USA
- (c) Jakarta, Indonesia
- (d) Hyderabad, India

22. With reference to The Kimberley Process Certification Scheme (KPCS), consider the following statements:

1. KPCS Plenary 2018 was held in Brussels, Belgium.
2. EU handed over the Chairmanship of KPCS to India from 2019.
3. It is a non-binding agreement that imposes extensive requirements on every participant to remove conflict diamonds from the global supply chain.

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

23. Which cities of India were recently selected by the United Nations to participate in its Global Sustainable Cities 2025 initiative?

- (a) Pune and Amritsar
- (b) Noida and Greater Noida
- (c) Varanasi and Mathura
- (d) Hyderabad and Amravati

24. Objectives of India's Agriculture Export Policy, 2018 are

1. To double agricultural exports by 2030
2. To provide an institutional mechanism for pursuing market access.
3. To diversify export basket, destinations and boost high value and value added agricultural exports

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

25. With reference to credit rating agency (CRA), consider the following statements:

1. Standard & Poor's, Moody's and Fitch Ratings, also known as the big three.
2. A CRA is a company that rates debtors and share holders.
3. Higher the credit rating, lower is the rate of interest offered to the organization.

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

26. With reference to Foreign Direct Investment (FDI) in India, consider the following statements:

1. India permits not more than 26% FDI cap in defence through automatic route.
2. Higher FDI translates into better

infrastructure, enhanced capacities and greater self-reliance.

3. FDI usually involves participation in management, joint-venture, transfer of technology and expertise.

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

27. Development Impact Bond (DI) was recently launched by

- (a) UBS Optimus Foundation, British Asian Trust, Michael & Susan Dell Foundation and Tata Trust.
- (b) World Bank
- (c) International monetary Fund (IMF)
- (d) Asian Infrastructure Investment Bank (AIIB)

28. Which country recently declared Indian currency notes of denominations `200, `500 and `2000 to be illegal?

- (a) Bhutan
- (b) Nepal
- (c) Pakistan
- (d) Bangladesh

29. Consider the following statements:

1. India ranks fourth in the world in terms of total installed wind power capacity.
2. Today, renewable account for about 33% of India's primary energy consumptions.
3. According to the World Bank's report-2018, many of the world's largest energy-consuming countries performed poorly in renewable energy regulations since 2010.

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

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

30. With reference to 'Angel Tax', consider the following statements:

1. It is a 30% tax that is levied on the funding received by start-ups from an external investor.
2. Angel tax was introduced in 2018, with the purpose to check the dumping of goods

Which of the statements given above is / are incorrect?

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

31. With reference to 'Prompt Corrective Action (PCA), consider the following statements:

1. PCA norms allow the regulator to place certain restrictions such as halting branch expansion and stopping dividend payment.
2. Four public sector banks — Bank of Maharashtra, Corporation Bank, Allahabad Bank and Bank of India are under the PCA framework of the RBI.

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

32. Which state has been identified as best performer in Start-up Ranking 2018 announced by DIPP?

- (a) Pune
- (b) Gujarat
- (c) Maharashtra
- (d) Bihar

33. With reference to the recent decision taken by Central government that has brought out the new FDI guidelines for the e-commerce, consider the following statements:

1. The new norms bar exclusive tie-ups between e-commerce firms that follow the 'inventory based model' and vendors using their platform.
2. Now the cash back or services, such as quick delivery, offered by e-tailors have to be applicable to limited vendors only

on their platforms.

Which of the statements given above is/are correct?

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

34. Consider the following statements:

1. The merger of Bank of Baroda, Vijaya Bank and Dena Bank will create the largest lender in the country.
2. More and more amalgamation of poorly performing banks is the best solution to deal with NPA problem.
3. Four "R" philosophy in the banking sector are Restructure, Resolution, Rationalisation and Reform.

Which of the statements given above is/are **incorrect**?

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

35. With reference to 'E-way bill', consider the following statements:

1. It is a document required to be carried by a person in charge of the conveyance carrying any consignment of goods of value exceeding twenty five thousand rupees.
2. Any person can enroll and generate the e-way bill for movement of goods for his/her own use.

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

36. With reference to 'National Entrepreneurship Awards (NEA), consider the following statements:

1. The awards are given to an entrepreneur and

individual in order to inspire and promote growth of entrepreneurs in India.

2. The winners receive a trophy, certificate and cash prizes.
3. Nominees must be under the age of 40 years.

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

37. Consider the following statements:

1. The annual Employment–Unemployment Survey of households by Labour Bureau found that there was an absolute increase in employment during the period 2013–14 to 2015–16.
2. The unemployment rate among the uneducated is higher compared to the educated.
3. Jobs in government are grown exponentially in last 20 years.

Which of the statements given above is/are **incorrect**?

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

38. With reference to 'Universal Basic Income (UBI)', consider the following statements:

1. Kerala has started the process to introduce Universal Basic Income (UBI) in the state.
2. Under it payments can be in periodic or one time lump sum cash payment.
3. People become more productive when they get a basic income.

Which of the statements given above is / are **incorrect**?

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

39. With reference to 'Gold Monetization Scheme', consider the following statements:

1. Under it deposits can be made by residents of India, mutual funds and exchange trading funds registered under SEBI.
2. Joint deposits are allowed with a minimum of two holders with no cap on the maximum number.
3. There is maximum limit of Rs. 5 Lakh investment under this scheme.

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

40. Consider the following statements:

1. Future of Consumption in Fast-Growth Consumer Market report is released by World Economic Forum.
2. Nearly 85% of India's GDP is driven by domestic private consumption.
3. Consumption led growth increases the urban-rural divide significantly.

Which of the statements given above is/are **incorrect**?

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

41. Consider the following statements:

1. The Global Housing Technology Challenge (GHTC) has been launched by Ministry of Housing and Urban Affairs.
2. Conventional construction systems (such as the use of brick and mortar) are fast paced, dependent on natural resources and have low carbon footprint.

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

42. With reference to 'World Bank's Ease of Doing Business Index', consider the following statements:

1. India has improved its ranking in 2018.
2. Ease of Doing Business Index measures macro stability policies and development of the financial sector.
3. The report does not talk about the business climate in a country as well as business regulations.

Which of the statements given above is / are **incorrect**?

- (a) 2 only
- (b) 1 and 3 only
- (c) 2 and 3 only
- (d) None

43. With reference to 'Regional Comprehensive Economic Partnership (RCEP)', consider the following statements:

1. **Recently, 7th inter-sessional ministerial meeting was held in Singapore.**
2. It is viewed as an alternative to the Trans-Pacific Partnership (TPP).
3. India is a member of RCEP.

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

44. With reference to 'tourism in India', consider the following statements:

1. Incredible India Tourist Facilitator Certification (IITFC) is an online certification programme launched by the Ministry of Tourism.
2. Travel and tourism is the 5th largest foreign exchange earner for India.

Which of the statements given above are correct?

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

45. Consider the following statements :

1. Natural Gas is cheaper as compared with petrol.
2. India is third largest energy consumer and fourth biggest LNG importer in the world.

Which of the statements given above are correct?

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

46. Consider the following statements:

1. The Expert Committee on Integration of Commodity Spot and Derivatives Markets was headed by Ramesh Chand.
2. The spot markets are fragmented, geographically dispersed and primarily regulated by the statutory regulator.

Which of the following statements is/are correct?

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

47. With reference to the latest ruling of the Securities and Exchange Board of India (SEBI) on algorithm trading at commodity derivatives exchanges, consider the following:

1. Algorithmic trading refers to orders generated at a super-fast speed by use of advanced mathematical models.
2. Co-location services have been introduced to cut costs and minimise or eliminate delay in the execution of trade orders.

Which of the above statements is/are correct?

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

48. With reference to investments by Foreign Portfolio Investors (FPIs) in

Indian bonds, consider the following:

1. Aggregate FPI investments in a single government bond can be made to 30% of outstanding stock.
2. Clearing Corporation of India Ltd. is a Qualified Central Counter Party (QCCP) by the Reserve Bank of India.

Which of the above statements is/are incorrect?

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

49. Consider the following statements in regard to the Agriculture Export Policy, 2018:

1. The policy aims to double agricultural exports from present US\$ 30+ Billion to US\$ 60+ Billion by 2025.
2. Monitoring Framework at Centre with Agriculture as the nodal Department will be established to oversee the implementation of Agriculture Export Policy.
3. 'Brand India' will be set up to promote exports and establish a strong quality regime for exports.

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

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

50. With reference to Nutrient Based Subsidy (NBS) programme, consider the following statements:

1. A fixed amount of subsidy is provided for Phosphatic and Potassic (P&K) fertilizers, except for Urea, based on the nutrient content present in them.
2. The ideal NPK ratio for healthy soil should be 2:2:1.
3. Under this scheme, Maximum Retail Price (MRP) of fertilizers is fixed by the state

government.

Which of the above statements is/are correct?

(a) 1 only

(b) 2 and 3 only

(c) 1 and 3 only

(d) 1, 2 and 3

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**CURRENT AFFAIRS
(ECONOMY PART - I)*****Answer Key***

Q. 1	(c)	Q. 16	(d)	Q. 31	(c)	Q. 46	(a)
Q. 2	(b)	Q. 17	(d)	Q. 32	(b)	Q. 47	(c)
Q. 3	(c)	Q. 18	(a)	Q. 33	(d)	Q. 48	(d)
Q. 4	(a)	Q. 19	(c)	Q. 34	(d)	Q. 49	(a)
Q. 5	(b)	Q. 20	(c)	Q. 35	(b)	Q. 50	(a)
Q. 6	(a)	Q. 21	(a)	Q. 36	(d)		
Q. 7	(a)	Q. 22	(a)	Q. 37	(d)		
Q. 8	(d)	Q. 23	(b)	Q. 38	(a)		
Q. 9	(c)	Q. 24	(c)	Q. 39	(a)		
Q. 10	(c)	Q. 25	(b)	Q. 40	(c)		
Q. 11	(d)	Q. 26	(b)	Q. 41	(a)		
Q. 12	(d)	Q. 27	(a)	Q. 42	(c)		
Q. 13	(d)	Q. 28	(b)	Q. 43	(d)		
Q. 14	(d)	Q. 29	(b)	Q. 44	(a)		
Q. 15	(b)	Q. 30	(b)	Q. 45	(c)		

1. Correct option: (c)

Explanation:

- Systemically Important Banks (SIBs) are perceived as certain big banks in country. Since country's economy is dependent upon these banks, they are perceived as '**Too Big To Fail (TBTF)**'. There are two types of SIBs: Global SIBs, identified by BASEL committee on banking supervision and Domestic SIBs; identified by central Bank of country.
- **Option (c) is correct: HDFC Bank** is third bank in country to be added in list of D-SIBs **after State Bank of India (SBI) and ICICI Bank** which were added in 2016 and continue to be in that category.
- RBI had started listing D-SIBs from August 2015 after it had issued Framework for dealing with D-SIBs in July 2014. D-SIB Framework requires RBI to disclose names of banks designated as D-SIBs every year in August starting from August 2015.

2. Correct option: (b)

Explanation:

- **Statement 1 is incorrect:** Negotiable warehouse receipts (NWRs) are **documents issued by warehouses to depositors against commodities deposited in warehouses for which warehouse is bailee**. They are transferred by endorsement and delivery i.e. either original depositor or holder in due course (transferee) can claim commodities from warehouse.
- **Statement 2 is correct:** NWRs can be **traded, sold, swapped and used as collateral to support borrowing or loans from banks**. These receipts were made **negotiable under Warehouse (Development and Regulation) Act, 2007** and are **regulated by Warehousing Development and Regulatory Authority (WDRA)**.
- The Ministry of Consumer Affairs, Food and Public Distribution has also **launched web portal of Warehousing Development and Regulatory Authority (WDRA) & Electronic Negotiable Warehouse Receipt (e-NWR) System under Digital India mission**.
- These initiatives aims at simplifying Warehouse Registration Rules, digitizing

entire process of registration, monitoring and surveillance as well as creation and management of NWRs in electronic form through two repositories. The farmers can use these to avail bank credit easily and without fear of losing or misusing it.

- E-NWR will have no chances of any tempering, mutilation, fudging, loss or damage and also no possibility of any multiple financing. Hence, it will not only facilitate an easy pledge financing by banks and other financial institutions but also smooth trading on various trading centres like commodity exchanges, electronic National Agriculture Markets (e-NAM) and other electronic platforms. E-NWR will also help to save expenditure in logistics as stocks could be traded through multiple buyers without physical movement and can be even split for partial transfer or withdrawal.
- **Statement 3 is correct:** These initiatives will revolutionize marketing of agricultural commodities and help farmers realize better price for their produce which will be **step towards doubling farmers' income by 2022**. The whole purpose of simplifying processes and moving towards online system will enhance WDRA's regulatory functions and bring greater fiduciary trust among banks, depositors and trade on e-NWR system.

3. Correct option: (c)

- Explanation:
- **Statement 1 is incorrect:** The National Agricultural Higher Education Project has been **formulated by the ICAR in partnership with the World Bank** with a focus **to improve and sustain quality of higher education in agriculture**.
- **Statement 3 is correct:** project has been launched for a period of four years with **50:50 cost sharing basis with the World Bank**.
- The objective for India is to support participating agricultural universities and ICAR in providing more relevant and higher quality education to Agricultural University students.
- There are **three components** to the project.

- First component is **support to agricultural universities**. This component will finance investments by participating AUs to improve the quality and relevance of agricultural education and research toward agricultural transformation
- Second component-**Investments in ICAR for Leadership** in Agricultural Higher Education.
- **Statement 2 is correct:** Third component-**Project Management and Learning**.

4. Correct option: (a)

Explanation:

- **Statement 2 is incorrect:** BHARAT-22 index is an **Exchange Traded Fund (ETF) managed by ICICI Prudential Mutual Fund** and launched with an initial amount of about Rs. 8,000 Crore.
- It comprises of **22 stocks** including those of central public sector enterprises (CPSes), public sector banks (PSBs) and its holdings under the Specified Undertaking of Unit Trust of India (SUUTI).
- It is well-diversified ETF **spanning six sectors — basic materials, energy, finance, industrials, FMCG and utilities** with a 20% cap on each sector and a 15% cap on each stock.
- **Statement 3 is incorrect:** The sector wise weightage in the Bharat 22 Index is basic materials (4.4%), energy (17.5%), finance (20.3%), FMCG (15.2%), **industrials (22.6%)**, and utilities (20%). This combination makes the Index broad-based and diversified. It has **retirement fund as separate category of Investors**.
- The banking segment includes stocks from State Bank of India (SBI), Axis Bank, Bank of Baroda (BoB), Indian Bank, Rural Electrification Corporation and Power Finance Corporation. The energy segment includes Oil and Natural Gas Corporation (ONGC), Indian Oil Corporation (IOC), Bharat Petroleum (BP), and Coal India.
- The BHARAT-22 ETF is expected to **benefit long term and retail investors by providing an opportunity of participation in equity stocks of Government run companies** and earn stable returns. It will help to **speed up Government's disinvestment programme**.

- **Statement 1 is correct: ETF is index funds that offer the security of a fund and liquidity of stock listed and traded on exchanges.** They are similar to mutual funds in a certain manner but are **more liquid as they can be sold quickly on stock exchanges** like shares. The ETFs **trading value is based on the net asset value of the underlying stocks** that it represents. Their **price changes daily as they are traded throughout the day**.

5. Correct option: (b)

Explanation:

- The new Hydrocarbon Exploration and Licensing Policy (HELP) replaces the 18-year-old New Exploration Licensing Policy. The change in policy is aimed at enhancing the domestic oil and gas production and attract substantial investment in the oil and gas sector. It also aims to generate more employment in the same field by employing both skilled and unskilled labour.
- Four main facets of this policy are:
 - **Statement 1 is correct: uniform license** for exploration and production of all forms of hydrocarbon: The uniform license will enable the contractor to explore conventional as well as unconventional oil and gas resources including CBM, shale gas/oil, tight gas and gas hydrates under a single license.
 - **Statement 2 is correct: an open acreage policy:** The concept of Open Acreage Policy will enable E&P companies choose the blocks from the designated area.
 - **Statement 3 is incorrect:** Easy to administer **revenue sharing model:** Under the new regime, the Government will not be concerned with the cost incurred and will receive a share of the gross revenue from the sale of oil, gas etc. This is in tune with Government's policy of "Ease of Doing Business".
 - **Statement 4 is correct: Marketing and pricing freedom** for the crude oil and natural gas produced: This is in tune with Government's policy of "Minimum Government –Maximum Governance"
- Recognizing the higher risks and costs involved in exploration and production from offshore areas, lower royalty rates

for such areas have been provided as compared to NELP royalty rates to encourage exploration and production. A graded system of royalty rates have been introduced, in which royalty rates decreases from shallow water to deep-water and ultra-deep water. At the same time, royalty rate for onland areas have been kept intact so that revenues to the state governments are not affected.

- On the lines of New Exploration Licensing Policy (NELP), cess and import duty will not be applicable on blocks awarded under the new policy.

6. Correct option: (a)

Explanation:

- **Statement 1 is incorrect:** Pradhan Mantri Vaya Vandana Yojana (PMVVY), a **pension scheme** exclusively for **senior citizens aged 60 years and above** has been launched by **the Union Finance Ministry**.
- Under this scheme, senior citizens will get a **guaranteed interest of 8% for 10 years depending upon the investment made by them**.
- **Statement 2 is incorrect:** **Life Insurance Corporation of India (LIC)** has been given the sole privilege to operate the scheme. It can be purchased offline as well as online through LIC.
- This scheme provides an **assured return of 8% per annum payable monthly for 10 years on single lump sum premium** ranging from Rs. 150000 (minimum) to Rs.750000 (maximum). Pension (minimum: Rs.1000/ month; maximum: Rs.5000) will be payable at the end of each period, during the policy term of 10 years, as per the frequency of monthly, quarterly, half-yearly, yearly as chosen by the pensioner at the time of purchase.
- It is **exempted from goods and services (GST) tax**. It will offer senior citizens more avenues to earn steady regular income at a time of falling interest rates. On survival of the pensioner to the end of the policy term of 10 years, the purchase price of the scheme along with the final pension instalment will be payable.
- **Statement 3 is correct:** The scheme also **offers loan up to 75% of the purchase**

price after 3 policy years (to meet the liquidity needs). Loan interest will be recovered from the pension instalments and loan will be recovered from claim proceeds.

- The scheme **allows for premature exit for the treatment of any critical terminal illness of self or spouse**. On such premature exit, 98% of the purchase price would be refunded. On death of the pensioner during the policy term of 10 years, the purchase price should be paid to the beneficiary.

7. Correct option: (a)

Explanation:

- **Statement 1 is correct:** It is an **initiative of the Ministry of Textiles to double the income of jute farmers**. Improved Cultivation and Advanced Retting Exercise for Jute (Jute – ICARE) introduced some of the better agronomic practices and microbial-assisted retting among farmers.
- **Statement 3 is incorrect:** Retting is a process in which jute is placed in liquid so as to promote **loosening of the fibres from the woody tissue**.
- Under the project, SMSs are sent in regional languages on improved practices in jute cultivation, to registered farmers.
- The project is being **implemented by NJB in association with Jute Corporation of India Ltd. (JCI) and Central Research Institute for Jute & Allied Fibres, (CRIJAF), and Ministry of Agriculture**.
- **Statement 2 is incorrect:** The Central Research Institute for Jute and Allied Fibres **(CRIJAF) has developed a microbial consortium called SONA under Jute-ICARE project**. The microbial will **enhance the quantity of fibre yield by 20% as well as its quality in terms of grade by at least 1 ½ grades**.
- A microbial consortium is two or more microbial groups living symbiotically.

8. Correct option: (d)

Explanation:

- The dismantling of APM was set in motion two decades ago by the then United Front government led by Prime Minister I.K. Gujral.

- Later, the Congress government led by Prime Minister Narasimha Rao had set up the '**R-committee**' under the **chairmanship of petroleum secretary Vijay Kelkar** to come with a **blueprint for dismantling APM**. The R-committee eventually came up with an action plan. The timetable was charted out to carry out full deregulation by 2002. Finally in **June 2010, the government deregulated petrol prices**.
- In **October 2014, diesel prices were decontrolled** by the Prime Minister Narendra Modi-led National Democratic Alliance.
- **Statement 2 is incorrect:** The government in 2017 dismantled the Administered Price Mechanism (APM) for fixing the petrol and diesel prices and has introduced dynamic fuel pricing.
- **Statement 1 is incorrect:** In **dynamic fuel pricing, the oil retailers will be daily revising the retail selling prices of petrol and diesel**. Initially, the State-run oil marketing companies (OMCs) such as Indian Oil Corporation, Hindustan Petroleum and Bharat Petroleum had been revising prices of the fuel on the 1st and 16th of every month, depending upon average international price in the preceding fortnight and the currency exchange rate.

9. Correct option: (c)

Explanation:

- **Statement 1 is correct:** The **Union Ministry of Science & Technology** has launched **National Biopharma Mission**, a **first ever Industry-Academia mission** to accelerate biopharmaceutical development in India.
- **Under this mission**, the ministry also launched **Innovate in India (i3) program** to create an **enabling ecosystem to promote entrepreneurship and indigenous manufacturing** in the sector.
- **Statement 2 is correct:** i3 is a flagship program of the **Government of India** in collaboration with **World Bank**. It is committed to make India a hub for design and development of novel, affordable and effective biopharmaceutical products and solutions.

- It promises to boost the **growth of domestic biopharma industry** by accelerating the translation of research concepts into viable products and supporting clinical validation. Moreover it will enable sustainable networks for collaboration between industry and academia, and support entrepreneurial ecosystem.
- The program will witness an **investment of \$250 million with \$125 million as a loan from World Bank**. It will strive to increase India's global biopharmaceutical market share from current 2.8% to 5% and generate additional business opportunity of \$16 billion. The program will help to **innovate, co-create and co-facilitate scientific discoveries** and offer young entrepreneurs an avenue to engage with the best in the industry.

10. Correct option: (c)

Explanation:

- **Statement 2 is correct:** It has been launched by The **Ministry for Development of North Eastern Region (DoNER)**.
- The hilly areas of Manipur, Tripura and Assam have been found to possess a distinct geo-physical entity and hence are lagging in **socio-economic development**. Due to distinct topography, a wide gap exists between the hill and valley districts of the states in terms of **infrastructure, quality of roads, health and education** etc. The Hill Development Programme aims to address these drawbacks with a serious research and deliberation.
- **Statement 1 is correct:** Under this mission, the government will adopt a **two-fold approach**. The first approach is to **ensure equitable development of every area, tribe and every section** in the North Eastern Region. The second approach is to **bring the eight North Eastern Region States at par with the more developed states of India**.
- It is based on the findings of the **Composite District Infrastructure Index** prepared by Ministry of DoNER **to aid in better targeting of schemes and projects within the North Eastern region (NER)** for reducing intra-regional disparity. The index is prepared based on 7

indicators, namely, transport facilities, energy, water supply, education, health facilities, communication infrastructure and banking facilities. It acts as a benchmark in formulating and implementing various policies by the ministry.

11. Correct option: (d)

Explanation:

- The National Policy on Marine Fisheries has been **launched by the Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture and Farmers' Welfare**. It provides **guidance for promoting 'Blue Growth Initiative' which focus on ushering 'Blue Revolution'** (NeeliKranti) by sustainable utilization of fisheries wealth from the marine and other aquatic resources of the country for improving the lives and livelihoods of fishermen and their families.
- The aim of the policy is to ensure the health and ecological integrity of the marineliving resources of India's EEZ through sustainable harvests. The overall strategy would be based on seven pillars, namely sustainable development, socio-economic upliftment of fishers, principle of subsidiarity, partnership, inter-generational equity, gender justice and precautionary approach.
- **Statement 1 is correct:** The policy would be **in line with the FAO's Code of Conduct for Responsible Fisheries on conservation, development and management of fisheries**.
- Some of the provisions of the policy are-
 - Monitoring, Control and surveillance (to prevent accidents and trespassing)
- **Statement 2 is correct:** For better monitoring and surveillance, chip-based smart registration cards for fishermen and their fishing vessels would be introduced.
- Training and awareness would be given to fishermen to avoid crossing the International marine boundary line (IMBL).
- Integrated approach on fisheries management –

- **Statement 3 is correct:** Species-specific and area-specific management plans with spatial and temporal measures for sustainable utilization of resources.
- Conservation of Ecologically and Biologically Significant Areas (EBSAs) and Vulnerable Marine Ecosystems (VMEs), endangered species etc.
- It would blend traditional knowledge and scientific business principles.
- Use of Information technology and space technology for improving the capacities of the fishing community. E.g. Using these to forecast weather
- Traditional Use Rights for Fisheries (areas where mechanized fishing is prohibited and small scale fishers are allowed) would be continued.
- Government would also introduce schemes to skill traditional fishers.
 - Commercializing Fisheries –
 - Fisheries Data and Research – Government would implement a National Marine Fisheries Data Acquisition Plan with all stakeholders.
 - Mariculture – Government will encourage schemes to set up mariculture farms/parks and setting up of hatcheries for supply of seed for development of the sector. There would also be a focus on preventing post-harvest losses.
 - Island Fisheries – India's islands would be exploited for the lucrative and commercial value fisheries like Tuna, snapper, groupers etc. Krill fishing would also be promoted in Areas beyond National Jurisdiction (ABNJ).
 - Fisheries Trade – Government would focus on diversifying trade market, harmonizing FSSAI standards with international bodies, reducing the influence of middlemen and eco labelling of fishes.
 - Entrepreneurship development, private investment, public private partnership for marine fisheries sector will be encouraged.
 - Government with the help of NABARD will provide institutional credit to the fishers.
 - Marine environment and Fisheries –
 - Review and periodically evaluate existing marine protected areas (MPAs)

- It would provide legislative support to ensure tenure rights of traditional fishermen so that their livelihood is not affected by conservation measures.

12. Correct option: (d)

Explanation:

- **Statement 1 is correct:** IUs will be the one-step repository for all information related to lending and borrowing activities of financial institutions. In other words, **information of all such financial contracts will be maintained in an electronic format.**
- It will also provide effective retrieval facilities for Insolvency Professionals, Debt Recovery Tribunal, and the National Company Law Tribunal so as to enable the proceedings to be completed in a time-bound manner.
- **Statement 2 is correct: National E-Governance Services Limited (NeSL) is India's first Information Utility and is registered with the Insolvency and Bankruptcy Board of India (IBBI) of India (IBBI) under the aegis of the Insolvency and Bankruptcy Code, 2016 (IBC).**
- NeSL is owned and promoted by leading public institutions like State Bank of India, Life Insurance Corporation, Canara Bank, Bank of Baroda, ICICI Bank, CDSL, HDFC, Axis Bank, Union Bank of India and NABARD among others. Currently, **NeSL operates from Mumbai and Bengaluru.**
- The primary role of NeSL is to serve as a repository of legal evidence holding the information pertaining to any debt/claim, as submitted by the financial or operational creditor and verified and authenticated by the other parties to the debt.
- Thus, NESL IU is a Cost effective tool for:
 - Proof of Borrower;
 - Proof of Security interest; and
 - Proof of Default
- Suvan Law Advisors along with SNG & Partners are the law firms advising NeSL while Indira Gandhi Institute of Development Research (IGIDR) is the knowledge partner of IU.

13. Correct option: (d)

- The **21-member Committee** panel headed by banker **Uday Kotak** was constituted by SEBI in June 2017. In its suggestions it has recommended **major overhaul of corporate governance norms for listed firms.**
- **Separation of the roles:** Roles of chairman and managing director at listed firms should be separated and chairmanship should be limited to only non-executive directors. Listed firms with more than 40% public shareholding should have separate roles of chairperson and MD/CEO with effect from April 1, 2020. After 2020, SEBI may examine extending requirement to all listed entities with effect from 2022.
- **Minimum board strength:** It should be increased to 6 members and at least one woman should be appointed as independent director. At least five board meeting for listed firms should be held in year up from current practice of four meetings. Firms' board should at least once a year discuss succession planning and risk management.
- **Independent Directors:** At least half of board members to be independent directors at listed companies, while all directors must attend at least half of board meets. Public shareholders' nod must be mandatory for non-executive directors over 75 years of age.
- **Shareholder meeting and cash flow statement:** Top 100 firms by market capitalization should webcast shareholder meeting and all listed firms should have cash flow statement every six months. It should be mandatory disclosure of quarterly consolidated earnings by listed firms.
- **Credit ratings:** Updated list of all credit ratings obtained by the listed entity must be made available at one place, which would be very helpful for investors and other stakeholders.
- **Minimum remuneration:** Independent directors must get minimum remuneration of Rs 5 lakh per annum and sitting fee of Rs 20,000-50,000 for each board meet. It should be mandatory for firms to seek public shareholders' approval for annual remuneration of executive directors from promoter family if amount is above Rs 5 crore or 2.5% of firm's net profit.

- In case of more than one such director, same condition should apply for aggregate annual remuneration exceeding 5% of the net profit. The approval of shareholders must be required every year in which annual remuneration payable to single non-executive director exceeds 50% of total annual remuneration payable to all non-executive directors.
- **Risk management and IT committee:** Top-500 listed companies should have risk management committee of boards for cyber security. In addition, listed entities must constitute an information technology committee that will focus on digital and technological aspects.

14. Correct option: (d)

Explanation:

- **Statement 1 is incorrect:** Invoice trading allows a business to sell its invoices at a discount to a pool of individual or institutional investors for cash.
- P2P lending is a **form of crowd-funding used to raise loans which are paid back with interest.** It enables individuals to borrow and lend money – **without use of an official financial institution as an intermediary.**
- It can **use an online platform** that matches lenders with borrowers in order to provide unsecured loans. P2P lending gives access to credit to borrowers who are unable to get it through traditional financial institution. It boosts returns for individuals who supply capital and reduces interest rates for those who use it.
- **Statement 2 is incorrect:** Peer-to-peer lending (P2P) platforms are now treated as non-banking financial companies (NBFCs) and thus regulated by Reserve Bank of India (RBI).

15. Correct option: (b)

Explanation:

Non Banking Financial Company (NBFC)

- **Statement 2 is correct:** A Non Banking Financial Company (NBFC) is a company registered under the **Companies Act, 1956 of India**.
- **Statement 1 is incorrect:** *engaged in the business of loans and advances,*

acquisition of shares, stock, bonds, hire-purchase insurance business or chit-fund business but does not include any institution whose principal business includes agriculture, industrial activity or the sale, purchase or construction of immovable property.

- The working and operations of NBFCs are regulated by the Reserve Bank of India (RBI) within the framework of the [[Reserve Bank of India Act, 1934]] (Chapter III-B) and the directions issued by it.
- **Statement 3 is correct:** As announced in the Monetary Policy Statement of February 7, 2018, **the Reserve Bank of India (RBI) launched the Ombudsman Scheme for Non-Banking Financial Companies (NBFC)** vide Notification dated February 23, 2018 for redressal of complaints against NBFCs registered with RBI under Section 45-IA of the RBI Act, 1934.
- The Scheme will provide a cost-free and expeditious complaint redressal mechanism relating to deficiency in the services by NBFCs covered under the Scheme. The offices of the NBFC Ombudsmen will function at four metro centres viz. Chennai, Kolkata, Mumbai and New Delhi and will handle complaints of customers in the respective zones.
- The Scheme provides for an Appellate mechanism under which the complainant/ NBFC has the option to appeal against the decision of the Ombudsman before the Appellate Authority.
- Krishi Kalyan Abhiyan

16. Correct option: (d)

Explanation

Krishi Kalyan Abhiyan

- All statements are correct:
- Various activities to promote best practices and enhance agriculture income are being undertaken under this plan such as:-
- Distribution of Soil Health Cards to all farmers
- 100% coverage of bovine vaccination for Foot and Mouth Disease (FMD) in each village
- 100% coverage of Sheep and Goat for eradication of Peste des Petits ruminants (PPR)

- Distribution of Mini Kits of pulses and oilseeds to all
- Distribution of Horticulture/Agro Forestry/ Bamboo plant @ 5 per family(location appropriate)
- Making 100 NADAP Pits in each village
- Artificial insemination saturation
- Demonstration programmes on Micro-irrigation
- Demonstrations of integrated cropping practice

17. Correct option: (d)

Explanation:

Project Sashakt

- **Option d is correct: Project Sashakt aims to strengthen the credit capacity, credit culture and credit portfolio of public sector banks.**
- Project Sashakt was proposed by a panel led by PNB chairman Sunil Mehta. Bad loans of up to Rs. 50 crore will be managed at the bank level, with a deadline of 90 days. For bad loans of Rs. 50-500 crore, banks will enter an inter-creditor agreement, authorizing the lead bank to implement a resolution plan in 180 days, or refer the asset to NCLT. For loans above Rs. 500 crore, the panel recommended an independent AMC, supported by institutional funding through the AIF. The idea is to help consolidate stressed assets.
- India's first 'freight village' will be developed by the Inland Waterways Authority of India (IWAI) in Varanasi, Uttar Pradesh. The freight village, a one-of-its-kind infrastructure platform, will attract companies that require logistics services and can cluster to improve their competitiveness. This will allow relocation of retailers, warehouse operators and logistics service providers supplying the regional FMCG market. The facility will come around the proposed multi-modal terminal adjacent to the city on the banks of the Ganga.

18. Correct option: (a)

Explanation:

Freight village

- **Option a is correct: The Inland Waterways Authority of India proposes to develop a "freight village" in Varanasi.**

- The objective of the project is to support economic development in the hinterland of the multimodal terminal at Varanasi and reduce logistics cost in the Eastern Transport Corridor and its influence zone.
- It envisages establishment of multimodal logistics hub in Varanasi to promote the use of waterway transport on river Ganga (NW-1) between Haldia and Varanasi and of rail transport on Eastern Dedicated Freight Corridor (EDFC) in the North bound direction which facilitates movement of freight from road to water and rail.

19. Correct option: (c)

Explanation:

Municipal Bonds

- A municipal bond is a debt obligation issued by a local authority with the promise to pay the bond interest on a specified payment schedule and the principal at maturity.
- They can be either general obligation bonds, where the principal and interest are guaranteed by the issuer's overall tax revenues or they can be revenue bonds, where the principal and interest are secured by revenues from a particular project of the ULBs. It could be derived from tolls, charges or rents from the facility built with the proceeds of the bond issue.
- The two basic types of municipal bonds are:
- General obligation bonds: Principal and interest are secured by full faith and credit of the issuer and usually guaranteed by either the issuer's unlimited or limited tax paying power.
- Revenue bonds: Principal and interest are secured by revenues of ULBs derived from tolls, charges or rents from the facility built with the proceeds of the bond issue. Public projects financed by revenue bonds include toll roads, bridges, airports, water and sewage treatment facilities, hospitals and subsidised housing.
- **Statement 1 is correct: The market for municipal bonds in India is almost non-**

existent unlike US and many developing countries like Russia, Mexico, where it is one of the principal mode of financing urban infrastructure.

- The Government of India allowed ULBs to issue tax-free municipal bonds in 1999-2000 and has amended the Income Tax Act (1961 vide the Finance Act 2000) inserting a new clause (vii) in Section 10(15), whereby interest income from bonds issued by local authorities was exempted from income tax.
- The GOI issued guidelines for issue of tax-free municipal bonds in February 2001. It has been clearly specified that the funds raised from these tax-free municipal bonds are to be used only for capital investments in urban infrastructure like potable water supply, sewerage or sanitation, drainage, solid waste management, roads, bridges and flyovers; and urban transport.
- **Statement 2 is incorrect: Ahmedabad Municipal Corporation (AMC) was the first ULBs in India to issue tax-free municipal bonds for water and sewerage projects.** In April 2002, AMC issued a tax-free 10-year bonds worth Rs 1000 crore followed by Tamil Nadu Urban Development Fund (TNUDF) in 2003 which issued a bond by pooling 14 municipalities for commercially viable water and sewerage infrastructure projects. Subsequently, the Government of Karnataka used the concept of pooled financing to raise debt from investors for the Greater Bangalore Water Supply and Sewerage Project (GBWASP).
- **Statement 3 is incorrect:** On July 2015, **SEBI notified a new regulatory framework for issuing municipal bonds in India for streamlining the system of the municipal bond market in India.**
 - **main features include:**
 - Investment grade ratings for ULBs,
 - No default in last 365 days and positive net worth,
 - A mandated guarantee from the State Government or Central Government

20. Correct option: (c)

Explanation

- **Statement 1 is incorrect: India's SEZ Policy was implemented from April**

1, 2000. Subsequently, the Special Economic Zones.

- Act, 2005 was enacted.
- **Statement 2 is correct: The Baba Kalyani led committee constituted by the Ministry of Commerce and Industry to study the existing.**
- SEZ policy of India has recently submitted its report.
- **Major Issues with SEZ Policy**
- At the application stage, the necessity for a two stage process has being questioned.
- Fiscal incentives such as stamp duty exemption have not been uniformly implemented in all
- states.
- With respect to land, there is no earmarking of sites for SEZs by the Government or provision of initial infrastructure. The long gestation period till notification further makes the land unusable.
- **Statement 3 is correct: There is absence of clear exit mechanism for the SEZ developers in the policy.**
- There is too much emphasis on products from SEZs being used for exports only.

21. Correct option: (a)

Explanation

- **Option a is correct:** The 2018 G20 Buenos Aires summit, was the thirteenth meeting of Group of Twenty (G20), which was **held on 30 November and 1 December 2018 in the city of Buenos Aires, Argentina.** It was the first G20 summit to be hosted in South America.
- **Group of Twenty (G20):**
- The G20 (or Group of Twenty) is an international forum for the governments and central bank governors from 19 countries and the European Union. Founded in 1999 with the aim to discuss policy pertaining to the promotion of international financial stability, the G20 has expanded its agenda since 2008 and heads of government or heads of state, as well as finance ministers and foreign ministers, have periodically conferred at summits ever since. It seeks to address issues that go beyond the responsibilities of any one organization.

- Membership of the G20 consists of 19 individual countries plus the European Union (EU). The EU is represented by the European Commission and by the European Central Bank. Collectively, the G20 economies account for around 90% of the gross world product (GWP), 80% of world trade (or, if excluding EU intra-trade, 75%), two-thirds of the world population, and approximately half of the world land area.
- With the G20 growing in stature after its inaugural leaders' summit in 2008, its leaders announced on 25 September 2009 that the group would replace the G8 as the main economic council of wealthy nations. Since its inception, the G20's membership policies have been criticized by numerous intellectuals, and its summits have been a focus for major protests by left-wing groups and anarchists.
- The heads of the G20 nations met semi-annually at G20 summits between 2009 and 2010. Since the November 2011 Cannes summit, all G20 summits have been held annually.

22. Correct option: (a)

Explanation

Kimberley Process (KP)

- **Statement 3 is incorrect: It is a binding agreement** that imposes extensive requirements on every participant to remove conflict diamonds from the global supply chain. The KP is underpinned by the United Nations mandate. Since August 2013, the KP has 54 participants, representing 81 countries.
- Today, participants actively prevent 99.8% of the worldwide trade of conflict diamonds. The visible evidence of this commitment is the Kimberley Process Certification Scheme (KPCS) that both safeguard the shipment of 'rough diamonds' and certifies them as conflict free.
- **Statement 1 is correct: The Kimberley Process Certification Scheme (KPCS) Plenary 2018, was held in Brussels, Belgium.**
- **Statement 2 is correct: EU handed over the Chairmanship of KPCS to India from 1st January, 2019.**
- India was the Vice-Chair during the period of 2017-2018.

- Botswana and the Russian Federation will serve as Vice-Chair during the period of 2019-2020.

23. Correct option: (b)

Explanation

Global Sustainable Cities 2025 initiative

- **Option b is correct: The United Nations selected Uttar Pradesh's Noida and Greater Noida to participate in its Global Sustainable Cities 2025 initiative.**
- The twin-cities in Gautam Buddha Nagar district, adjoining the national capital, have been selected in the "University City" category ahead of Mumbai and Bengaluru as the only invitee from India.
- Overall 25 cities across the world have been selected in five categories by the UN Global Sustainable Development Goals (SDG) cities initiative. Noida (along with Greater Noida) will participate in this showcase 'Race to Sustainability' among 25 global cities to become fully compliant with the Sustainable Development Goals by 2025 under the UN Global Sustainable Development Goals (SDG) cities initiative.
- The goal is to work together with other participating university cities like Cambridge, Palo Alto, Trondheim, Espoo and Heidelberg to create Sustainability Innovation and Research Hubs. The SDGs, otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.
- Sustainable Development Goals Commitment Report (SCR) overcomes the limitations of current evaluation systems, such as inadequate transparency on evaluation criteria and methodology, inexperienced analysts, backward looking analysis with limited prognosis, and potential conflicts of interest.
- SDG cities initiative will lead to an "unprecedented infl ow" of global knowledge, resources and capacity-building into Noida and Greater Noida via various UN agencies, partners and corporate supporters. Agreeing to the invitation for the long term project would entitle Noida-Greater Noida for multi-million US dollars finance and implementation know-how for each of the 17 SDGs along the defined KPIs (key performance indicators).

24. Correct option: (c)

Explanation

Objectives of India's Agriculture Export Policy, 2018

- **Statement 1 is incorrect: To double agricultural exports from present US\$ 30+ Billion to US\$ 60+ Billion by 2022 and reach US\$ 100 Billion in the next few years.**
- To promote novel, indigenous, organic, ethnic, traditional and non-traditional agri products exports.
- **Statement 2 is correct: To provide an institutional mechanism for pursuing market access, tackling barriers and deal with sanitary and phyto-sanitary issues.**
- **Statement 3 is correct: To diversify our export basket, destinations and boost high value and value added agricultural exports including focus on perishables.**
- To strive to double India's share in world agri exports by integrating with global value chain at the earliest.
- Enable farmers to get benefit of export opportunities in overseas market.

25. Correct option: (b)

Explanation

- **Statement 1 is correct:**The credit rating industry has a history of 158 years, but it is currently dominated by three major rating agencies controlled by US capital: **Standard & Poor's, Moody's and Fitch Ratings, also known as THE BIG THREE. The three companies share about 90 percent of the global market.**
- **Statement 2 is incorrect:**A credit rating agency (CRA) is a company that rates debtors(not share holder) on the basis of their ability to pay back their interests and loan amount on time and the probability of them defaulting. These agencies may also analyze the creditworthiness of debt issuers and provide credit ratings to only organizations and not individuals consumers.
- **Statement 3 is correct:**Higher the credit rating, lower is the rate of interest offered to the organization.

26. Correct option: (b)

Explanation

- The Defence Sector in India, being a strategic sector, was traditionally reserved for the Public Sector till 1991. Defence Public Sector Undertakings (Defence PSUs) and Ordnance Factory Board (OFB) monopolised defence products manufacturing while R&D was the exclusive turf of DRDO. The concept of FDI in general was introduced in India in 1991 with the opening of the Indian economy. However, the Defence Sector was opened up 100% in May 2001 for Indian Private
- Sector participation with FDI permissible up to 26%, both subject to licensing. In August 2014, the Department of Industrial Policy and Promotion (DIPP) raised the limit up to 49% through Government route and above 49% through Cabinet Committee on Security (CCS), on case-to-case basis. The Government formulated a revised
- **Statement 1 is incorrect: "Consolidated FDI Policy" in 2016, where the policy permitted FDI cap in defence, through automatic route up to 49% and above 49% under Government route on case to case basis, wherever it is likely to result in access to modern and "state-of-the-art" technology in the country.**
- **Statement 2 is correct: "Higher FDI translates into better infrastructure, enhanced capacities and greater self-reliance.** This would in turn also result in reducing the stock levels of reserves of munitions, weapons, equipment, assemblies and components held at various echelons of the Armed Forces.
- Broadly, foreign direct investment includes "mergers and acquisitions, building new facilities, reinvesting profits earned from overseas operations, and intra company loans". In a narrow sense, foreign direct investment refers just to building new facility, and a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor.[2] FDI is the sum of equity capital, long-term capital, and short-term capital as shown in the balance of payments.

- **Statement 3 is correct:** “FDI usually involves participation in management, joint-venture, transfer of technology and expertise. Stock of FDI is the net (i.e., outward FDI minus inward FDI) cumulative FDI for any given period. Direct investment excludes investment through purchase of shares.

27. Correct option: (a)

Explanation

Development Impact Bond (DIB)

- **Option a is correct:** A group of global philanthropic foundations, including UBS Optimus Foundation, British Asian Trust, Michael & Susan Dell Foundation, and Tata Trust have announced a Development Impact Bond (DIB) worth \$11 million.
- It is an innovative education financing model based on measurable outcome rather than the present input model of social financing that does not bother about result.
- To be known as Quality Education India, it is expected to improve education outcome of 300,000 students in Delhi and Gujarat.
- It is the largest education DIB in the world.

28. Correct option: (b)

Explanation

- **Option b is correct:** Nepal has declared Indian currency notes of denominations `200, `500 and `2000 to be illegal, asking tourists and migrants to refrain from carrying notes above `100, according to a recent media report. The ban on all higher denominations declared by the Nepalese government this week is expected to add to the woes of migrant labourers and Indian tourists.
- Countries like Nepal and Bhutan have always used and traded in Indian currency, for the sake of simplicity, but recent economic upheavals have made it difficult to maintain the status quo. This move, therefore, can also be seen as a formal stand on the issue of exchanging counterfeit and black money across borders.

29. Correct option: (b)

Explanation

- **Statement 1 is correct:** The Indian renewable energy sector is the fourth most attractive renewable energy market in the world. The country ranks fourth in the world in terms of total installed wind power capacity.
- With a potential capacity of 363 Gigawatts (GW) and with policies focused on the renewable energy sector, Northern India is expected to become the hub for renewable energy in India.
- **Statement 2 is correct:** Today, renewable account for about 33% of India's primary energy consumptions. India is increasingly adopting responsible renewable energy techniques and taking positive steps towards carbon emissions, cleaning the air and ensuring a more sustainable future.
- **Statement 3 is incorrect:** According to the World Bank's report - Regulatory Indicators for Sustainable Energy (RISE) 2018 – charting global progress on sustainable energy policies, many of the world's largest energy-consuming countries significantly improved their renewable energy regulations since 2010.

30. Correct option: (b)

Explanation

Angel Tax

- **Statement 1 is correct:** It is a 30% tax that is levied on the funding received by startups from an external investor. However, this 30% tax is levied when startups receive angel funding at a valuation higher than its 'fair market value'. It is counted as income to the company and is taxed.
- **Statement 2 is incorrect:** Angel tax was introduced in 2012, with the purpose of keeping money laundering in check.
- Start-ups problem of angel tax stem from an anti-abuse provision introduced in the Income Tax Act in 2012 to curb the practice of politicians accepting bribes in the guise of share premium in unlisted companies set up by them. Tax officials prefer to value these enterprises based on their net asset value, companies tend to be valued based on estimates of their future earnings.

31. Correct option: (c)

Explanation

- **Statement 1 is correct:** *PCA norms allow the regulator to place certain restrictions such as halting branch expansion and stopping dividend payment. It can even cap a bank's lending limit to one entity or sector.*
- Other corrective action that can be imposed on banks include special audit, restructuring operations and activation of recovery plan. Banks' promoters can be asked to bring in new management, too. The RBI can also supersede the bank's board, under PCA.
- The provisions of the revised PCA framework came into effect on April 1, 2017 and it will be reviewed after three years.
- **Statement 2 is correct:** *Four public sector banks — Bank of Maharashtra, Corporation Bank, Allahabad Bank and Bank of India — that are under the Prompt Corrective Action (PCA) framework of the Reserve Bank of India (RBI), may come out of the restrictions following improved performance.*

32. Correct option: (b)

Explanation

Start-up Ranking 2018

- The Department of Industrial Policy and Promotion (DIPP) announced results of the first ever States' Start-up Ranking 2018 at an event in New Delhi recently.
- States have been identified as leaders across various categories such as Start-up policy leaders, incubation hubs, seeding innovation, scaling innovation, regulatory change champions, procurement leaders, communication champions, North-Eastern leader, and hill state leader.
- The primary objective of this ranking is to encourage States and UTS to work towards strengthening of Startup ecosystems in their region. Also, it seeks to create a healthy competition among States and will result in the promotion of Startup culture.
- On the basis of performance in these categories, the States have been

recognized as the Best Performer, Top Performers, Leaders, Aspiring Leaders, Emerging States and Beginners.

- Results of States' Startup Ranking 2018:
- **Gujarat was ranked as the Best Performer**
- Karnataka, Kerala, Odisha, and Rajasthan were judged as Top Performers.
- Andhra Pradesh, Bihar, Chhattisgarh, Madhya Pradesh and Telangana were ranked as Leaders.
- Haryana, Himachal Pradesh, Jharkhand, Uttar Pradesh and West Bengal were ranked as Aspiring Leaders.
- Assam, Delhi, Goa, Jammu & Kashmir, Maharashtra, Punjab, Tamil Nadu and Uttarakhand were judged as Emerging States.
- Chandigarh, Manipur, Mizoram, Nagaland, Puducherry, Sikkim, and Tripura were ranked as Beginners.

33. Correct option: (d)

Explanation

What are the changes to the FDI norms covering e-commerce?

- The revised FDI policy issued by the centre explains certain principles laid down in a 2017 circular on the operations of online market places, wherein 100% foreign direct investment, or full foreign ownership is allowed.
- **Statement 1 is incorrect:** *The new norms bar exclusive tie-ups between e-commerce firms that follow the 'market place model' and vendors using their platform.*
- In a market place model, the e-commerce firm is not allowed to directly or indirectly influence the sale price of goods or services, and is required to offer a level playing field to all vendors.
- **Statement 2 is incorrect:** *Now the cash back or services, such as quick delivery, offered by e-tailers have to be applicable to all vendors on their platforms.*
- It also envisages that if a vendor sells more than 25% of its wares through an e-commerce marketplace, the latter will

be deemed to have an inventory model, in which FDI is not allowed.

- Although, the 25% cap existed earlier, but the onus of ensuring it, is now firmly on the e-commerce platform, so that it does not find itself on the wrong side of the law. It further said that e-commerce firms will be barred from selling wares of related parties on the inventory, of which it has a say.

34. Correct option: (d)

Explanation

- **Statement 1 is incorrect:** *The merger of Bank of Baroda, Vijaya Bank and Dena Bank will create the third largest lender in the country*, with advances and deposits market share of 6.9% and 7.4%, respectively. The new merged entity will overtake ICICI Bank as India's third largest commercial bank after SBI and HDFC Bank.
- **Statement 2 is incorrect:** *Mere amalgamation of banks will not provide solution to NPA problem*. This problem will primarily be tackled by Insolvency and Bankruptcy resolutions. But there has to be "competition" in this area as well.
- **Statement 3 is incorrect:** The government has been working within the Four "R" philosophy in the banking sector:
 - Recognition of bad assets,
 - Resolution of the assets (via Insolvency and Bankruptcy Code),
 - Recapitalization (2.1 lakh crore assured in October 2017), and
 - Reform (utilizes this limited capital and infuses it prudentially to create a strong structure).

35. Correct option: (b)

Explanation

E-way bills

- **Statement 1 is incorrect:** *It is a document required to be carried by a person in charge of the conveyance carrying any consignment of goods of value exceeding fifty thousand rupees* as mandated by the Government in terms of Section 68 of the Goods and Services Tax Act.

- The government's decision to make some changes to the E-way bill system effective November 16, 2018, has not gone down well with transporters. Transporters have complained that they have not been communicated properly regarding the changes made by the National Informatics Centre, which handles the e-way bill project.

• Who can generate e-way bill?

- The consignor or consignee, as a registered person or a transporter of the goods can generate the e-way bill.
- The unregistered transporter can enroll on the common portal and generate the e-way bill for movement of goods for his clients.
- **Statement 2 is correct:** *Any person can also enroll and generate the e-way bill for movement of goods for his/ her own use.*

36. Correct option: (d)

Explanation

National Entrepreneurship Awards (NEA)

- **Statement 1 is correct:** *The awards will acknowledge an Entrepreneur and Entity/ Individual Supporting Entrepreneurs exceptional growth, strategies and products, dedicated customer focus, etc. to inspire and promote growth of entrepreneurs in India.*
- Categories
 - The awards are classified into three investment categories- below Rs 1 Lakh, between Rs 1 Lakh to 10 Lakhs and between Rs 10 Lakh to Rs 1 Crore- covering small to big first generation entrepreneurs.
 - This is to ensure that entrepreneurs from every socio-economic category take part in the award and they are duly recognised for their meaningful contribution to the economy of the nation.
- **Statement 2 is correct:** *The winners received a trophy, certificate and cash prizes ranging from Rs. 5 to 10 lakh.*
- **Statement 34 is correct:** *Nominees must be under the age of 40 years;* he/she must be a first-generation entrepreneur and must hold 51% or more equity and ownership of the business.

37. Correct option: (d)

Explanation

The annual Employment–Unemployment Survey of households by Labour Bureau

- **Statement 1 is incorrect:** The annual Employment–Unemployment Survey (EUS) of households by Labour Bureau found that **there was an absolute decline in employment during the period 2013–14 to 2015–16**, except a marginal improvement in 2010-12.
- It shows a decline in total employment from 480.4 million (2013-14) to 467.6 million (2015-16), perhaps happening for the first time in independent India.
- **Statement 2 is incorrect:** *The unemployment rate among the educated is not only higher compared to the uneducated; it also increases with higher levels of education.*
- **Statement 3 is incorrect:** *Jobs in government are not growing in last 20 years.*

38. Correct option: (a)

Explanation

- **Statement 1 is incorrect:** **Sikkim** has started the process to introduce Universal Basic Income (UBI) in the state.
- **Statement 2 is incorrect:** The five broad features of such schemes are:
 - **payments at periodic regular intervals (not one-off grants),**
 - payments in cash (not food vouchers or service coupons),
 - payments to individuals,
 - universality,
 - and unconditionality.
- **Statement 3 is correct:** Citing the study, the Economic Survey 2016-17 claimed that **"people become more productive when they get a basic income"**.

39. Correct option: (a)

Explanation

Gold Monetization Scheme

- Launched in 2015, the scheme is a new deposit tool to ensure mobilization of

gold possessed by various families and institutions in India.

- It is expected that the scheme would turn gold into a productive asset in India as beneficiaries earn interest on unused gold lying idle in bank lockers.
- It is a modification of the earlier Gold Deposit Scheme (GDS) and Gold Metal Loan Scheme (GML), and it replaced the Gold Deposit Scheme, 1999.
- **Statement 1 is correct:** *Deposits can be made by residents of India, HUFs', mutual funds and exchange trading funds registered under SEBI.*
- **Statement 2 is correct:** *Joint deposits are allowed with a minimum of two holders with no cap on the maximum number.*
- Key features of Gold Monetization Scheme:
 - The scheme accepts a minimum deposit of 30gm of raw gold in the form of a bar, coin or jewellery.
- **Statement 3 is incorrect:** *There is no maximum limit of investment under this scheme.*
- The scheme allows premature withdrawal after a minimum lock-in period. However, it charges penalty for such withdrawals.
- All designated commercial banks are eligible to implement the Gold Monetization Scheme in India.
- The scheme would offer interest at 2.50% per year which is higher than previous rates offered on gold investments.
- The short term deposits offered by Gold Monetization Scheme can be redeemed in either gold or in rupees at current rates applicable at the time of redemption.

40. Correct option: (c)

Explanation

- **Statement 1 is correct:** *World Economic Forum has released a report titled 'Future of Consumption in Fast-Growth Consumer Market'.* The report contends that with the current pace of development, India would become third largest consumer market in the world by 2030.

- **Statement 2 is incorrect:** *Nearly 60% of India's GDP is driven by domestic private consumption, as compared to 40% in China.* Hence the economy is protected to a great extent against external shocks and cycles of low or high public investment.
- **Statement 3 is incorrect:** According to Fast-Growth Consumer Market report released by World Economic Forum *Consumption led growth diminishes the urban-rural divide significantly.*

41. Correct option: (a)

Explanation

- **Statement 1 is correct:** *Ministry of Housing and Urban Affairs launched the Global Housing Technology Challenge (GHTC), to make the construction cost effective as well as innovative.*
- The goal of GHTC is to fast-track the construction of affordable housing and meet the target of constructing 1.2 crore houses by 2022 under Pradhan Mantri Awas Yojna (Urban).
- Pradhan Mantri Awas Yojana-Urban (PMAY-U) Mission is to provide all weather "pucca" houses to eligible beneficiaries.
- Conventional system of housing construction is time consuming as well as resource intensive. There is a need to look for new emerging, disaster resilient, environment friendly, cost effective and speedy construction technologies
- **Statement 2 is incorrect:** *Conventional construction systems (such as the use of brick and mortar) are slow paced, energy intensive, dependent on natural resources and have large carbon footprint. They use low levels of mechanization and have high dependence on manual labour.*

42. Correct option: (c)

Explanation

Ease of doing business

- **Statement 1 is correct:** *India has come a long way on World Bank's Ease of Doing Business substantially improving its ranking from 142nd in 2014 to 77 in 2018.*

- The World Bank's Doing Business report ranked 190 economies based on life cycle approach, taking into account starting a business, registering property, getting electricity, protecting minority investors, trading regulations, property rights, contract enforcement, investment laws, the availability of credit, and trade across the border. **Statement 2 is incorrect:** *Ease of Doing Business Index does not measure macro stability policies and development of the financial sector.*
- **Statement 3 is incorrect:** *While the report talks about the business climate in a country, it merely focuses into business regulations.* In India's case, the business environment in only Delhi and Mumbai are used to compile the national ranking.

43. Correct option: (d)

Explanation

7th Regional Comprehensive Economic Partnership (RCEP) inter-sessional ministerial meeting

- **Statement 1 is correct:** *The two-day RCEP Inter-Sessional Ministerial Meeting concluded in Singapore.*
- **Statement 2 is correct:** It is a mega regional free trade agreement (FTA) being negotiated amongst 16 countries, comprising 10 ASEAN countries (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam) plus six ASEAN FTA partners, namely Australia, China, **India**, Japan, Korea and New Zealand.
- It is the world's largest economic bloc, covering nearly half of the global economy and accounting for a population of 3.4 billion.
- RCEP's share of the global economy could account for half of the estimated \$0.5 quadrillion global GDP (PPP) by 2050.
- First RCEP summit was held in 2017 in Manila, Philippines.
- It is viewed as an alternative to the Trans-Pacific Partnership (TPP), now a defunct proposed trade agreement between the US and 11 Pacific Rim countries but excludes China and India.

- **Statement 3 is correct:** *It is viewed as an alternative to the Trans-Pacific Partnership (TPP), now a defunct proposed trade agreement between the US and 11 Pacific Rim countries but excludes China and India.*

44. Correct option: (a)

Explanation:

- **Statement 1 is correct:** *Ministry of Tourism has rolled out online certification programme for Tourist Facilitators, named as Incredible India Tourist Facilitator Certification (IITFC). It will be available for those interested seeking tourist guide as profession. It has been developed by M/s Wipro Limited and the content is supported by the Indian Institute of Tourism & Travel Management.*
- As per Indian tourism report, 2018-India was ranked 7th among 184 countries in terms of travel & tourism's total contribution to GDP in 2017.
- India's rank in the Travel & Tourism Competitiveness Index (TTCI) in 2017 jumped 25 places ahead of 2013.
- **Statement 2 is incorrect:** Travel and tourism is the third largest foreign exchange earner for India.
- The travel & tourism sector in India accounted for 8 per cent of the total employment opportunities generated in the country in 2017, providing employment to around 41.6 million people during the same year.

45. Correct option: (c)

Explanation

- **Statement 1 is correct:** *Natural Gas (as CNG) is cheaper by 60% as compared with petrol and 45 % w.r.t. Diesel.* Similarly, Natural Gas (as PNG) is cheaper by 40 % as compared with market price LPG and price of PNG almost matches with that of subsidised LPG (based on prices in Delhi).
- An auto-rickshaw owner can save Rs. 7000-8000 on his monthly fuel bill by conversion from petrol to CNG. Thus, even on cost front as well, natural gas is preferable to petrol, diesel and LPG.

- Presently, *the share of gas in the country's energy mix is just over 6%* and the aim is to reach the 15%, while the world average is 24%.
- **Statement 2 is correct:** *An economically-growing India, the third largest energy consumer and fourth biggest LNG importer in the world, is dependent on imports to meet 45 per cent of its gas needs*

46. Correct option: (a)

Explanation:

- **Statement 1 is correct:** The committee chaired by NITI Aayog member Ramesh Chand was set up by the finance ministry in June 2017 for Integration of Commodity Spot and Derivatives Market.
- The trading in the commodities market can be broadly categorized into two major segments viz., spot/physical segment and derivatives segment.
- **Statement 2 is incorrect:** The commodity derivatives markets are well regulated under a statutory regulator while the **spot markets are fragmented, geographically dispersed and primarily regulated by the state governments of the country.**
- Recommendations of the committee include:
- A well regulated, pan-India electronic **spot market converging with a functional derivatives market** will help farmers receive better and stable prices
- Central law to regulate a **pan-India spot market**, lack of **adequate storage, infrastructure** and assaying facilities were the challenges highlighted in the report.
- The report recommended **urgent adoption of the model agriculture marketing Act** (proposed by the centre last year) and **promoting farmer producer organizations (FPOs)** to improve farmers' bargaining power. For developing a robust derivatives market in farm produce, the government should **desist from imposing sudden restrictions due to production or price fluctuations.**
- The panel observed that existing spot market platforms like the electronic National Agriculture Market (eNAM) need

a **robust dispute-resolution mechanism**. A large number of participants in pan-India trading platforms like the eNAM will lead to transparent price discovery and eliminate the possibility of manipulative practices like cartelization.

47. Correct option: (c)

Explanation:

- **Statement 1 is correct:** Algorithmic trading or 'algo' in market parlance refers to **orders generated at a super-fast speed by use of advanced mathematical models** that involve automated execution of trade, and it is mostly used by large institutional investors accounting for 35-40 per cent of turnover on the Indian exchanges.
- Lack of explicit guidelines from SEBI has prevented many brokers from providing algo trading platforms to retail investors giving institutional investors an unfair advantage over retail investors. However, SEBI has proposed various measures to reduce disadvantage faced by retail investors such as:
 - SEBI raised the limit to process up to 100 orders per second by a user for algo trade from the existing limit of 20 orders per second per user. It has asked exchanges to ensure that the limit it provides is subject to its ability to handle the load.
 - It has also decided to do away with the requirement of listing of system auditors by the exchanges for system audit of algorithmic trading.
 - Penalty levied on algo orders placed more than 0.75 per cent away from the last traded price, to check price swings.
- **Statement 2 is correct:** Introduction of shared co-location services to cut costs. In order to minimise or eliminate delay in the execution of trade orders, stock exchanges offer co-location or proximity hosting services. Through this, a broker or a data-vendor is permitted to be located within or at close proximity with the stock exchange and can connect to the trading platform through a direct and private network.
- The exchanges where algos are used need to get their programmes approved by SEBI, before they are put to use.

48. Correct option: (d)

Explanation:

- The Reserve Bank of India (RBI) has relaxed its rules for investments by Foreign Portfolio Investors (FPIs) in Indian bonds. These include:
 - RBI has **withdrawn the clause that forced FPIs to buy government bonds and state development loans with at least three years of residual maturity**.
 - **Statement 1 is correct:** It has increased **aggregate FPI investments** in a single government bond to **30% of outstanding stock from 20% earlier**.
 - The central bank also removed the three-year residual maturity rule for corporate bond investments by allowing FPIs to **buy securities with at least one year maturity**.
 - It has also **withdrawn the Auction Mechanism**, wherein FPIs were required to purchase investment limits once the limit utilisation breached 90 per cent of the permitted quota. The Clearing Corporation of India Ltd (CCIL) **will monitor utilisation of G-sec limits online**.
 - The CCIL was set up in April, 2001 to **provide guaranteed clearing and settlement functions for transactions** in Money, G-Secs, Foreign Exchange and Derivative markets.
 - It also provides non-guaranteed settlement for Rupee interest rate derivatives and cross currency transactions through the CLS (Continuous Linked Settlement) Bank.
 - **Statement 2 is correct:** It has been **recognised as a Qualified Central Counterparty (QCCP) by the Reserve Bank of India in 2014**.

49. Correct option: (a)

Explanation:

- The 'Agriculture Export Policy, 2018' was released by the Union cabinet in **December 2018** to catalyse the policy vision of **doubling farmers' income by 2022**.
- **Statement 2 is incorrect:** The Cabinet has **also approved the proposal for establishment of Monitoring Framework at Centre with Commerce as the nodal Department** with representation from various line Ministries/Departments and Agencies and representatives of concerned State Governments, to oversee the implementation of Agriculture Export Policy.

- **Vision:** Harness export potential of Indian agriculture, through suitable policy instruments, to make India global power in agriculture and raise farmers' income.

Objectives:

- **Statement 1 is incorrect:** To **double agricultural exports from present US\$ 30+ Billion to US\$ 60+ Billion by 2022** and reach US\$ 100 Billion in the next few years thereafter, with a stable trade policy regime. 1,400 crore will be invested to set up **specialised clusters in different states for different produce** to push exports. **Dedicated clusters** will also be set up for mangoes, pomegranate, bananas, grapes, tea, coffee, turmeric, and marine products, among others.
- **Statement 3 is correct:** In addition to this the government will set up **'Brand India'** to promote exports and establish a strong quality regime for exports, states will be extensively involved.
- To **diversify our export basket, destinations and boost high value and value added agricultural exports** including focus on perishables.
- To **promote novel, indigenous, organic, ethnic, traditional and non-traditional Agri products** exports.
- To provide an institutional mechanism for pursuing **market access, tackling barriers** and deal with sanitary and phyto-sanitary issues.
- To strive to **double India's share in world agri exports** by integrating with global value chain at the earliest.
- Enable farmers to get benefit of **export opportunities in overseas market.**

50. Correct option: (a)

Explanation:

- **Statement 1 is correct:** Nutrient Based Subsidy (NBS) programme for fertilizer was initiated in the year **2010**. Under the scheme, a **fixed amount of subsidy decided on an annual basis** is provided on **each grade of subsidized Phosphatic**

and Potassic (P&K) fertilizers, except for Urea, based on the nutrient content present in them.

- **Statement 2 is incorrect:** The ideal NPK ratio for healthy soil should be **4:2:1**.
- It is **largely for secondary nutrients like N, P, S and K** and micronutrients which are very important for crop growth and development. The scheme is being **implemented by the Department of Fertilizers.**
- In India, **urea is the only controlled fertilizer** and is sold at a statutory notified uniform sale price. Urea is destined for use as a **nitrogen-release fertilizer**. Urea has the **highest nitrogen content of all solid nitrogenous fertilizers** in common use.
- Additional subsidy is also provided on the fertilizers fortified with secondary and micronutrients as per the Fertilizer Control Order such as Boron and Zinc.
- **Statement 3 is incorrect:** Under this scheme, Maximum Retail Price (MRP) of fertilizers has been left open. The scheme **allows the manufacturers, marketers, and importers to fix the MRP of the Phosphatic and Potassic fertilizers** at reasonable levels. The Maximum Retail Price will be decided considering the domestic and international prices of P&K fertilizers, inventory level in the country and the exchange rates.
- The Cabinet Committee on Economic Affairs has approved the continuation of Nutrient Based Subsidy (NBS) 12th Five Year plan till 2019-20. The continuation of the Nutrient Based Subsidy Scheme will ensure that **adequate quantity of P&K is made available to the farmers at a statutory controlled price** for sustained agricultural growth and balanced nutrient application to the soil.
- It aims at ensuring balanced use of fertilizers, improving the agricultural productivity, promoting the growth of the indigenous fertilizers industry and also reducing the burden of subsidy.

CURRENT AFFAIRS

(ECONOMY PART - II)

Time Allowed: 1 Hrs.

Maximum Marks: 100

Roll No.:

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. Please note that it is the candidate's responsibility to encode and fill in the Roll Number carefully and without any omission or discrepancy at the appropriate places in the OMR Answer Sheet. Any omission/ discrepancy will render the Answer Sheet liable for rejection.
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. While writing name and Roll No. on the top of the OMR Sheet in appropriate boxes use "**ONLY BLACK BALL POINT PEN**".
5. This Test Booklet contains **100 items (questions)**. 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.
6. You have to mark all your responses **ONLY** on the separate **OMR Answer Sheet** provided.
7. All items carry equal marks. **(2 marks each)**
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.
 - (a) 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 of the marks** assigned to that question will be **deducted as penalty**.
 - (b) 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.
 - (c) If a question is left blank, i.e., no answer is given by the candidate, there will be no penalty for that question.

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

1. Which of the following statements are correct in regard to the National Financial Reporting Authority (NFRA)?

1. It is an independent regulator for the auditing profession under Companies Act, 2013.
2. Its chairperson is appointed by the Prime Minister of India.
3. While trying a suit, they have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908.

Select the correct answer using the code given below:

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

2. Which of the following statements is/are correct in regard to the National E-Mobility Programme?

1. The programme has been launched by the Ministry of Power in collaboration with the Ministry of Road Transport and Highways.
2. Energy Efficiency Services Limited (EESL), a joint venture under the Ministry of power is the implementing agency for the programme.

Select the correct answer using the code given below:

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

3. Consider the following statements regarding the North East Industrial Development Scheme (NEIDS):

1. The scheme covers all states of north eastern region except Sikkim.
2. NEIDS is a combination of the incentives comprising of Central Comprehensive Insurance Incentive, Goods and Services Tax Reimbursement and Income Tax Reimbursement.
3. Indian Railways will provide 20% of cost of transportation including subsidy under the scheme.

Which of the above statements is/are correct?

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

4. Operation Green was announced in the Union Budget 2018-2019. Consider the following statements regarding it:

1. It is essentially a price fixation scheme launched by the Ministry of Agriculture and Farmers Welfare.
2. It aims to stabilize supply of Tomato, Onion and Potato (TOP) crops.
3. National Agricultural Cooperative Marketing Federation of India (NAFED) will be nodal agency to implement price stabilization measures.

Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 and 3 only
- (c) 1, 2 and 3
- (d) None

5. With reference to draft National Mineral Policy (NMP) 2018, consider the following statements:

1. The policy has been recommended under the chairmanship of Dr. K Rajeswara Rao committee.
2. Management of mineral resources is the responsibility of the Central government exclusively.
3. Long term export policy is the central consideration of the policy.

Which of the above statements are correct?

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

6. Which of the following statements are correct in regard to the The Micro, Small and Medium Enterprises Development (Amendment) Bill, 2018?

1. It introduces a uniform classification for all MSMEs on the basis of investment in plant and machinery and equipment.
2. The Bill seeks to allow the classification of micro, tiny or village enterprises as small as well as medium enterprises.
3. As per the new bill enterprises with an annual turnover of 5 to 75 crore will be classified as small.

Select the correct answer using the code given below:

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

7. Consider the following statements with regard to the Kisan Urja Suraksha evam Utthaan Mahaabhiyan (KUSUM) scheme:

1. Sops will be provided to Distribution Companies to purchase the surplus electricity produced by the farmers.
2. 60% subsidy on solar pumps will be provided to the farmers which will be shared between the Centre and States.
3. The scheme aims to decentralise solar power production.

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

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1, 2 and 3
- (d) None

8. Considering the government's vision of doubling farmers' incomes (DFI), a committee released its report titled Structural Reforms and Governance Framework. Which of the following statements are correct in this regard?

1. The report was released by the Ashok Dalwai committee.
2. It proposes to place agricultural marketing under the Concurrent List in the Seventh Schedule of the Constitution.
3. It has fixed the target of the ratio of farm to non-farm at 70:30 (by 2022-23) for greater viability to agriculture.

Select the correct answer using the code given below:

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

9. Which of the following statements is/are correct regarding the Price deficiency payment (PDP) scheme?

1. It provides for the difference between the government-announced MSPs for select crops and their actual market prices.
2. Bhavantar Bharpai is one such scheme launched by the Rajasthan Government.

Select the correct answer using the code given below:

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

10. The year 2018 was designated as the National year of which crop by the Indian Government?

- (a) National Year of Tourism
- (b) National Year of Girl child
- (c) National Year of Millets
- (d) National Year of Freshwater

11. With reference to Global Talent Competitiveness Index (GTCI), consider the following statements:

1. GTCI is published by INSEAD in partnership with the Adecco Group and Tata Communications.
2. India's rank has improved for the second consecutive year.

Which of the above statements is/are correct?

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

12. Which of the following software firm has the NITI Aayog signed an agreement with, to develop a model for crop-yield predictions using Artificial Intelligence (AI)?

- (a) Wipro
- (b) HCL
- (c) HP
- (d) IBM

13. As per the latest report of task force on shell companies, consider the following statements:

- 1. Shell Company is a corporate entity with active business operations or significant assets.
- 2. Beneficial ownership and the nature of business dealings are key parameters to define a shell company.
- 3. The compilation of database of shell companies will be done by Serious Fraud Investigation Office (SFIO).

Which of the above statements is/are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1, 2 and 3
- (d) None.

14. Which of the following places have been enumerated as Strategic petroleum reserves (SPR) under the SPR programme?

- 1. Manguluru
- 2. Chandikhole
- 3. Padur
- 4. Bikaner
- 5. Mumbai
- 6. Vishakhapatnam

Select the correct answer using the code given below:

- (a) 1, 2, 3, 5 and 6 only
- (b) 2, 4, 5 and 6 only
- (c) 1, 3, 4 and 6 only
- (d) 1, 2, 3, 4 and 6 only

15. With reference to the NABH - Nirman initiative, consider the following statements:

- 1. The scheme was announced in the Union Budget 2017-18.
- 2. It aims to augment the airport capacity of various airports in the country.
- 3. Fair and equitable land acquisition is a key aspect of the program.

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

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

16. Which of the following statements are correct in regard to the National Wind-Solar Hybrid Policy?

- 1. Policy provides for integration of both energy sources i.e. wind and solar only at alternating current (AC).
- 2. The procurement of power will be as per the tariff based transparent bidding process.
- 3. Rated power capacity of one resource be at least 25% of rated power capacity of other resource for it to be recognized hybrid project.

Select the correct answer using the code given below:

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

17. With reference to the Strategy on Resource Efficiency (RE), consider the following statements:

- 1. It was released by NITI Aayog in collaboration with the European Union.
- 2. The Strategy emphasizes on Sustainable Public Procurement (SSP) as an action agenda.

Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 only

- (c) Both 1 and 2
- (d) Neither 1 nor 2

18. Which of the following statements are correct in regard to the Model Contract Farming Act?

1. Services contracts along the post-production only have been included.
2. As per the act, the Contract farming will be outside the ambit of APMC Act.
3. Farmer Producer Organization (FPOs) / Farmer Producer Companies (FPCs) can be a contracting party if so authorized by the farmers.

Select the correct answer using the code given below:

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

19. Which of the following statements is/are correct with regard to the 'Sustainable Rooftop Implementation for Solar Transfiguration of India (SRISTI)?'

1. The primary objective of this proposed scheme is to generate 100 GW power from the solar rooftops till the financial year 2021-2022
2. Central govt. will provide subsidy up to 5 KWP capacity of power plant.

Select the correct answer using the code given below:

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

20. India is the second largest fish producing country in the world. In view of this, consider the following statements regarding the Fisheries and aquaculture Infrastructure Development Fund (FAIDF):

1. It's aim is to boost fish production to achieve the target of producing 15 million tonnes of fish production by 2022-23.

2. The nodal agencies for the fund will be National Bank for Agriculture and Rural Development (NABARD), National Cooperatives Development Corporation (NCDC) and scheduled banks.

Which of the above statements is/are correct?

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

21. Which of the following statements is/are incorrect regarding the National Anti-Profiteering Authority (NAA)?

1. It ensures full benefits of reduction in tax on supply of goods or services flow to consumers.
2. It has the power to impose a penalty on defaulting business entity.
3. NAA will be headed by the finance minister.

Select the correct answer using the code given below:

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

22. Consider the following statements regarding propelling suitable ecosystem for start ups in India:

1. The first ever States' Start-up Ranking 2018" was recently announced by NITI Aayog, which was topped by state of Gujarat.
2. Startup India program is a flagship initiative launched by Ministry of Commerce and Industry.
3. Start-ups produce most of the net new jobs, as compared to big industries.

Which of the statements given above is/are correct?

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

23. Consider the following statements regarding Development Impact Bonds (DIBs):

1. DIBs are a performance-based investment instrument intended to finance development programmes in low resource countries.
2. They are built off the model of social impact bond (SIB) model of United Kingdom.

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

24. Consider the following statements regarding World Customs Organisation:

1. Established in 1952, World Customs Organization (WCO) is an intergovernmental organization headquartered in Brussels, Belgium.
2. Recently, its session was held in Mumbai, hosted by the Central Board of Indirect Taxes and Customs (CBIC).
3. India has become the vice-chair (regional head of the Asia Pacific region of the World Customs Organisation in 2018).

Which of the statements given above is/are correct?

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

25. Consider the following statements regarding G20:

1. India will host the annual G20 summit in 2022, coinciding with the country's 75th anniversary of Independence.
2. The G20's members represent two-thirds of the world's people and 85 percent of its economy.
3. India, Turkey and Mexico are members of G20.

Which of the statements given above is/are correct?

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

(c) 1 and 2 only

(d) 1, 2 and 3

26. Consider the following statements:

1. Sustainable Development Goals (SDG) India Index is released by NITI Aayog.
2. The 2030 Agenda for Sustainable Development with its 17 SDGs was adopted at the UN Sustainable Development Summit in New York in September 2015.
3. Agenda 21 and Millennium Development Goals (MDGs) are the precursor to the SDGs.

Which of the statements given above is/are correct?

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

27. Consider the following statements:

1. Genetic Engineering Approval Committee (GEAC), is the biotech regulator in India and it functions under the Ministry of Science and Technology.
2. Only Genetically Modified crop under cultivation in India is Bt Cotton.

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. Consider the following statements regarding KALIA scheme, which was in news recently

1. It is a support scheme of Odisha government whose primary targets are small farmers, cultivators and landless agricultural labourers.
2. It is analogous to loan waivers provided by the government.

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

29. Consider the following statements regarding Minimum Support Price (MSP):

1. The MSPs are announced by the Government of India at the beginning of the sowing season for certain crops on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP).
2. MSP can cause inflation in the domestic market and can influence exports in negative way.

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

30. Consider the following statements regarding Polavaram Project:

1. It is a multi-purpose irrigation project which has been accorded national project status by the union government.
2. The project is under construction in West Godavari District and East Godavari District of Andhra Pradesh but its reservoir spreads to parts of Chhattisgarh and Odisha.

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

31. Consider the following statements:

1. Floating solar or FPV (Floating photovoltaic), refers to an array of solar panels on a structure that floats on a body of water.
2. India's largest floating solar power plant started operation in Tamilnadu recently.

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

32. 'Regulatory Indicators for Sustainable Energy (RISE) 2018' report, charting global progress on sustainable energy policies is released by

- (a) World Bank
- (b) United Nations Development Program
- (c) United Nations Educational, Scientific and Cultural Organization
- (d) United Nations Environment Programme

33. Consider the following statements regarding Bogibeel bridge:

1. Recently inaugurated Bogibeel river bridge is the longest rail-cum-road bridge in India.
2. It is constructed on river Barak, which is a tributary of Brahmaputra.

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

34. Consider the following statements:

1. Recently, Ministry of culture had rolled out Incredible India Tourist Facilitator Certification (IITFC) Programme.
2. The IITFC program aspires to reach out to a far-flung audience encompassing a diversity of candidates who are willing to grasp tourist facilitation skills from the comfort of their home.
3. Incredible India is the name of an international tourism campaign maintained by the Government of India since 2002

Which of the statements given above is/are correct?

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

35. Consider the following statements:

1. The latest Payment Bank as of today to start operations in India is a wholly owned subsidiary of NSDL.
2. Payment bank can accept a restricted deposit, which is currently limited to ₹ 2 lakh per customer.
3. These banks cannot extend loans or issue credit cards.

Which of the statements given above is/are correct?

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

36. Consider the following statements:

1. Consumer Confidence Survey in India is conducted by Ministry of Consumer Affairs, Food and Public Distribution.
2. Consumer confidence survey is important because confident consumers buy more goods and services, providing a boost to the Indian economy.

Which of the statements given above is/are correct?

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

37. Consider the following statements:

1. Global Multidimensional Poverty Index (MPI) is developed by The United Nations development Programme (UNDP) and the Oxford Poverty and Human Development Initiative (OPHI).
2. MPI 2018 Report states that Across the 640 districts in India, the poorest district is Alirajpur in Madhya Pradesh.
3. MPI Index 2018 is based on a list of 10 deprivations, which are aligned to SDG 2030 goals.

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

38. According to the United Nations Inter-agency Group for Child Mortality Estimation (UNIGME), in the last five years (2013-2018)

1. Overall infant deaths has declined.
2. The gender gap in survival of the girl child has declined.

Which of the statements given above is/are true?

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

39. Consider the following statements regarding e-commerce in India:

1. Department for promotion of industry and internal trade (DPIIT) is the nodal department for the government's ecommerce initiatives.
2. Under new rules, marketplaces have been barred from selling products from entities in which they have an equity interest.

Which of the statements given above is/are correct

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

40. With reference to the SAMPADA (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters), consider the following statements:

1. It is a Centrally sponsored scheme under the Union Ministry of Food Processing Industries (MoFPI).
2. It incorporates all the ongoing and new schemes of the Ministry to supplement agriculture, modernize processing and decrease agricultural-waste.

Which of the above statements is/are correct?

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

41. Consider the following statements regarding the Phased Manufacturing Programme (PMP):

1. This programme is under Ministry of Electronics and Information Technology (MeitY).
2. It provides fiscal benefits on select products involved in domestic manufacturing of cellular handsets.

Which of the following statements is/are correct?

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

42. Match the following:

Nuclear Power Plant	Location
A. Kudankulam	1. Uttar Pradesh
B. Tarapur	2. Maharashtra
C. Narora	3. Karnataka
D. Kaiga	4. Tamil Nadu

Select the correct answer using the code given below:

	A	B	C	D
(a)	4	1	2	3
(b)	4	2	1	3
(c)	3	1	2	4
(d)	3	2	1	4

43. Consider the following statements regarding Agri-Market Infrastructure Fund (AMIF) :

1. AMIF will provide the State/UT Governments subsidized loan for developing marketing infrastructure in Agriculture Produce Market Committees (APMCs) and Grameen Agricultural Markets (GrAMs).
2. The fund has corpus of Rs. 2000 crore and will be created with 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

44. Consider the following statements regarding Kisan Credit card (KCC) scheme:

1. The KCC Scheme was introduced in 1998.
2. Government has decided to convert Kisan Credit Cards (KCCs) to RuPay ATM cum Debit Kisan Credit Cards (RKCCs).
3. In Budget 2019-20, the KCC scheme has been extended to Animal Husbandry and Fisheries farmers also.

Which of the statements given above is/are correct?

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

45. The bi-annual Fiscal Stability Report discusses issues relating to the development and regulation of the financial sector. It is released by

- (a) NITI Aayog
- (b) World Economic Forum
- (c) Reserve Bank of India
- (d) International Monetary Fund

46. Consider the following statements regarding the recently launched "Green Agriculture" project:

1. The project aims to transform agricultural production by addressing biodiversity conservation, land degradation, climate change mitigation and sustainable forest management.
2. The project is being funded by the Global Environmental Facility (GEF).
3. The project is being jointly implemented by Ministry of Agriculture and Farmers Welfare (MoAFW), Ministry of Environment, Forest and Climate Change (MoEFCC) and The International Union for Conservation of Nature (IUCN).

Which of the statements given above is/are correct?

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

47. Consider the following statements regarding "Public Credit Registry"

1. PCR will be a digital registry of authenticated granular credit information and will work as a financial information infrastructure.
2. It was envisaged by the The Reserve Bank of India.

Which of the statements given above is/are correct?

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

48. With reference to Pandit Deen Dayal Upadhyay Unnat Krishi Shiksha Yojana, consider the following statements:

1. It is implemented by Indian Council of Agriculture Research.
2. Its objective is to Provide rural India with professional support in the field of Organic Farming.

Which of the above statements is/are incorrect?

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

49. Which of the following statements are correct about National Innovations on Climate Resilient Agriculture (NICRA)?

1. It is a network of projects of NASA.
2. It takes into account the critical assessment of different crops/zones in the country for vulnerability of rainfall.
3. It undertakes installation of state-of art equipment like flux towers for measurement of greenhouse gases in large field areas.

Select the correct answer using the codes given below:

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

50. With reference to Attracting and Retaining Youth in Agriculture (ARYA), consider the following statements:

1. Its objective is to attract and empower the Youth in Rural Areas to take up various Agriculture sector enterprises for sustainable income.
2. It is implemented via Krishi Vigyan Kendras.

Which of the above statements is/are correct?

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

CURRENT AFFAIRS

(ECONOMY PART - II)

Answer Key

Q. 1	(c)	Q. 15	(a)	Q. 29	(c)	Q. 43	(c)
Q. 2	(b)	Q. 16	(b)	Q. 30	(c)	Q. 44	(b)
Q. 3	(c)	Q. 17	(c)	Q. 31	(a)	Q. 45	(c)
Q. 4	(b)	Q. 18	(b)	Q. 32	(a)	Q. 46	(b)
Q. 5	(c)	Q. 19	(b)	Q. 33	(a)	Q. 47	(c)
Q. 6	(b)	Q. 20	(b)	Q. 34	(c)	Q. 48	(d)
Q. 7	(d)	Q. 21	(c)	Q. 35	(a)	Q. 49	(b)
Q. 8	(d)	Q. 22	(c)	Q. 36	(b)	Q. 50	(c)
Q. 9	(a)	Q. 23	(c)	Q. 37	(d)		
Q. 10	(c)	Q. 24	(c)	Q. 38	(c)		
Q. 11	(c)	Q. 25	(d)	Q. 39	(c)		
Q. 12	(d)	Q. 26	(c)	Q. 40	(b)		
Q. 13	(b)	Q. 27	(b)	Q. 41	(c)		
Q. 14	(d)	Q. 28	(a)	Q. 42	(b)		

1. Correct option: (c)

Explanation:

- **Statement 1 is correct:** The National Financial Reporting Authority (NFRA) will be an **independent regulator for the auditing profession under Companies Act, 2013**. It aims to **tighten regulatory oversight over auditors and plug loopholes**. It will be independent from those it regulates for enforcement of auditing standards and ensuring quality of audits.
- Its mandate is for establishment and enforcement of accounting and auditing standards and oversight of work of auditors. It will ensure quality of audits to strengthen independence of audit firms and therefore, enhance investor and public confidence in financial disclosures of companies.
- **Statement 2 is incorrect:**
Composition: NFRA will be **15 members body**, consisting of **Chairperson**, who shall be a person of eminence and having expertise in accountancy, auditing, finance or law to be **appointed by the Central Government**, three full-time Members and one Secretary.
- **Functions:** It will **overarching watchdog for auditing profession**. It can debar an erring auditor or auditing firm for up to 10 years besides it can also slap heavy penalties. Even powers of Institute of Chartered Accountants of India (ICAI) to act against erring chartered accountants will be vested with NFRA.
- **Jurisdiction:** It extends investigation of Chartered Accountants and their firms to **all listed companies as well as large unlisted public companies**. Government will prescribe thresholds in the rules. Government can also refer other entities for investigation where public interest is involved. However, inherent regulatory role of existing ICAI will continue in respect of its members and specifically to audits pertaining to private limited companies and public unlisted companies below threshold limit notified in rules. Further, ICAI will continue to play its advisory role with respect to accounting and auditing standards and policies by making its recommendations to NFRA.
- **Statement 3 is correct:** They have

the **power to investigate, either suo-motu or on a reference made to it by the Central Government**, for such class of bodies corporate or persons, in such manner as may be prescribed into the matters of professional or other misconduct committed by any member or firm of chartered accountants, registered under the Chartered Accountants Act, 1949. They have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, while trying a suit.

2. Correct option: (b)

Explanation:

- **Statement 1 is incorrect:** The National E-Mobility programme was **launched by the Ministry of Power**. The programme aims at providing impetus to the entire ecosystem of e-mobility inclusive of service providers, fleet operators, charging infrastructure companies, vehicle manufacturers etc. The focus of the government is to **create policy framework and charging infrastructure to ensure that 30% of the vehicles on road are electric vehicles, by 2030**.
- **Statement 2 is correct:** **Energy Efficiency Services Limited (EESL) – a joint venture under the Ministry of power**, working towards mainstreaming energy efficiency, will implement the programme. EESL will aggregate demand by procuring electric vehicles in bulk to get economies of scale. These electric vehicles will replace the existing fleet of petrol and diesel vehicles.

3. Correct option: (c)

Explanation:

- **Statement 1 is incorrect:** The North East Industrial Development Scheme (NEIDS) **came into force from 01.04.2017** and will remain in force up to 31.03.2022. It has been launched to further **catylyse the industrial development and employment generation in the North Eastern Region including Sikkim**.
- The Scheme **covers all new units in manufacturing and services sectors including Bio-technology and Hydel Power Generation Units** upto 10 MW located in **North Eastern Region (NER)** unless otherwise specified.

- **Statement 2 is correct:** NEIDS is combination of the incentives covered under the earlier two government schemes with a much larger outlay. The scheme provides for Central Capital Investment Incentive for access to credit, Central Interest Incentive, Central Comprehensive Insurance Incentive, Goods and Services Tax Reimbursement, Income Tax Reimbursement, Transport Incentive; and Employment Incentive to the extent indicated in the gazette notification against each of the components.
- **Central Capital Investment Incentive for Access to Credit (CCIIAC):** Under it, 30% of investment in Plant and Machinery with upper limit of Rs.5 Crore will be provided per unit.
- **Central Interest Incentive (CII):** It will be 3% on working capital credit advanced by eligible Banks and Financial institutions for first 5 years from date of commencement of commercial production by unit.
- **Central Comprehensive Insurance Incentive (CCII):** It will provide reimbursement of 100% insurance premium on insurance of building and Plant & Machinery for 5 years from date of commencement of commercial production by unit.
- **Goods and Service Tax (GST) Reimbursement:** It will be up to extent of Central Government share of CGST and IGST for 5 years from date of commencement of commercial production by unit.
- **Income-Tax (IT) Reimbursement:** It will be of Centre's share of income tax for first 5 years including year of commencement of commercial production by unit.
- **Employment Incentive (EI):** Government will pay 3.67% of employer's contribution to Employees Provident Fund (EPF) in addition to its bearing 8.33% Employee Pension Scheme (EPS) contribution of employer in Pradhan Mantri Rojgar Protsahan Yojana (PMRPY).
- **Statement 3 is correct: Transport Incentive (TI):** Indian Railways will provide 20% of cost of transportation including subsidy currently provided for movement of finished goods by rail. Inland Waterways Authority of India (IWAI) will provide 20% of cost of transportation for finished goods for movement through inland waterways. Airport nearest to place

of production will provide 33% of cost of transportation of air freight on perishable goods (defined by IATA) to any airport within country.

4. Correct option: (b)

Explanation:

- **Statement 1 is incorrect:** Operation Green is essentially a price fixation scheme announced by Union Government in Budget 2018-19. The scheme has been launched by the **Ministry of Food Processing Industries (MoFPI)** with an allocation of Rs 500 crore on the lines of Operation Flood.
- **Statement 2 is correct:** It aims to **stabilize supply of Tomato, Onion and Potato (TOP) crops**. It is aimed at ensuring availability of TOP crops throughout the country round the year without price volatility.
- **Its major objectives are:**
 - Price stabilization for producers and consumers by proper production planning in TOP clusters. It thus aims to ensure farmers are given the right price for their produce. The idea behind it is to double the income of farmers by the end of 2022.
 - **Reduction in post-harvest losses** by creation of farm gate infrastructure, development of suitable agro-logistics, and creation of appropriate storage capacity linking consumption centres.
 - Enhance value realization of TOP farmers by targeted interventions to strengthen TOP production clusters and their FPOs by promoting farmer producers organizations, processing facilities, agri-logistics and professional management.
 - **Increase in food processing capacities** and value addition in TOP value chain.
 - Set up of **market intelligence network** to collect and collate real time data on demand and supply and price of TOP crops.
 - Union Ministry of Food Processing Industries (MoFPI) has also approved the operationalization strategy for Operation Greens. The strategy comprises of the following measures:
- **Statement 3 is correct:** National Agricultural Cooperative Marketing Federation of India (**NAFED**) will be nodal

agency to implement price stabilization measures. MoFPI will provide 50% of subsidy two components of transportation of TOP Crops from production to storage and hiring of appropriate storage facilities for TOP Crops.

- Capacity Building of FPOs & their consortium
- Quality production
- Post-harvest processing facilities
- Agri-Logistics
- Marketing / Consumption Points
- Creation and Management of e-platform for demand and supply management of TOP Crops
- Assistance and eligibility
- The assistance under this strategy will comprise of **grants-in-aid at rate of 50% of the eligible project cost in all areas, subject to maximum Rs 50 crores per project.** Eligible organizations under it will include State Agriculture and other Marketing Federations, cooperatives, companies, Farmer Producer Organizations (FPO), Self-help groups (SHGs), food processors, logistic operators, supply chain operators, retail and wholesale chains and central and state governments.

5. Correct option: (c)

Explanation:

- On August 2, 2017, the Supreme Court had passed a judgment, wherein it directed the Central government to revisit the **National Mineral Policy, 2008**
- **Statement 1 is correct:** Under this regard, the Union Ministry of Mines had constituted a **committee under the chairmanship of Dr. K Rajeswara Rao**, Additional Secretary, Ministry of Mines to suggest a draft National Mineral Policy on 14.8.2017. It included representatives of state governments, Ministries, Professional Bodies, Industry Associations and the committee has also consulted NGOs and many other stakeholders by co-opting them. The committee submitted the report to Ministry of Mines on 31.12.2017 suggesting a draft National Mineral Policy.
- This draft National Mineral Policy (NMP), 2018 was released by the **Ministry of Mines**. It seeks to replace NMP (2008).

Features include:

- **Statement 3 is correct: Long term export policy** based on a clear long term strategy for the mineral sector as an **incentive** for investing in large scale commercial mining activity. In addition to this it will provide **stability** to the sector. It was realised, to develop mining as a stand-alone industry, substantial investment is required. Assurances on export of minerals will be a key factor for investment decisions particularly on foreign direct investment (FDI) in the sector.
- **Local evacuation networks** will be encouraged to be built in an integrated manner along with **developing the mineral blocks, dedicated mineral corridors** shall be planned to facilitate transport of minerals for mining areas in hinterland.
- Development and installation of **innovative, eco-friendly and efficient modes of evacuation** like slurry pipelines and close loop conveyors shall be promoted and encouraged.
- An **enabling environment** will be cleared to allow mining companies to undertake construction of such infrastructure including construction of conventional transportation networks like rail and roads for their own usage in coordination of state/Central agencies.
- **Use of coastal waterways and inland shipping** shall also be promoted.
- To promote investment in the mining sector **special incentives or priority movement by railways/port/coastal shipping** must be encouraged.
- In 2016-17, the ratio of minerals produced to minerals imported in India was 1:10, according to Niti Aayog.
- **Statement 2 is incorrect:** Management of mineral resources is the **responsibility of both the Central and State governments** in terms of entry 54 of the Union List and entry 23 of the state List of the Seventh Schedule of the Constitution.

6. Correct option: (b)

Explanation:

- The Micro, Small and Medium Enterprises Development (Amendment) Bill, 2018 was introduced in Lok Sabha by the Minister of State for Micro, Small and Medium Enterprises. The **Bill amends the Micro, Small and Medium Enterprises Development Act, 2006** enacted to

provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises.

- The Act **classifies and regulates enterprises as micro, small and medium enterprises on the basis of investment in:**
- **plant and machinery**, for enterprises engaged in the manufacturing or production of goods, and
- **equipment**, for enterprises providing services.
- **Statement 1 is incorrect:** The Bill introduces a **uniform classification for all MSMEs**. Under the Bill, all MSMEs, whether they are manufacturing or service-providing enterprises, will be **classified on the basis of their annual turnover**.
- **Statement 3 is correct:** The changes in the classification of MSMEs are given in the table below:

Type of Enterprise	2006 Act		2018 Bill
	Manufacturing	Services	All enterprises
	Investment in Plant and Machinery	Investment in Equipment	Annual Turnover
Micro	25 lakh	10 lakh	5 crore
Small	25 lakh to 5 crore	10 lakh to 2 crore	5 to 75 crore
Medium	5 to 10 crore	2 to 5 crore	75 to 250 crore

- The central government may change these annual turnover limits through a notification. The **maximum turnover may be up to three times the limits specified in the Bill** for the purpose of development of micro, small and medium enterprises.
- **Statement 2 is correct:** Under the Act, the central government may classify micro, tiny or village enterprises as small enterprises. The **Bill seeks to extend this to allow the classification of micro, tiny or village enterprises as small as well as medium enterprises**.

7. Correct option: (d)

Explanation:

- **Statement 3 is correct:** The Kisan Urja

Suraksha evam Utthaan Mahaabhiyan (KUSUM) scheme aims **to promote solar farming i.e. decentralised solar power production of up to 28,250 MW to help farmers**. The Union Budget 2018-19 has allocated Rs. 48,000 crore for the scheme for a period of ten years.

- **Components of scheme**
- Building **10,000 MW solar plants on barren lands**
- **Distributing 1.75 million off-grid agricultural solar pumps**. It will help in **de-dieselizing the agriculture sector** as India had about 30 million farm pumps that include 10 million pumps running on diesel.
- **Statement 1 is correct:** Providing **sops to DISCOMS to purchase the electricity produced**. The surplus electricity generated by farmers will be bought by state electricity distribution companies (discoms). Thus it will help boost the country's emerging green economy. Further, it will provide extra income to farmers, by giving them an option to sell additional power to grid through solar power projects set up on their barren lands.
- **Solarizing existing pumps of 7250 MW as well as government tube wells** with a capacity of 8250 MW
- **Statement 2 is correct:** Government will provide **60% subsidy on solar pumps to farmers**. It will be **shared between Centre and States** while **30% will be provided through bank loans**. The **balance cost will be borne by farmers**.

8. Correct option: (d)

Explanation:

- **Statement 1 is correct:** The Ashok Dalwai committee was **appointed in 2016 to look into the entire agriculture ecosystem in the country to suggest ways and means to reform it** so that farmers' income can be doubled by 2022. The report pertains to three areas — **productivity gains, reduction in cost of cultivation, and remunerative prices**. The recommendations are as follows:
- **Statement 3 is correct:** The committee has asked the Centre and states **to take steps for achieving higher share of farm income in the farmers' cumulative**

income. It has fixed the target to change the **ratio of farm to non-farm income from the existing 60:40 (in 2015-16) to 70:30 (by 2022-23)** for greater viability to agriculture.

- **Need of 10.4% income growth rate in farm sector** to achieve the target, the empowered group will have to convince states to invest more in the farm sector (agriculture being a state subject).
- **Greater private sector participation** in agri-marketing and logistics. The DFI report said the annual growth rate in private investment required is 12.5% during 2016-22 whereas it grew at 9.15% during 2002-12. Similarly, **public investment has to be raised** and it needs to grow at 16.8% whereas it registered 12.45% growth rate in 2000-13.
- **Statement 2 is correct:** The one-India market concept may benefit from **placing agricultural marketing under the Concurrent List** (in the Seventh Schedule of the Constitution).
- The needs include creation of **better physical infrastructure, improved price information dissemination** campaigns, and **reform regulations** that force farmers to sell their produce to local monopolies.
- It suggested that **farmer producer and village producer organisations (FPO/VPO)** could play a critical role in integrating small and marginal farmers into the agricultural market system.
- The committee also called for **amending the Companies Act to facilitate private sector shareholding** in FPOs up to 26 per cent and incentivising them by treating them at par with cooperative societies.
- The committee estimated that the country would need about **10,000 wholesale and nearly 20,000 rural retail markets to achieve the desired market density** to build a pan-India system.
- Conversion of principal and sub-market yards into **full-fledged and independent markets**.
- The committee also urged the Union Agriculture Ministry to **roll out the Model Agricultural Produce and Livestock Marketing (Promotion and Facilitating) Act (APLM) Rules** so that States can make the act operational.

- States could **upgrade existing facilities** such as warehouses and silos as markets.
- The demand for **rural retail markets** could be met by upgrading the existing over-20,000 rural periodical markets as Primary Rural Agricultural Markets.
- It also delineated the **need for both the Centre as well as the States/UTs constituting special purpose vehicles** to own and operate the National Agriculture Market.
- Delivering withholding capacity to the small and marginal farmers, who constitute 80 per cent of Indian farmers, would benefit from an efficient marketing system, only if they have withholding capacity.
- **Storage go-downs**, including cold storages, should be **upgraded** per the standards laid down by the Warehousing Development and Regulatory Authority so that they can issue Negotiable Warehouse Receipts.
- The Ministry has to develop comprehensive guidelines to promote **warehouse-based post-harvest loans and eNWR based trading**.
- There is also a need to **popularise post-harvest loans against NWRs** among farmers and orient financial institutions to participate in the pledge loan system.

9. Correct option: (a)

Explanation:

- 'Price Deficiency Payment' system was **recommended by NITI Aayog to address the gaps in Minimum Support Price (MSP) based procurement of crops**.
- **Statement 1 is correct:** Under Price Deficiency Payment, farmers are proposed to be **compensated for the difference between the government-announced MSPs for select crops and their actual market prices**. For crops such as rice and wheat where it is effective now, MSP announcements will continue. For other targeted crops, price deficiency payments will be made. However as per the NITI Aayog, there should be a cap on the extent to which the Centre will bridge the gap between MSP and market price. The farmer may be entitled to the difference up to say, 10 per cent.

- To avail this benefit, each farmer would have to **register with the nearest APMC mandi and report the total area sown.**
- The **subsidy may be paid via Direct Benefit Transfer (DBT)** into the farmer's Aadhaar-linked bank account.
- **Benefits:**
- reduce the need for the government to actually procure food crops, transport and store them and then dispose of them under PDS.
- keep India's bill on food subsidies under check.
- reduce storage and wastage costs that add on to the subsidy bill.
- **Schemes launched by different state governments on similar lines:**
- **Mukhya Mantri Bhavantar Bhugtan Yojana:** It is an ambitious scheme launched by the Madhya Pradesh government to ensure that farmers receive minimum support prices (MSP) for pulses and oil seeds and to safeguard farmers from price fluctuations.
- **Statement 2 is incorrect: Bhavantar Bharpai:** The Haryana Government launched country's first 'Bhavantar Bharpai' a scheme through which the state government would compensate farmers for price deficit for agricultural produce in which tomato, onion, potato and cauliflower have been included. It is applicable only to farmers growing vegetables.
- Government has approved 2018 as the 'National Year of Millets' to boost the agro-industry and production of the cereal.

10. Correct option: (c)

Explanation:

- **Option (c) is correct:** Government designated **2018 as National Year of Millets to boost production of the nutrient-rich millets and the sunrise agri industry involved in it.** Earlier in November 2017, India had forwarded proposal to United Nations (UN) for declaring year 2018 as 'International Year of Millets'.
- Observation of Year of Millets will help

in **promotion of production and consumption of millets** will substantially **contribute in fight against targeted hunger** and **mitigate effect of climate change** in long run. Popularizing millets will also benefit future generations of farmers as well as consumers. Millets are smart food and good for consumers, farmers and planet multiple and has **untapped uses such as food, feed, biofuels and brewing.**

11. Correct option: (c)

Explanation:

- **Statement 1 is correct:** Global Talent Competitiveness Index (GTCI) is a global benchmark for issues related to talent competitiveness and the future of work. It is published by **INSEAD**, the Business School for the World, in partnership with the **Adecco Group and Tata Communications.**
- It is a comprehensive annual benchmarking measuring how countries and cities grow, attract and retain talent, providing a unique resource for decision makers to understand the global talent competitiveness picture and develop strategies for boosting their competitiveness.
- The report measures levels of Global Talent Competitiveness by looking at 68 variables. The 2019 index covers **125 national economies and 114 cities** (respectively 119 and 90 in 2018) across all groups of income and levels of development.
- **Switzerland, Singapore and the United States** continue to lead the world in talent competitiveness, while countries in **Asia, Latin America and Africa** are seeing a progressive erosion of their talent base.
- The report confirms that talent issues have become a mainstream concern for firms, nations and cities, with talent performance seen as a critical factor to growth and prosperity. This year's report has a **special focus on entrepreneurial talent** - how it is being encouraged, nurtured and developed throughout the world and how this affects the relative competitiveness of different economies.
- The report also reveals that **cities rather than countries are developing stronger roles** as talent hubs and will be crucial.

- For the first time, the 2019 GTCI provides a longitudinal analysis of talent competitiveness based on the results of all GTCI editions since 2013. The main finding is that **the gap separating the talent champions from the rest of the global community has been growing**,al to reshaping the global talent scene.
- **Statement 2 is correct:** India has been ranked 80th out of 125 countries in the **2019 Global Talent Competitiveness Index (GTCI)**.
- 2018 GTCI: 81
- 2017 GTCI: 92
- 2016 GTCI: 89
- The **top-ranked city this year is Washington, DC**, followed by Copenhagen, Oslo, Vienna and Zurich.

12. Correct option: (d)

Explanation:

- **Option (d) is correct:** NITI Aayog has signed the **Statement of Intent (Sol) with IBM** to develop crop yield prediction model using Artificial Intelligence (AI) to **provide real time advisory to farmers in Aspirational Districts**. The partnership aims to work together towards **use of technology to provide insights to farmers** to improve soil yield, crop productivity, control agricultural inputs with overarching goal of improving farmers' incomes.
- The **first phase** of project will focus on **developing model for 10 Aspirational Districts** across states of **Maharashtra, Rajasthan, Assam, Madhya Pradesh, Bihar, Jharkhand and Uttar Pradesh**. The project will introduce and make available **climate-aware cognitive farming techniques**.
- The project will also identify systems of **crop monitoring, early warning on pest and disease outbreak** based on advanced AI innovations. It also includes deployment of **weather advisory**, rich satellite and enhanced **weather forecast information** along with IT and mobile applications with focus on improving crop yield and cost savings through better farm management.
- IBM will use AI to provide all relevant data

and platform for developing technological models for improving agricultural output and productivity for various crops and soil types in identified districts. NITI Aayog will facilitate inclusion of more stakeholders on ground for effective last mile utilization using insights generated through these models.

13. Correct option: (b)

Explanation:

- The 'Task Force' was **set up in February, 2017** by the Prime Minister's Office under the joint Chairmanship of the Revenue Secretary and Secretary, Ministry of Corporate Affairs with a mandate **to check in a systematic way, through a coordinated multi-agency approach, the menace of companies indulging in illegal activities**
- **Statement 2 is correct:** The task force appointed by the government has developed a **formula to define a 'shell company'**. A **list of 18 key parameters**, including **beneficial ownership** and the **nature of business dealings**, to determine if a company has been created to launder money or exploit regulatory arbitrage, has been created by the task force.
- **Statement 1 is incorrect:** A shell company has been defined as a **company that lacks beneficial ownership, is inconsistent in big-ticket transactions, or does repetitive transactions with no apparent business purpose**. Any company that **transfers large sums to a related party, and makes disproportionate investments in shares of other companies or one with dubious directors** could also be termed shell entities. Further, **companies whose shares quote a high premium to their face value despite having nominal share capital** too may be included in the category of shell entities.
- **Statement 3 is correct:** **The Task Force recommends compilation of a database of shell companies by Serious Fraud Investigation Office (SFIO)**. This database comprises of 3 lists, viz the **Confirmed List, Derived List and Suspect List**.
- **The mechanism for sharing of documents and information** amongst all the Law

Enforcement Agencies has been put in place. **Standard Operating Procedure regarding 'Sharing of Documents'** has been finalized and circulated amongst all the Law Enforcement Agencies for compliance. The **Task Force is the appellate authority for this purpose.** The **Standard Operating Procedure for sharing of information** amongst the various Law Enforcement Agencies has also been finalized and circulated by **Central Economic Intelligence Bureau, which is the Nodal Agency for this purpose.**

- Further, section 248(1) (c) of the **Companies Act, 2013 provides for removal of name of company from the register of companies, if it is not carrying on any business or operation for a period of two immediately preceding financial years** and has not made any application for obtaining the status of a dormant company under section 455 of the Companies Act, 2013 within such period.
- The term 'shell company' has **not been defined under the Income-tax Act, 1961 or under the Companies Act, 2013.**
- The **Financial Action Task Force (FATF)**, which is an inter-governmental body, gives guidelines in controlling shell companies.

14. Correct option: (d)

Explanation:

- **Option (d) is correct:** Central Government under **phase I of SPR programme** had announced to build three underground crude oil storage facilities with total capacity of 5.33 million tonnes at **Vishakhapatnam** (Andhra Pradesh, storage capacity of 1.33 million tonnes), **Mangalore** (Karnataka, 1.5 million tonnes) and **Padur** (Kerala, 2.5 million tonnes) to provide energy security of 10 days of consumption in response to external supply disruptions.
- In 2017-18 budget, Government as part of **phase 2 of SPR programme** had announced to set up two more such SPR at **Chandikhole** (Odisha) and **Bikaner** (Rajasthan). This will take the strategic reserve capacity to 15.33 million tons.
- They are **maintained by ISPRL, a special purpose vehicle (SPV)**, which is wholly owned subsidiary of Oil Industry Development Board (OIDB) under Ministry of Petroleum & Natural Gas.

- In May, 2018, India received its first consignment of 2 million barrels of crude oil from United Arab Emirates (UAE) for its strategic petroleum reserve (SPR) at Mangaluru (on west coast), Karnataka under agreement between Indian Strategic Petroleum Reserves Ltd (ISPRL) and Abu Dhabi National Oil Company (ADNOC).
- The agreement made **ADNOC first private foreign entity to store crude oil in Indian SPR facility.** The agreement stipulates that during emergency oil shortage situation Indian government will use entire available crude oil stored by ADNOC in Mangalore SPR facility for its use. It also allows ADNOC to sell part of crude oil stored at its own cost to Indian refineries during normal times.

15. Correct option: (a)

Explanation:

- **Statement 1 is incorrect:** The NABH (NextGen Airports for Bharat) Nirman initiative announced by the government in the Budget 2018-19.
- **Statement 2 is correct:** It pertains to **augmenting the airport capacity of various airports** in the country by more than five times to handle a billion trips a year.
- The **three key aspects** of NABH Nirman are:
 - **Statement 3 is correct:** fair and equitable land acquisition,
 - long-term master plan for airport and regional development and
 - balanced economics for all stakeholders.
- This scheme constitutes **investments** to be made in airport upgrade by **both the private sector and the state-owned Airports Authority of India (AAI)** in the due course of time.
- The scheme is to **establish about 100 airports in 15 years** at an estimated investment of Rs 4 lakh crore – a large percentage of the investment is to come from the private sector.

16. Correct option: (b)

Explanation:

- The policy has been issued by the **Ministry of New and Renewable Energy** with an aim to **boost renewable power**

generation by promoting new projects as well as hybridization of existing ones. Government is also going to launch scheme for new hybrid projects under this policy.

- Features of the Policy:
- **Objectives of policy:** Provide comprehensive framework for promotion of large grid connected wind-solar Photo Voltaic (PV) hybrid system for efficient utilization of transmission infrastructure and land. Reduce variability in renewable power generation and achieving better grid stability. Encourage new technologies, methods and way-outs involving combined operation of wind and solar PV plants.
- **Statement 3 is correct: Flexibility in share of wind and solar components:** It has been provided in hybrid project, subject to condition that, rated power capacity of one resource be at least 25% of rated power capacity of other resource for it to be recognized hybrid project.
- **Statement 1 is incorrect: Technology front:** Policy provides for integration of both energy sources i.e. wind and solar at alternating current (AC) as well as direct current (DC) level.
- **Hybrid projects:** The policy seeks to promote new hybrid projects as well as hybridization of existing wind and solar projects with higher transmission capacity than sanctioned one, subject to availability of margin in existing transmission capacity.
- **Statement 2 is correct: Procurement of power:** It will be on tariff based transparent bidding process for which Government entities may invite bids.
- **Use of battery storage:** The policy permits use of battery storage in hybrid project for optimizing output and reduce variability.
- **Standards and regulations:** It mandates the regulatory authorities to formulate necessary standards and regulations for wind-solar hybrid systems.

17. Correct option: (c)

Explanation:

- **Statement 1 is correct:** The Strategy on Resource Efficiency was **released**

by NITI Aayog in collaboration with the European Union delegation that visited India in 2017. The strategy aims to **promote resource efficiency in India.**

- Resource efficiency is a strategy to achieve the maximum possible benefit with least possible resource input. Fostering resource efficiency aims at governing and intensifying resource utilisation in a purposeful and effective way. Such judicious resource use brings about multiple benefits along the three dimensions of sustainable development - economic, social and environmental.
- **Statement 2 is correct:** This strategy is the **first policy document to emphasize resource productivity** in the country. The Strategy emphasizes on **Sustainable Public Procurement (SSP)** as an action agenda which will be the market transformation tool to transform to a resource efficient economy.
- The Resource Efficiency Strategy includes the **core-action plan for the period 2017-2018 and medium term action plan for 2017 – 2020** with the following key elements:
 - **Institutional development** including setting up an inter-departmental committee and Task force of experts,
 - **Capacity development** at various levels for strengthening of capacities and sharing of best practices,
 - Development of an **indicator monitoring framework** for baseline analysis
 - Launch of **Short term course on RE** under the MHRD GIAN Programme
 - **Promotional and regulatory tools in selected sectors** (automotive and construction) such as Ecolabeling for Secondary Raw Material (SRM) products, recycling standards, R&D and Technology Development, Sustainable Public Procurement, development of Industrial clusters and waste-exchange platform, information sharing & awareness generation along with development of sectoral action plans.
- The document is developed with the recommendations from the Indian Resource Efficiency Programme (IREP), launched by the Indian Ministry of Environment, Forests and Climate Change (MoEFCC) and Indian Resource Panel (InRP) in April 2017.

18. Correct option: (b)

Explanation:

- Contract farming is a system in which **companies enter into a contract with farmers to purchase a specific quantity of agricultural commodities at a pre-agreed price and quality**. The rationale of contract farming was envisaged **to ensure mutual benefits to the farmers as well as the companies on price risk and supply risk respectively**. Under such type of farming, the farmers are given seeds, fertilizers, technical knowhow etc. so as to get a desired quality of agricultural produce. In turn it helps farmers in getting better price for their produce especially perishable commodities, avoid price volatility problems as well as reduce post-harvest losses. In turn the companies will get the desired quality of produce and reduces the risk of non-availability of raw material.
- Salient features of Model Contract Farming Act, 2018 are:
- The Act lays special emphasis on **protecting the interests of the farmers**, considering them as weaker of the two parties entering into a contract.
- **Statement 1 is incorrect:** In addition to contract farming, **services contracts all along the value chain** including pre-production, production and post-production have been included.
- **"Registering and Agreement Recording Committee"** or an **"Officer"** for the purpose at district/block/ taluka level for online registration of sponsor and recording of agreement provided.
- Contracted produce is to be covered under **crop / livestock insurance** in operation.
- **Statement 2 is correct:** Contract framing to be **outside the ambit of APMC Act**.
- **No permanent structure** can be developed on farmers' land/premises
- **No rights, title ownership or possession** to be transferred or alienated or vested in the contract farming sponsor etc.
- **Statement 3 is correct:** **Promotion of Farmer Producer Organization (FPOs) / Farmer Producer Companies (FPCs)** to mobilize small and marginal farmers has been provided. FPO/FPC can be a contracting party if so authorized by the farmers.

19. Correct option: (b)

Explanation:

- The SRISTI Scheme has been launched by the **Ministry of New & Renewable Energy**. This **"Sustainable Rooftop Implementation for Solar Transfiguration of India (SRISTI) scheme"** will **provide incentives for the installation of rooftop solar power plant projects for residential, institutional, social and Government sector in India**.
- **Statement 1 is incorrect:** The primary objective of this proposed scheme is to **generate 40 GW power from the solar rooftops till the financial year 2021-2022**. For this reason, central govt. is going to spend Rs. 23,450 crore for this scheme. The important features and highlights of this scheme are as follows:-
- This scheme will form the advanced version of the previous MNRE scheme in Phase II.
- Accordingly, govt. will integrate Discoms to implement this solar subsidy scheme.
- Central govt. will provide financial assistance to implement rooftop solar power plants for the residential users.
- Henceforth, users of the residential sectors can install the particular in-line capacity as per their necessity and their SERC (State Electricity Regulation Commission) Regulation.
- **Statement 2 is correct:** Central govt. will provide subsidy up to 5 KWP capacity of power plant.

20. Correct Option: (b)

Explanation:

- The proposal for creation of fund was made in budget 2018-19.
- Salient features of the fund:
- **Statement 1 is incorrect:** The main aim is to boost fish production to achieve the target of producing 15 million tonnes of fish production by 2020 and 20 million tonnes by 2022-23 from current production of 11.4 million tonnes. The aim to achieve this target was set under Blue revolution.
- **Statement 2 is correct:** The nodal agencies for the fund will be National Bank

for Agriculture and Rural Development (NABARD), National Cooperatives Development Corporation (NCDC) and scheduled banks.

- The fund being raised by nodal loaning entities (NLE).
- The estimated fund size is about 7522 crore that will benefit country in both inland and marine fisheries areas.
- The fund will involve in attracting private investment and technologies in creation and management of fisheries all around the country.
- India's fish production is estimated at around 12 million tonnes annually. India has become the second largest fish producing and aquaculture industry in the world. In aquaculture, India is second to china with a share of 6% in global aquaculture. The fisheries sector employed over 14.5 million people directly and many more indirectly. At present, Fish production contributes to around 1% to GDP of country and 5% to agricultural GDP of country. India exports one tenth of its Fish produced. The contribution of fish from the seas has lowered now and the share is rising from inland farming.

21. Correct option: (c)

Explanation:

- **Statement 1 is correct:** It is an **apex body with an overarching mandate under Goods and Services Tax (GST) regime** so as to ensure the benefit of tax reaches consumers.
- The NAA is tasked with **ensuring full benefits of reduction in tax on supply of goods or services flow to consumers**. It is responsible for applying anti-profiteering measures in event of reduction GST rate on supply of goods or services or if benefit of input tax credit is not passed on to recipients by way of commensurate reduction in prices.
- **Statement 3 is incorrect:** NAA will be **headed by senior officer of level of a Secretary to Union Government** and shall have **four technical members from Centre and/or States**. The chairman and four members will be less than 62 years of age.
- Powers and functions

- If NAA finds that company has not passed on benefits of tax reduction, it can direct entity to pass on benefits to consumers along with interest from the date of collection of the higher amount till date of return of such amount.
- If the beneficiary cannot be identified, NAA can ask company to transfer amount to the 'Consumer Welfare Fund', as provided under Section 57 of CGST Act.
- **Statement 2 is correct:** In extreme cases NAA can impose a penalty on defaulting business entity and even order cancellation of its registration under GST.
- NAA also has power to cancel registration of any entity or business if it fails to pass on benefit of lower taxes under GST regime to consumers, and empowers consumers to approach it in case of any complaint.

22. Correct option: (c)

Explanation:

- **Statement 1 is in correct:** The Department of Industrial Policy and Promotion (DIPP) announced results of the first ever States' Start-up Ranking 2018 in December 2018. DIPP began this exercise from January, 2016. **Gujarat Ranked Best Performer Karnataka, Kerala, Odisha, And Rajasthan Top Performers on this ranking.** The Department of Industrial Policy and Promotion (DIPP) has been **renamed as the Department for Promotion of Industry and Internal Trade** with a mandate to deal with matters related to start-ups, facilitating ease of doing business among others.
- **Statement 2 is correct:** Startup India is a flagship initiative launched by the Government of India (**implemented by DIPP, Ministry of Commerce and Industry**) on 16th January, 2016 to build a strong eco-system for nurturing innovation and startups in the country which will drive economic growth and generate large scale employment opportunities.
- **Statement 3 is correct:** Start-ups should be getting more attention for their contributions to employment. Between 1977 and 2009 start-ups contributed nearly all the roughly two million to three million new jobs created every year. Big companies contributed no net new jobs.

23. Correct option: (c)

- **Explanation:**
- **Statement 1 is correct: Development Impact Bonds (DIBs)** are a performance-based investment instrument intended to finance development programmes in **low resource countries**. DIB creates a **contract between private investors and donors or governments who have agreed upon a shared development goal**. Investors advance fund development programmes with financial returns linked to verified development goals. DIB is **not** a money market instrument. Investors identify a problem and then one **'risk investor'** or a group puts money upfront to roll out the programme. If the programme becomes a success, the "outcome funders" pay back the risk investors the funds invested plus a certain percentage of incentives. **If the target is not achieved, the risk investor is not paid.**
- World's first development impact bond for education shows successful achievement of outcomes in its final year. This DIB was aimed at financing and delivery of a program aimed at increasing girls' school enrollment and achievement began in Rajasthan, India. In this rural area, where agriculture is the main form of subsistence, one in ten girls aged 11-14 are kept out of school, for reasons such as contributing to the family income or caring for siblings. A local non-governmental organization, **Educate Girls**, has spent the past decade aiming to achieve "behavioral, social, and economic transformation" so that girls have access to quality education. In **2015**, the organization became part of a DIB. With \$270,000 in upfront capital from the **UBS Optimus Foundation**, the service provider, Educate Girls identified and encouraged enrollment for out-of-school girls, as well as providing learning interventions focused on a child-centric curriculum. **Instiglio** provided performance management support to Educate Girls throughout the course of the DIB, and the final results were verified by evaluator **IDinsight**. **The outcome funder, the Children's Investment Fund Foundation**, will repay UBS their principal, along with an internal rate of return of 15 percent.

- **Statement 2 is correct:** A social impact bond (SIB) is a contract with the public sector or governing authority, whereby it pays for better social outcomes in certain areas and passes on the part of the savings achieved to investors. **DIBs are built off the model of social impact bond (SIB) model.** The **first** social impact bond was originated by **Social Finance UK in 2010 supported by the Rockefeller Foundation**, structured to reduce recidivism among inmates from Peterborough Prison.

24. Correct option: (c)

Explanation :

- **Statement 1 is correct :** The World Customs Organization (WCO), **established in 1952 as the Customs Co-operation Council (CCC) is an independent intergovernmental body** whose mission is to enhance the effectiveness and efficiency of Customs administrations. As the global centre of Customs expertise, **the WCO is the only international organization with competence in Customs matters** and can rightly call itself the voice of the international Customs community.
- **Statement 2 correct :** The 80th Session of the Policy Commission of the World Customs Organization (WCO) meeting was organized by the WCO and hosted by the Central Board of Indirect Taxes and Customs (CBIC), India in Mumbai during December 3 - 5, 2018.
- **Statement 3 is correct:** The WCO has divided its Membership into **six Regions**. Each of the six Regions is represented by a regionally elected Vice-Chairperson to the WCO Council. India has become the vice-chair (regional head) of the Asia Pacific region of the World Customs Organisation (WCO) for a period of two years to June, 2020.

25. Correct option: (d)

Explanation:

- **Statement 1 is correct :** For the first time, **India will host the annual G20 summit in 2022, coinciding with the country's 75th anniversary of Independence.** Prime minister Narendra Modi made the announcement at the **closing ceremony**

of the 13th G20 summit in **Buenos Aires** on December 1, 2018. He thanked Italy for allowing India to play the host as previously, **Italy was to host the international forum of the world's top 20 economies in 2022.**

- **Statement 2 correct:** The G-20's members represent two-thirds of the world's people and 85 percent of its economy. Collectively, the G20 economies account for around 90% of the gross world product (GWP), 80% of world trade (or, if excluding EU intra-trade, 75%), two-thirds of the world population, and approximately half of the world land area. **Founded in 1999** with the aim to discuss policy pertaining to the promotion of international financial stability, the G20 has expanded its agenda since 2008 and heads of government or heads of state, as well as finance ministers and foreign ministers, have periodically conferred at summits ever since. It seeks to address issues that go beyond the responsibilities of any one organization.
- **Statement 3 is correct:** G20 members comprise Argentina, Australia, Brazil, Canada, China, the European Union, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the UK, and the US.

26. Correct option: (c)

Explanation:

- **Statement 1 is correct:** NITI Aayog releases *Sustainable Development Goals (SDG) India Index*, which comprehensively documents the progress made by India's States and Union Territories towards implementing the 2030 SDG targets.
- **Statement 2 and 3 are correct :**
- The SDGs build on decades of work by countries and the UN, including the UN Department of Economic and Social Affairs
- In June **1992**, at the **Earth Summit in Rio de Janeiro, Brazil**, more than 178 countries adopted **Agenda 21**, a comprehensive plan of action to build a global partnership for sustainable development to improve human lives and protect the environment.
- Member States unanimously adopted the **Millennium Declaration at the**

Millennium Summit in September 2000 at UN Headquarters in New York. The Summit led to the elaboration of **eight Millennium Development Goals (MDGs) to reduce extreme poverty by 2015.**

- The **Johannesburg Declaration on Sustainable Development** and the Plan of Implementation, adopted at the World Summit on Sustainable Development in South Africa in 2002, reaffirmed the global community's commitments to poverty eradication and the environment, and built on Agenda 21 and the Millennium Declaration by including more emphasis on multilateral partnerships.
- At the United Nations Conference on Sustainable Development (**Rio+20**) in Rio de Janeiro, Brazil, in June 2012, Member States adopted the outcome document "**The Future We Want**" in which they decided, inter alia, to launch a process to develop a set of SDGs to build upon the MDGs and to establish the UN High-level Political Forum on Sustainable Development. The Rio +20 outcome also contained other measures for implementing sustainable development, including mandates for future programmes of work in development financing, small island developing states and more.
- In 2013, the General Assembly set up a 30-member Open Working Group to develop a proposal on the SDGs.
- In January 2015, the General Assembly began the negotiation process on the post-2015 development agenda. The process culminated in the subsequent adoption of the 2030 Agenda for Sustainable Development, with 17 SDGs at its core, at the UN Sustainable Development Summit in September 2015.
- 2015 was a landmark year for multilateralism and international policy shaping, with the adoption of several major agreements:
- Sendai Framework for Disaster Risk Reduction (March 2015)
- Addis Ababa Action Agenda on Financing for Development (July 2015)
- **Transforming our world: the 2030 Agenda for Sustainable Development with its 17 SDGs was adopted at the UN Sustainable Development Summit in**

New York in September 2015.

- Paris Agreement on Climate Change (December 2015)
- Now, the annual High-level Political Forum on Sustainable Development serves as the central UN platform for the follow-up and review of the SDGs.

27. Correct option: (b)

Explanation:

- **Statement 1 is incorrect:** The Genetic Engineering Appraisal Committee (GEAC) functions in the **Ministry of Environment, Forest and Climate Change (MoEF&CC)**. As per Rules, 1989, it is responsible for **appraisal of activities involving large scale use of hazardous microorganisms and recombinants in research and industrial production from the environmental angle**. The committee is also responsible for appraisal of proposals relating to release of **genetically engineered (GE) organisms and products** into the environment including experimental field trials.
- **Statement 2 is correct:** India has the world's fifth largest cultivated area under genetically modified (GM) crops, at 11.4 million hectares (mh) in 2017. But unlike other big growers, **its entire GM crop area is under a single crop — cotton** — incorporating genes from the **Bacillus thuringiensis or Bt soil bacterium** coding for resistance against **helicoverpa bollworm insect pests**.

28. Correct option: (a)

Explanation:

- **Statement 1 is correct:** Krushak Assistance for Livelihood and Income Augmentation (KALIA) is a support scheme of **Odisha government** whose primary targets are **small farmers, cultivators and landless agricultural labourers**. The scheme involves payments to encourage cultivation and associated activities.
- Key features of Krushak Assistance for Livelihood and Income Augmentation or KALIA Scheme:
- **Involves payments to encourage cultivation and associated activities.**
- **Primary targets** are small farmers, cultivators and landless agricultural labourers.

- **All farmers will be provided Rs 10,000 per family as assistance** for cultivation.
- Each family will **get Rs 5,000 separately in the kharif and rabi seasons**, for five cropping seasons between 2018-19 and 2021-22.
- **Targets 10 lakh landless households**, and specifically SC and ST families. They will be supported with **a unit cost of Rs 12,500** for activities like goat rearing, mushroom cultivation, beekeeping, poultry farming and fishery.
- **A critical trade, dairy production, has deliberately been kept out** because keeping a cow is more expensive, while milk production needs to have a collection route or agency that processes and refines this low shelf-life product.
- **It will assist the elderly, sick and differently-abled population** who are unable to take up cultivation, by providing Rs 10,000 per household per year.
- **The scheme includes a life insurance cover of Rs 2 lakh and additional personal accident coverage** of the same amount for 57 lakh households. Crop loans up to Rs 50,000 are interest-free.
- **This is also going to be an area-specific scheme** in the sense that an input support for a particular trade, say mushroom cultivation, will be provided if it is prevalent throughout that locality so that there is aggregation of produce.
- **Statement 2 is incorrect: Unlike a loan waiver, (through which) banks appease a few farmers, KALIA's main targets are rural activities as a whole.** It will support farming on a small scale, sharecropping, fishing, animal herding, which are not covered under bank loans, but are caught in debt traps set up by local moneylenders. Also, a farm loan waiver will reduce credit available to farmers in the long term, while income support can be used to make a repayment or at least activate a bank account which can then receive a loan.

29. Correct option: (c)

Explanation:

- **Statement 1 is correct:** Minimum Support Price (MSP) is a form of **market intervention** by the Government of India to insure agricultural producers against

any sharp fall in farm prices. The minimum support prices are announced by the Government of India at the beginning of the sowing season for certain crops on the basis of the **recommendations of the Commission for Agricultural Costs and Prices (CACP)**. MSP is price fixed by Government of India to protect the producer - farmers - against excessive fall in price during bumper production years. Government announces minimum support prices (MSPs) for 22 mandated crops and fair and remunerative price (FRP) for sugarcane. The mandated crops are 14 crops of the kharif season, 6 rabi crops and two other commercial crops. In addition, the MSPs of toria and de-husked coconut are fixed on the basis of the MSPs of rapeseed/mustard and copra, respectively. The list of crops are as follows.

- Cereals (7) - paddy, wheat, barley, jowar, bajra, maize and ragi
- Pulses (5) - gram, arhar/tur, moong, urad and lentil
- Oilseeds (8) - groundnut, rapeseed/mustard, toria, soyabean, sunflower seed, sesamum, safflower seed and nigerseed
- Raw cotton
- Raw jute
- Copra
- De-husked coconut
- Sugarcane (Fair and remunerative price)
- Virginia flu cured (VFC) tobacco
- **Statement 2 is correct:** Paddy has a high weight in CPI, and so the 14% required hike in its MSP can, alone, **push up CPI inflation** by 38 bps. It will also hit agriculture exports and those based on farm products.
- Higher sugarcane prices have already meant India's sugar exports are **uncompetitive**; hiking cotton prices due to MSP will mean that most exports of textiles and readymade garments will be badly hit.

30. Correct option: (c)

Explanation:

- **Statement 1 is correct:** Government of India had approved a scheme of **16**

National Projects to be implemented during XI Plan (2007-2012) with a view to expedite completion of identified National Projects for the benefit of the people. Such projects would be provided financial assistance by the Government of India in the form of Central grant which will be 90% of the estimated cost of such projects for their completion in a time bound manner. Polavaram Project is one such project.

- **Statement 2 is correct:** The project is under construction in **West Godavari District and East Godavari District of Andhra Pradesh** and its reservoir spreads to parts of Chhattisgarh and Odisha. It gives major boost to tourism sector for the state of Andhra Pradesh as the reservoir covers the famous **Papikonda National Park** where we can reach from left side navigation channel linked with **National Waterway 4**.

31. Correct option: (a)

Explanation:

- **Statement 1 is correct: Floating solar or FPV** (Floating photovoltaic), refers to an array of solar panels on a structure that floats on a body of water, typically an artificial basin or a lake. This technology has had a rapid growth on the renewable energy market since 2016 and in 2017 has overcome the 200 MW of installed power. The first 20 plants, of a few dozen of kWp have been built between 2008 and 2014. There are several reasons for this development:
 - No land occupancy
 - Installation and decommissioning
 - Water saving and water quality
 - Cooling
 - Tracking
 - Storage opportunity
 - Environment control
 - Efficiency improvement
- **Statement 2 is not correct:** country's largest floating solar power plant is set up on the Banasura Sagar reservoir in **Wayanad, Kerala**. It is a 500 kWp (kilowatt peak) solar plant.

32. Correct option: (a)

- **Option (a) is correct.** World Bank has released its report **Regulatory Indicators for Sustainable Energy (RISE) 2018** — charting global progress on sustainable energy policies. The report was released on the sidelines of the 24th Conference of the Parties to the UN Framework Convention on Climate Change (COP24).

33. Correct option: (a)

- **Statement 1 is correct:** Bogibeel bridge is a combined road and rail bridge over the **Brahmaputra river** in the north eastern Indian state of **Assam between Dhemaji district and Dibrugarh district**, which was started in the year 2002 and took a total of 200 months to complete, heavy rainfall in the region being the main cause for the slow progress. **Bogibeel river bridge is the longest rail-cum-road bridge in India**, measuring 4.94 kilometres over the Brahmaputra river. **It is the 5th longest bridge in India after Bhupen Hazarika Setu, Dibang River Bridge, Mahatma Gandhi Setu and Bandra-Worli Sea Link.**
- **Statement 2 is not correct:** Bogibeel bridge is constructed on **Brahmaputra river**, not on any tributary. Also, Barak river is not a tributary of Brahmaputra in India. It is a 900 km river flowing through the states of **Nagaland, Manipur and Assam** in India and into the Bay of Bengal via Bangladesh. It is being developed as one of the Inland waterways of India. Its drainage basin covers 880,000 sq km (340,000 mi). The environment of Barak's basin hosts a wide variety of flora and fauna.

34. Correct option: (c)

- **Statement 1 is incorrect:** Incredible India Tourist Facilitator Certification (IITFC) Programme is rolled out by **Ministry of Tourism**.
- **Statement 2 is correct:** The certification program comprises of basic and advanced self-paced courses designed in a manner that the users can learn at their own time, space, path and pace. The course kicks off today with a basic introductory module alongside the registration process. This will

be followed by payment initiation on 19th November 2018, where any 10+2 pass out candidate can enroll in the basic course comprising of 7 modules aimed at training the facilitators for knowledge, skills and attitude domains at a nominal charge of INR2000. **Successful completion of this program would enable the learner to become a Certified Tourist Facilitator of Ministry of Tourism, Government of India.** A refresher course is also proposed for launch in due time for those already in the field seeking at an advanced level course to enhance their skill set. This online programme will have lot of advantages like job creation for local people, harness the local experience and traditional knowledge and also it has the flexibility of any age or any place people to join. This initiative will also ensure an enriching experience for the tourists, as this initiative will address the issue of shortage of tourist guides as well as it will provide a lot of competition which will further ensure in providing best tourist facilitators, the Secretary added.

- The IITFC program aspires to reach out to a far-flung audience encompassing a diversity of candidates ranging from an enthusiastic student who has recently qualified for higher secondary to an ambitious homemaker willing to grasp tourist facilitation skills from the comfort of their home. It will also act as an enabler for transforming a local citizen with no specified skills having proficiency in a regional language into a potential bread earner for their households.
- **Statement 3 is correct : Incredible India** (styled as Incredible!ndia) is the name of an international tourism campaign maintained by the Government of India since **2002**, to promote tourism in India to an audience of global appeal.

35. Correct option: (a)

Explanation:

- **Statement 1 is correct:** NSDL Payments Bank Limited which started operations in October, 2018, is the **seventh payments bank** since the central bank gave approval in principle to 11 applicants in August 2015. Other payments banks that have started operations are **India Post Payments Bank, Airtel Payments Bank, Aditya Birla Idea Payments Bank and Jio Payments Bank.**

- **Statement 2 is incorrect:** Payments bank is a **differentiated bank** providing a limited range of products, such as acceptance of **demand deposits and remittances of funds**. It can accept a restricted deposit, which is currently limited to **Rs. 1 lakh per customer**.
- **Statement 2 is correct:** These banks cannot extend loans or issue credit cards.

36. Correct option: (b)

- **Statement 1 is incorrect:** In India, Consumer Confidence Survey (and index) is conducted by **Reserve Bank of India**. It reflects households' perceptions and expectations on the general economic situation, the employment scenario, the overall price situation and their own income and spending. The **Current situation index (CSI)** and the **Future Expectations Index (FEI)** are some of the indexes associated with this survey.
- **Statement 2 is correct:** Consumer Confidence Survey is important because confident consumers buy more goods and services, providing a boost to the Indian economy. It's also a barometer of how happy people are with the government's management of the economy.

37. Correct option: (d)

Explanation:

- **Statement 1 is correct:** The **United Nations development Programme (UNDP)** and the **Oxford Poverty and Human Development Initiative (OPHI)** developed a new version of the global Multidimensional Poverty Index (MPI). The global MPI covers 105 countries in total, which are home to 77 per cent of the world's population, or 5.7 billion people. Of this proportion, **23 per cent of people (1.3 billion) are identified as multidimensionally poor**.
- **Statement 2 is correct:** Across the **640** districts in India, the poorest district is **Alirajpur** in Madhya Pradesh, where 76.5% of people are MPI poor. Within India, 40.4 million people live in districts where more than 60% of people are MPI poor. **8 million Indians live in the poorest districts in the state of Bihar**.
- **Statement 3 is correct:** The Global

Multidimensional Poverty Index Report: The Most Detailed Picture to Date of the World's Poorest People presents the global MPI 2018, a newly revised index based on a short but powerful list of **10 deprivations**. For the 2018 global MPI, five of the ten indicators have been revised jointly by OPHI and UNDP to align the MPI with the 2030 Agenda. This is in response to the Agenda's call for a better measure of progress toward Sustainable Development Goal (SDG) 1 – "to end poverty in all its forms" – and to help achieve the principle of leaving no one behind.

38. Correct option: (c)

Explanation:

- **Statement 1 is correct:** About 8,02,000 infant deaths were reported in India in 2017, the lowest in five years, according to the United Nations Inter-agency Group for Child Mortality Estimation (UNIGME). India continues to show an impressive decline in child deaths, with its **share of global under-five deaths for the first time equalling its share of childbirths**.
- **Statement 2 is correct:** Even more heartening is the fourfold decline in the gender gap in survival of the girl child over last five years.
- The investment on ensuring holistic nutrition under the **POSHAN campaign and national commitment to make India open defecation-free by 2019** are steps that will help in accelerating progress further.

39. Correct option: (c)

Explanation:

- **Statement 1 is correct:** The Department for Promotion of Industry and Internal Trade (DPIIT), which was until recently the **Department of Industrial Policy and Promotion (DIPP)**, has been made responsible for the promotion of **internal trade, including retail trade and welfare of traders and their employees**, which was the mandate of the consumer affairs ministry earlier. In September last year, it was made the **nodal department for the government's ecommerce initiatives**. **Statement 2 is correct:** DIPP had issued a Press Note in December

barring marketplaces from selling products from entities in which they have an equity interest and from entering into a deal with any brand to sell exclusively on their platforms.

It also stipulated that the inventory of a vendor will be deemed to be controlled by the marketplace if **more than 25% of the vendor's purchases are from the marketplace entity**, including its wholesale unit. The marketplace entity or its group companies cannot have control over inventory under the FDI rules. Besides Amazon and Walmart-owned Flipkart, which were the most impacted by the tighter rules and had sought an extension of the deadline, the government had faced opposition from the American Chamber of Commerce in India, the Internet and Mobile Association of India and the US-India Strategic Partnership Forum. While homegrown firms Snapdeal and ShopClues had favoured the new norms, the Confederation of All India Traders (CAIT) has pressed for the guidelines to apply to local firms as well.

40. Correct option: (b)

Explanation:

- The SAMPADA scheme was approved by the CCEA in May 2017 for the period of 2016-20 coterminous with the 14th Finance Commission cycle. The objective of the scheme is to supplement agriculture, modernize processing and decrease agricultural-waste.
- The scheme has been **renamed as the Pradhan Mantri Kisan Sampada Yojana (PMKSY)**.
- **Statement 1 is incorrect:** PMKSY is a **Central Sector umbrella scheme under the Union Ministry of Food Processing Industries (MoFPI)**.
- **Statement 2 is correct:** It incorporates all ongoing schemes of the **Union Ministry of Food Processing Industries (MoFPI)**. It includes MoFPI's schemes such as Mega Food Parks, Food Safety and Quality Assurance Infrastructure, Integrated Cold Chain and Value Addition Infrastructure, etc. **It also includes new schemes** like Creation of Backward and Forward Linkages, Infrastructure for Agro-processing Clusters, Creation/Expansion of Food Processing & Preservation

Capacities.

- It will benefit 2 million farmers and generate over 5 lakh 30 thousand direct or indirect employment in the country by the year 2019-20.
- The implementation of SAMPADA will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. It will not only provide a big boost to the growth of food processing sector in the country but also help in providing better prices to farmers and is a big step towards doubling of farmers' income. It will create huge employment opportunities especially in the rural areas. It will also help in reducing wastage of agricultural produce, increasing the processing level, availability of safe and convenient processed foods at affordable price to consumers and enhancing the export of the processed foods.

41. Correct option: (c)

Explanation:

- **Statement 1 is correct:** Government had launched PMP in May 2017 for **promoting the growth of domestic manufacturing of Cellular mobile handsets**. This programme is **under Ministry of Electronics and Information Technology (MeitY)**.
- Its overall aim is to **impose duties (differential duty regime) and give tax reliefs and incentives on select products involved in domestic manufacturing of cellular handsets**. It is called phased manufacturing programme because it will give **fiscal benefits** to domestic manufacturing of various components of cellular handsets in different fiscals.
- The Central Bureau of Excise and Customs (CBEC) under Finance Ministry had imposed a **10% duty** in April 2018 **on imports of key smartphone components** such as populated printed circuit boards (PCBs), camera modules and connectors. This decision follows the government's announcement to impose **20% basic customs duty (BCD) on fully built mobile phones**, which came into effect from February 1, 2018 as part of its **phased manufacturing program (PMP)**.

42. Correct option: (b)

Explanation:

Nuclear Power Plant	Location
A. Kudankulam	4. Tamil Nadu
B. Tarapur	2. Maharashtra
C. Narora	1. Uttar Pradesh
D. Kaiga	3. Karnataka

43. Correct option: (c)

Explanation:

- **Statement 1 is correct:** Recently, the Cabinet Committee of Economic Affairs Chaired by Prime Minister gave its approval for the creation of **Agri-Market Infrastructure Fund (AMIF)** for development and up-gradation of agricultural marketing infrastructure in **Gramin Agricultural Markets** and **Regulated Wholesale Markets**. AMIF will provide the State/UT Governments **subsidized loan** for their proposal for developing marketing infrastructure in 585 Agriculture Produce Market Committees (APMCs) and 10,000 Grameen Agricultural Markets (GrAMs). States may also access AMIF for innovative integrated market infrastructure projects including **Hub and Spoke mode** and in **Public Private Partnership** mode. In these GrAMs, physical and basic infrastructure will be strengthened using MGNREGA and other Government Schemes.
- **Statement 2 is correct:** The corpus of Rs 2,000 crore for AMIF will be created with NABARD in alignment with annual budget releases during 2018-19 and 2019-20.

44. Correct option: (b)

Explanation:

- **Statement 1 is correct:** The Kisan Credit Card (KCC) Scheme was introduced in **1998** for issue of KCC to farmers so that farmers may use them to readily purchase agriculture inputs such as seeds, fertilizers, pesticides etc. and draw cash for their production needs.
- **Statement 2 is correct:** Under revised Kisan Credit Card (KCC) Scheme issued by **Reserve Bank of India (RBI)** and **National Bank for Agriculture and Rural Development (NABARD)**, withdrawal through ATM/Debit Cards has been

allowed as one of the delivery channels for the drawal of the drawing limit for the current season/year. The Government has been closely monitoring the progress of conversion of Kisan Credit Cards (KCCs) to **RuPay ATM cum Debit Kisan Credit Cards (RKCCs)**.

- **Statement 3 is incorrect:** In **Budget 2018-19**, the KCC scheme was extended to **Animal Husbandry and Fisheries** farmers also. The Budget 2019-20 provides the benefit of 2% interest subvention to the farmers pursuing the activities of animal husbandry and fisheries, who avail loan through Kisan Credit Card. Further, in case of timely repayment of loan, they will also get an additional 3% interest subvention.

45. Correct option: (c)

Explanation:

- The bi-annual Fiscal Stability Report discussing issues relating to the development and regulation of the financial sector has been released by the Reserve Bank of India (RBI). The Fiscal Stability Report reflects the collective assessment of the Sub-Committee of the Financial Stability and Development Council (FSDC) on risks to the financial stability of the country, as also the resilience of the financial system.

46. Correct option: (b)

Explanation:

- **Statement 1 is correct:** Government has launched Project "Green Agriculture: Transforming Indian Agriculture for global environment benefits and the conservation of critical biodiversity and forest landscapes" in collaboration with the Food and Agriculture Organisation (FAO) during September, 2018 in high-conservation-value landscapes of five States namely (i) Madhya Pradesh : Chambal Landscape, (ii) Mizoram: Dampa Landscape, (iii) Odisha: Similipal Landscape, (iv) Rajasthan: Desert National Park Landscape and v) Uttarakhand: Corbett-Rajaji Landscape. The project seeks to mainstream biodiversity, climate change and sustainable land management objectives and practices into Indian agriculture.
- **Statement 2 correct:** The USD 33.5 Million project, is being funded by the

GEF. The Global Environment Facility was established on the eve of the 1992 Rio Earth Summit to help tackle our planet's most pressing environmental problems.

- **Statement 3 is not correct:** The project is being implemented by the Gol (MoAFW and MoEFCC) and the Food and Agriculture Organization of the United Nations (FAO).

47. Correct option: (c)

- **Statement 1 is correct:** PCR will be a digital registry of authenticated granular credit information and will work as a financial information infrastructure providing access to various stakeholders and enrich the existing credit information ecosystem. It will capture details of all borrowers, including wilful defaulters and also the pending legal suits in order to check financial delinquencies. The PCR will also include data from entities like market regulator Sebi, the corporate affairs ministry, Goods and Service Tax Network (GSTN) and the Insolvency and Bankruptcy Board of India (IBBI) to enable the banks and financial institutions to get 360 degree profile of existing and prospective borrowers on a real-time basis.
- **Statement 2 is correct:** In June 2018, the RBI had announced to set up a PCR for India with a view to address information asymmetry, foster access to credit and strengthen the credit culture in the economy.

48. Correct Option: (d)

Explanation:

Pandit Deen Dayal Upadhyay Unnat Krishi Shiksha Yojana

- **Statement 1 is correct:** *This scheme, being implemented by Indian Council of Agriculture Research (ICAR),* was launched in 2016 to include trained farmers of the field of Organic Farming/ Natural Farming/Cow Based Economy for training and capacity building of other farmers of nearby areas.
- Under this scheme 100 training centers were proposed to be opened for agricultural education.
- Training Centres will be selected on

the basis of farmers who have already attended training course conducted under Unnat Bharat Abhiyan earlier or are having working/handling of natural farming in their own land plus must know all basics, fundamental, theory and practices of natural farming

- Its objective is to build skilled Human Resource at village level relevant to national needs towards organic farming and sustainable agriculture.
- **Statement 2 is correct:** *To Provide rural India with professional support in the field of Organic Farming/ Natural Farming/ Rural Economy/ Sustainable Agriculture.*

49. Correct Option: (b)

Explanation:

National Innovations on Climate Resilient Agriculture (NICRA)

- **Statement 1 is incorrect:** It is a network of projects of *the Indian Council of Agricultural Research (ICAR).*
- **Statement 2 is correct:** It *takes into account the critical assessment of different crops/zones in the country for vulnerability of rainfall.*
- **Statement 3 is correct:** It *undertakes installation of state-of art equipment like flux towers for measurement of greenhouse gases in large field areas.*
- It undertakes comprehensive field evaluation of new and emerging approaches of paddy cultivation.
- The research on adaptation and mitigation covers crops, livestock, fisheries and natural resource management.
- The project consists of four components viz. Strategic Research, Technology Demonstration, Capacity Building and Sponsored/Competitive Grants.

Objective

- To enhance the resilience of Indian agriculture covering crops, livestock and fisheries to climatic variability and climate change through development and application of improved production and risk management technologies
- To demonstrate site specific technology packages on farmers' fields for adapting to current climate risks

- To enhance the capacity building of scientists and other stakeholders in climate resilient agricultural research and its application

50. Correct Option: (c)

Explanation:

Attracting and Retaining Youth in Agriculture (ARYA)

- It is implemented by ICAR (Indian Council of Agricultural Research), Ministry of Agriculture & Farmers Welfare
- The objectives of ARYA project are
 - **Statement 1 is correct:** To *attract and empower the Youth in Rural Areas to take up various Agriculture, allied and service sector enterprises for sustainable income* and gainful employment in selected districts,

- To enable the Farm Youth to establish network groups to take up resource and capital intensive activities like processing, value addition and marketing, and
- To demonstrate functional linkage with different institutions and stakeholders for convergence of opportunities available under various schemes/program for sustainable development of youth

- **Statement 2 is correct:** It is implemented via Krishi Vigyan Kendras (One in each district)
- Training given in Apiary, Mushroom, Seed Processing, Soil testing, Poultry, Dairy, Goatry, Carp-hatchery, Vermi-compost etc

ECONOMIC SURVEY + BUDGET

Time Allowed: 1 Hrs.

Maximum Marks: 100

Roll No.:

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. Please note that it is the candidate's responsibility to encode and fill in the Roll Number carefully and without any omission or discrepancy at the appropriate places in the OMR Answer Sheet. Any omission/ discrepancy will render the Answer Sheet liable for rejection.
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. While writing name and Roll No. on the top of the OMR Sheet in appropriate boxes use "**ONLY BLACK BALL POINT PEN**".
5. This Test Booklet contains **60 items (questions)**. 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.
6. You have to mark all your responses **ONLY** on the separate **OMR Answer Sheet** provided.
7. All items carry equal marks. **(2 marks each)**
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.
 - (a) 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 of the marks** assigned to that question will be **deducted as penalty**.
 - (b) 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.
 - (c) If a question is left blank, i.e., no answer is given by the candidate, there will be no penalty for that question.

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

1. 'REER Index' is a

- (a) Corruption in the Central Government
- (b) Preparedness for digital revolution
- (c) Weighted average currency exchange rate
- (d) Innovation and technological evolution

2. Consider the following statements regarding the Economic Survey

- 1. It is published annually by the Department of Financial services, Ministry of Finance.
- 2. It is presented only to the Lok Sabha before the presentation of the Annual Budget.

Which of the above statements is/are correct?

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

3. Consider the following parameters regarding the India's economic openness

- 1. Volume of exports and imports
- 2. Private sector domestic investment growth
- 3. Ease of doing business index

Which of the above options are included in calculation of Openness Index?

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

4. Consider the following statements regarding the Foreign Currency Non-Resident (FCNR) deposits.

- 1. It is a type of fixed deposit account opened for depositing income earned overseas.
- 2. These accounts are taxed at special rates not applicable to general deposits in India.
- 3. The funds held in these accounts can be remitted back overseas subject to certain terms.

Which of the above statements are correct?

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

5. Consider the following statements regarding the nominal GDP growth

- 1. Inflation erodes the real value of nominal GDP growth.
- 2. Nominal GDP numbers do not capture services sector contribution.

Which of the above statements is/are correct?

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

6. Credit Rating agencies primarily measure

- (a) GDP growth numbers
- (b) Credibility of sovereign bonds
- (c) Fiscal deficit sustainability in terms of borrowing
- (d) Stability of money supply in the economy

7. What does "horizontal" and "vertical" allocation refer to?

- (a) Horizontal refers to allocation across states, and vertical refers to that between Centre and states
- (b) Horizontal refers to distribution across financially weaker states, and vertical refers to that between financially stronger states.
- (c) Horizontal refers to allocation between Centre and states, and vertical refers to that between states and local bodies
- (d) Horizontal refers to distribution between Centre and States, and vertical refers to that between special category states.

8. The term "Fiscal Capacity" of states refers to

- (a) Potential of future economic growth
- (b) Ability to garner sustainable financial resources via taxation and other regimes

- (c) Quantum of devolution received from the recommendations of the Finance Commission
- (d) Ability to influence size of aggregate demand in the entire economy

9. Consider the following statements

Assertion (A): Fiscal deficit of Central Government has increased consistently since 2008-09 global meltdown.

Reason (R): The Central Government had provided a fiscal stimulus from the year 2008 to increase aggregate demand in view of the recession.

Which of these statement is correct ?

- (a) A is correct, and R is an appropriate explanation of A.
- (b) A is correct, but R is not an appropriate explanation of A.
- (c) A is correct, but R is incorrect.
- (d) A is incorrect, but R is correct.

10. The World Food Summit (WFS) is convened by

- (a) Food and Agriculture Organisation (FAO)
- (b) United Nations Development Programme (UNDP)
- (c) World Economic Forum
- (d) International Food Policy Research Institute (IFPRI)

11. Consider the following statements regarding Monetary Policy Committee (MPC)

1. The rate is fixed within a flexible band by government under an agreement with RBI.
2. The decision taken by the MPC is based on domestic and global economic developments.
3. It is calculated solely based on the money supply in the economy.

Select the correct answer using the code given below:

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

12. The share of Government Sovereign Debt is reflected in which of these accounts?

- (a) Capital Account of BoP
- (b) Current Account of BoP
- (c) Non-tax revenue account
- (d) External Commercial Borrowings Account

13. Performance on Health Outcomes' index, by NITI Aayog along with Ministry of Health and Family Welfare includes which of these indicators?

1. Life Expectancy at the age of fifty
2. Infant and Maternal Mortality Rates
3. Access to Drinking water and sanitation to households

Which of the above statements are correct?

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

14. Consider the following statements

1. Post 1991, more male migrated than female.
2. Post 2001 female migration rose rapidly.

Which of the above statements is/are correct?

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

15. India's per capita GDP on ppp basis is higher than which of these nations?

1. All other G-4 Nations
2. All other SAARC countries
3. All OECD countries

Which of the above statements are correct?

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

16. Consider the following statement

1. India's inter-state trade in goods is less than 10 percent of GDP.
2. India's Inter-state cross-border exchanges are less than China.
3. Gujrat is the largest exporting as well as largest importing state in India

Which of the above statements are correct?

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

17. According to Economic Survey 2017-18, the phenomenon of "son meta-preference" is ?

- (a) It is the preference of parents to have a son as their first child.
- (b) It is having children until the desired number of sons are born.
- (c) It is the preference of the society to have more males for workforce than females.
- (d) None of the above

18. Consider the following statement about Insurance penetration

1. It is the ratio of premium underwritten in a given year to the gross domestic product.
2. Broker model for selling insurance products can increase insurance penetration in rural areas

Which of the above statements is/are correct?

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

19. Consider the following statements:

1. Urban Local Bodies (ULBs) generate greater proportion of revenue from their own sources than Panchayati Raj Institutions (PRIs).
2. Per capita revenue of both ULB and PRIs is less than one percent per capita income of people residing in their corresponding areas..

Which of the above statements is/are correct?

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

20. Which option is more suitable for 'decoupling' mentioned in the Economic Survey:

- (a) Government expenditure decrease despite increase in revenue collection.
- (b) Fiscal austerity takes place along with increased public investment.
- (c) Imports decreases despite increase in aggregate demand.
- (d) The economy does not grow or slowdown in sync with the global economy

21. Which option is more suitable for 'Prompt Corrective Action?'

- (a) Improving socio-economic status of depressed class.
- (b) Transforming and expanding Indian firms into Multi-National companies.
- (c) Adopting innovative construction technologies for disaster risk reduction.
- (d) Taking corrective actions on banks in order to restore their financial health

22. Consider the following statements about world trade:

1. BREXIT, withdrawal of US from TPP and rising trend of protectionism is a rising threat against the world trade.
2. There has been a decline in world trade to GDP ratios since 2011.
3. If countries across the world become more equal, trade between them will certainly decrease

Which of the above statements are correct?

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

23. Which option is related to Voluntary National Reviews (VNRs)

- (a) Electronic Voting Machines
- (b) Intended nationally determined contributions
- (c) Sustainable Development Goals
- (d) Special and preferential treatment under WTO

24. Consider the following statements:

1. The ratio of gross fixed capital formation to GDP has steadily increased in the last decade.
2. The ratio of domestic saving to GDP has steadily increased in the last decade.

Which of the above statements is/are incorrect?

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

25. Consider the following statements regarding Government e-Marketplace:

1. To promote domestic manufacturing industries.
2. To increase the government savings
3. To bring transparency and efficiency in procurement of goods and services by various Ministries and agencies of the Government.

Which of the above statements are correct?

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

26. The Economic Survey 2017-18 mentions the expression 'No representation without taxation'. Which of the following option is more suitable for this statement?

- (a) Only those who pay tax can contest the election and become a representative.
- (b) A citizen's stake in exercising accountability diminishes if he does not pay tax.
- (c) It's a slogan adopted from the American Revolution.
- (d) None of the above

27. Consider the following statements regarding trend in the social expenditure as proportion of total expenditure

1. Education expenditure as a proportion of the total expenditure has continuously decreased in the last 4 fiscal years
2. Health expenditure as a proportion of the total expenditure has continuously decreased in the last 4 fiscal years

Which of the above statements is/are correct?

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

28. Which sector of Indian economy is the second largest employment provider?

- (a) Mining
- (b) Agriculture and allied
- (c) Information Technology
- (d) Real estate and construction

29. Economic Survey observed that despite the pre-determined borrowing targets i.e. Fiscal Deficit the yield of G-Sec. are rising disproportionately what are the cause/s of this phenomena

1. RBI's dear money policy
2. Rising international rates
3. State government issuing more securities

Which of the above statements are correct?

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

30. Consider the following statements about Research & development investments

1. Although India's R&D Expenditure is less than compare to the developed countries, but is greater than the countries of the same level of it's income level.
2. India need to increase it's R&D Expenditure especially by the State governments and private industry.

Which of the above statements is/are correct?

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

31. Arrange the following sectors in descending order of their R&D Expenditure

- 1. Defense
- 2. Space
- 3. Health
- 4. Atomic Energy
- 5. Agriculture

Which of the following option is in the correct sequence?

- (a) 1, 2, 4, 5, 3
- (b) 1, 2, 4, 3, 5
- (c) 2, 1, 4, 3, 5
- (d) 2, 1, 4, 5, 3

32. Consider the following statements

- 1. The percentage of net irrigated area to total cropped area in India has increased to more than 50 per cent recently.
- 2. India has highest net cropland area globally.

Which of the above statements is/are correct?

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

33. Consider the following statements regarding Baltic Dry Index

- 1. The Baltic Dry Index (BDI) is a shipping and trade index created by the London-based Baltic Exchange.
- 2. It measures changes in the cost of transporting various raw materials, such as coal and steel.
- 3. Many investors consider a rising or contracting index to be a leading indicator of future economic growth.

Which of the above statements are correct?

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

(c) 1 and 3 only

(d) 1, 2 and 3

34. What is a middle income trap

- (a) middle class in emerging economies find it difficult to make a transition to upper class.
- (b) advanced economies have a negative balance of trade with emerging economies.
- (c) high inflation persists along with growth in the middle income countries.
- (d) middle income countries grow more slowly than what is expected at their level of income.

35. Consider the following indexes

- 1. CPI-urban
- 2. CPI-All India
- 3. CPI-Agricultural Labour
- 4. CPI-Rural Labour

Which of the following indexes are not released by CSO?

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

36. Consider the following statements

- 1. Long Term Capital Gains Tax is the tax paid on profit generated by an asset held for a particular time.
- 2. Safe harbour regime is an arbitration mechanism to settle disputes over related party transactions

Which of the above statements is/are incorrect?

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

37. Arrange the following in the descending order of their share in Inland Transport

- 1. Railways
- 2. Waterways

3. Airways
4. Roadways

Which of the following option is in the correct sequence?

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

38. Consider the following statements

1. Urban local governments like their rural counterparts are also heavily dependent on the grants and devolutions to carry out their operations.
2. Property tax is collected by State Government.

Which of the above statements is/are correct?

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

39. Which of the following factors have adverse impact on the nominal exchange rate of a country?

1. Inflation
2. FPI withdrawals
3. NRI deposits
4. Increase in per capita income, with other factors remaining same

Select the incorrect options

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

40. Which of the following policy documents have a direct impact on fiscal policy?

1. Finance commission report
2. Annual financial statement
3. RBI quarterly monetary policy statement
4. Niti Aayog report on taxation system

Select the correct options

- (a) 1 and 2
- (b) 2 and 3

(c) 1, 2 and 3

(d) 1, 2 and 4

41. Consider the following statement about Pradhan Mantri Kisan Samman Nidhi (PM- Kisan).

1. PM- Kisan will extend direct income support to farmer families, having cultivable land up to 2 hectares.
2. Rs.2, 000 each will be transferred to the bank accounts of around 12 crore Small and Marginal farmer families, in three equal instalments.

Which of the following statements are correct?

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

42. Consider the following statement about fisheries and animal Husbandry in Union budget 2019-20.

1. It has been decided to create a separate department of Fisheries to promote further growth over 7% of this sector.
2. 5% interest subvention will be given to farmers, who have availed loans through KCC and pursuing the activities of animal Husbandry and fisheries
3. In case of timely payment of loan they will also get an additional 3% interest subvention.

Which of the following statements are correct?

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

43. Consider the following statement with respect to Rashtriya Gokul Mission

1. Gokul gram under Rashtriya Gokul Mission will function as in-situ training centre for farmers and breeders.
2. Rashtriya Kamdhenu Ayoga will be set up to upscale sustainable genetic upgradation of cow resources

Which of the following statements are correct?

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

44. Consider the following statement about social security in unorganised sector in Union Budget 2019

1. Pradhan Mantri Shram Yogi Mandhan Scheme has been launched to benefit at least 10 crore labourers and workers in unorganised sectors
2. Under the scheme, an assured monthly pension of Rs 3,000 per month will be provided to workers in the unorganised sector after 60 years of age.

Which of the following statements are correct?

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

45. Consider the following statements

1. Tax collection has increased from 6.38 Lakh crore in 2013- 14 to 12 lakh crore in 2018- 2019
2. Number of return files has increased from 3.79 crore to 6.85 crore.

Which of the following statements are correct?

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

46. Consider the following statement according the budget 2019 forecast.

1. Fiscal deficit has been brought down to 3.9 percent in 2018-19 RE.
2. Current Account Deficit is likely to be 2.5% of GDP in 2018-19.

Which of the following statements are correct?

- (a) 1 only
- (b) 2 only

(c) Neither 1 nor 2

(d) Both 1 and 2

47. Consider the following statements with respect to the Budget 2019

1. Central government has targeted to create one lakh Digital villages.
2. Digital villages aim to provide a platform for availability of services such as telemedicine, tele-education, and LED street lighting, wifi and skill development at gram Panchayat level.
3. A new AIIMS has been proposed to be set up in Punjab

Which of the following statements are correct?

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

48. Consider the following Statements with respect to budget 2019

1. Welfare Development Board to frame special strategies for de-notified, Nomadic and Semi- Nomadic communities will be set up under the ministry of social Justice and Empowerment.
2. A committee under NITI Ayog will be set up to complete the task of identifying de-notified, Nomadic and Semi- Nomadic communities.

Which of the following statements are correct?

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

49. Consider the following statements with respect to budget 2019

1. 10 crore free LPG connection have been given under Ujjawala Yojana
2. More than 70% beneficiaries under MUDRA Yojana are women

Which of the following statements are incorrect?

- (a) 1 only
- (b) 2 only

- (c) Both 1 and 2
- (d) Neither 1 nor 2

50. Consider the following statements with respect to Budget 2019.

1. National Artificial Intelligence portal will be developed as a part of National Programme on Artificial Intelligence.
2. Department of Industrial policy and Promotion will be renamed as Department for promotion of Industries and Internal trade.

3. Government- e- market place platform will now be extended to all CPSEs.

Which of the following statements are correct?

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

ECONOMIC SURVEY + BUDGET***Answer Key***

Q. 1	(c)	Q. 16	(b)	Q. 31	(a)	Q. 46	(b)
Q. 2	(a)	Q. 17	(b)	Q. 32	(b)	Q. 47	(b)
Q. 3	(a)	Q. 18	(c)	Q. 33	(d)	Q. 48	(d)
Q. 4	(c)	Q. 19	(a)	Q. 34	(d)	Q. 49	(a)
Q. 5	(a)	Q. 20	(d)	Q. 35	(b)	Q. 50	(c)
Q. 6	(b)	Q. 21	(d)	Q. 36	(b)		
Q. 7	(a)	Q. 22	(a)	Q. 37	(d)		
Q. 8	(b)	Q. 23	(c)	Q. 38	(d)		
Q. 9	(d)	Q. 24	(c)	Q. 39	(d)		
Q. 10	(a)	Q. 25	(d)	Q. 40	(a)		
Q. 11	(a)	Q. 26	(b)	Q. 41	(c)		
Q. 12	(a)	Q. 27	(a)	Q. 42	(c)		
Q. 13	(a)	Q. 28	(d)	Q. 43	(c)		
Q. 14	(c)	Q. 29	(d)	Q. 44	(c)		
Q. 15	(d)	Q. 30	(b)	Q. 45	(c)		

1. Correct Option: (c)

Explanation:

- **The real effective exchange rate (REER) is the weighted average of a country's currency relative to an index or basket of other major currencies**, adjusted for the effects of inflation.
- The weights are **determined by comparing the relative trade balance of a country's currency against each country within the index**.
- This exchange rate is used to determine an individual country's currency value relative to the other major currencies in the index, such as the U.S. dollar, Japanese yen and the euro.
- The REER takes into account any changes in relative prices and shows what can actually be purchased with a currency.

2. Correct Option: (a)

Explanation:

- **Statement 1 is correct: The Department of Economic Affairs, Finance Ministry of India** presents the Economic Survey in the parliament every year, just before the Union Budget. It is **prepared under the guidance of the Chief Economic Adviser, Finance Ministry**. It is the Finance ministry's view on the annual economic development of the country. The Survey **reviews the developments in the Indian economy in the last financial year**, summarizes the performance on major development programs, and highlights the policy initiatives of the government and the prospects of the economy in the short to medium term.
- **Statement 2 is incorrect:** This document is presented **to both houses of Parliament during the Budget Session** (before presenting the budget).

3. Correct Option: (a)

Explanation:

- **Statement 1 is correct:** The Openness Index is an economic metric **calculated as the ratio of country's total trade, the sum of exports plus imports, to the country's gross domestic product = (Exports + Imports) / (Gross Domestic Product)**

- **Statement 2 is incorrect:** The interpretation of the Openness Index is: the higher the index the larger the influence of trade on domestic activities, and the stronger that country's economy.
- **Statement 2 is incorrect:** Ease of doing business index is a **passive indicator of openness, and openness as such is not measured by it**.

4. Correct Option: (c)

Explanation:

Foreign Currency Non-Resident (FCNR) deposits.

- **Statement 1 is correct:** 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**. These accounts can be opened jointly with other NRIs.
- Opening of FCNR (B) in the name of individuals/ entities of Bangladesh/ Pakistan nationality/ ownership requires prior approval of Reserve Bank of India.
- **Statement 2 is incorrect:** These accounts **are exempt from Income Tax in India**.
- **Statement 3 is correct:** With the rupee continuing to remain volatile, the Foreign Currency Non Resident (FCNR) account can be a good option for Non-Resident Indians (NRIs) looking to invest in India without worrying about currency risks.

5. Correct Option: (a)

Explanation:

- **Statement 1 is correct: The nominal GDP is the value of all the final goods and services that an economy produced during a given year.** It is calculated by using the prices that are current in the year in which the output is produced. In economics, a nominal value is expressed in monetary terms. For example, **a nominal value can change due to shifts in quantity and price**. The nominal GDP takes into account all of the changes that occurred for all goods and services produced during a given year. If prices change from one period to the next and the output does not change, the nominal GDP would change even though the output remained constant.

- **The real GDP** is the **total value of all of the final goods and services that an economy produces during a given year, accounting for inflation**. It is calculated using the prices of a selected base year. **To calculate Real GDP, you must determine how much GDP has been changed by inflation since the base year, and divide out the inflation each year**. Real GDP, therefore, accounts for the fact that if prices change but output doesn't, nominal GDP would change.
- **Statement 2 is incorrect:** GDP means an estimate of both goods and services, so 2 is wrong

6. Correct Option: (b)

Explanation:

- A **credit rating agency** (CRA, also called a ratings service) is a company that assigns credit ratings, which **rate a debtor's ability to pay back debt by making timely principal and interest payments** and the **likelihood of default**. An agency may rate the **creditworthiness of issuers of debt obligations, of debt instruments (Bonds)**, and in some cases, of the servicers of the underlying debt, but not of individual consumers.

7. Correct Option: (a)

Explanation:

- **The Finance Commission** is required to **recommend the distribution of the net proceeds of taxes of the Union between the Union and the States** (commonly referred to as **vertical devolution**); and the **allocation between the States of the respective shares of such proceeds** (commonly known as **horizontal devolution**).
- With regard to vertical distribution, FFC has recommended by majority decision that the **States' share in the net proceeds of the Union tax revenues be 42%**. The recommendation of tax **devolution at 42% is a huge jump from the 32% recommended by the 13th Finance Commission**.

8. Correct Option: (b)

Explanation:

- **Fiscal capacity is the ability of the state to extract revenues to provide public**

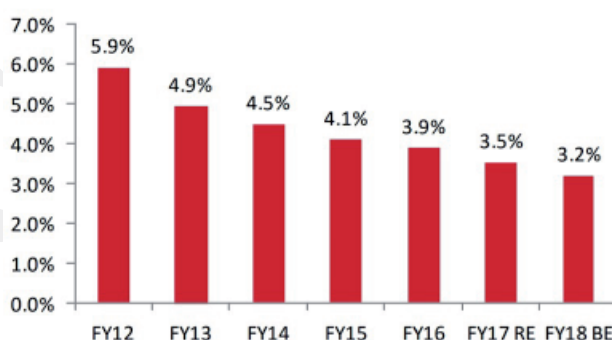
goods and carry out other functions of the state, given an administrative, fiscal accounting structure. In economics and political science, **fiscal capacity may be referred to as tax capacity**, extractive capacity or the power to tax, as **taxes are a main source of public revenues**. Nonetheless, though **tax revenue is essential to fiscal capacity**, taxes **may not be the government's only source of revenue**. Other sources of revenue include **foreign aid and natural resources**.

9. Correct Option: (d)

Explanation:

- Fiscal stimulus (large government expenditure to boost demand) was done to counter the lower FDIs, poor domestic investor sentiment and falling consumer demand as an after effect of the global recession.

Fiscal Deficit (as a % of GDP)



- However, the fiscal deficit has continuously declined since 2012.

10. Correct Option: (a)

Explanation:

- **World Food Summits** are convened by the Food and Agriculture Organization of the United Nations. The first food summit, the "World Food Conference", took place in Rome in 1974, as well as the last WFS in 2009.
- Heads of State and Government attended the last summit. Countries unanimously adopted a declaration pledging renewed commitment to eradicate hunger from the earth at the earliest possible date.
- In 2002, at the World Food Summit in Rome, Member Nations adopted the Declaration of the World Food Summit: five years later, calling for the establishment

of an intergovernmental working group to prepare a set of guidelines on the implementation of the right to food.

- This resulted in the drafting of the Right to Food Guidelines.

11. Correct Option: (a)

Explanation:

- **Statement 1 is correct:** The Government amended the Reserve Bank of India Act, 1934 during the present financial year. The amended Act provides for inflation target to be set by the Government, in consultation with the Reserve Bank, once in every five years and further provides for a statutory basis for the constitution of an empowered Monetary Policy Committee (MPC).
- As per the revised monetary policy framework, the Government has fixed the inflation target of 4 per cent with tolerance level of +/- 2 per cent for the period beginning from 2016 to 2021.
- **Statement 2 is correct:** As mentioned above the responsibility of MPC is to target inflation and maintain within the agreed levels. For this purpose MPC has to consider both domestic and global conditions.
 - Example of domestic factors are Effect of Monsoon, Status of food production etc.
 - Example of global factors are Quantitative Easing by US& EU, slowdown in global economy which will affect our exports etc.
- **Statement 3 is incorrect:** While deciding about the Repo Rate and Open Market operations. MPC take into account the capital and current account inflows and outflows. So it will be wrong to say that while deciding about the inflation targets only existing money supply within the economy is considered

12. Correct Option: (a)

Explanation:

- **The capital account** is a record of the **inflows and outflows of capital** that directly affect a nation's foreign assets and liabilities. It is concerned with all international trade transactions between

citizens of a one country and those in other countries.

- The components of the capital account **include foreign investment and loans, banking and other forms of capital**, as well as monetary movements or changes in the foreign exchange reserve. The capital account flow reflects factors such as **commercial borrowings, banking, investments, loans (Sovereign Bond), and capital**.
- **A surplus in the capital account means there is an inflow of money into the country, while a deficit indicates money moving out of the country.** In this case, the country may be increasing its foreign holdings.
- In other words, the capital account is **concerned with payments of debts and claims**, regardless of the time period. The balance of the capital account also includes all items reflecting changes in stocks.
- The term capital account is also used in accounting. It is a general **ledger account used to record the contributed capital of corporate owners, as well as their retained earnings**. These balances are reported in a balance sheet's shareholder's equity section.

13. Correct Option: (a)

Explanation:

- The "Performance On Health Outcomes" index is made up of 24 indicators in three different domains—
 - health outcomes,
 - governance and information, and
 - key inputs and processes
- The "**health outcomes**" account for **70% of the weight**, and the other two domains **weighs 12% and 18%**, respectively
 - Kerala is the leader among large states, closely followed by Punjab and Tamil Nadu
 - Uttar Pradesh, Rajasthan and Bihar are the least-performing states
 - The goal of the index is not just to rank the states based on their historical performance, but also on their incremental performance

- The attempt is to capture the change made during the course of the year
- For example, Jharkhand, Jammu and Kashmir, and Uttar Pradesh are ranked first, second and third in their incremental performance ranking

14. Correct Option: (c)

Explanation:

- **Statement 1 is correct:** The reason for male dominated migration can be male-centric workforce, poor sex ratio, patriarchal values etc.
- **Statement 2 is correct:** Between 1991 and 2001 the growth rates of the workforce and migrants for economic reasons

were nearly identical, at 2.4 per cent per annum. But as GDP growth started to soar over the next decade, the two began to diverge. The growth rate of migrants rose spectacularly to 4.5 per cent per annum, while the workforce growth rate actually fell. Thus, the migrants' share of the workforce rose substantially. A breakdown by gender reveals that the **acceleration of migration was particularly pronounced for females. In the 1990s female migration was extremely limited, and migrants were shrinking as a share of the female workforce. But in the 2000s the picture turned around completely: female migration for work not only grew far more rapidly than the female workforce, but increased at nearly twice the rate of male migration.**

Table 1. Workforce and Migration for Economic reasons, Census 1991-2011

		Growth %				
		1991	2001	2011	1991 to 2001	2001 to 2011
Workforce (million)	Total	317	402	482	2.4	1.8
	Male	227	275	332	2.0	1.9
	Female	90	127	150	3.5	1.7
Migrants stating economic reasons for migration (million)	Total	26	33	51	2.4	4.5
	Male	22	29	42	2.7	4.0
	Female	4	4	9	0.4	7.5
Migrants stating economic reasons for migration as a share of workforce, %	Total	8.1	8.1	10.5		
	Male	9.6	10.4	12.7		
	Female	4.4	3.2	5.7		
Migrants who moved within last one year, stating economic reasons for migration (million)	Total	1.4	2.2	3.5	57	59
	Male	1.1	1.7	2.8	55	65
	Female	0.3	0.5	0.7	67	40
Flow/Stock Ratio (%) among migrants who moved for economic reasons	Total	5.4	6.7	6.9		
	Male	5.0	5.9	6.6		
	Female	7.6	12.1	8.2		

Source: Census 1991, 2001 and 2011. Figures for 1991 adjusted for Census absence in J&K in 1991. Migration data for 2011 are taken from provisional D-5 tables. Economic reasons include work, employment and business. Flow/Stock ratio is migration for duration less than a year divided by total stock of migrants. Compound annual growth rates taken for stocks and simple growth rate used for annual flows.

15. Correct Option: (d)

Explanation:

- **The Organisation for Economic Co-operation and Development (OECD)** was established in 1961 as a forum for

governments to share experiences and seek solutions to common economic and social problems. Today, approximately **50 industrialised and emerging-economy countries have joined the OECD** as members or adherents.

- **India's per capita GDP is nowhere even close to OECD countries or G4 countries. Infact within the SAARC group India's per capita GDP is lower than Sri Lanka and Maldives.**
- SAARC countries in the region in USD (Nominal / at-PPP):
 - Maldives: 9,247 / 15,288
 - Sri Lanka: 3,870 / 11,189
 - Bhutan: 2,635 / 8,129
 - India: 1,719 / 6,658
 - Pakistan: 1,474 / 5,120
 - Bangladesh: 1,404 / 3,891

16. Correct Option: (b)

Explanation:

- **Statement 1 is incorrect:** Last year Economic Survey had estimated that **India's inter-state trade in goods was between 30 and 50 percent of GDP**, a relatively high number compared to other countries. GST data suggests that India's internal trade in goods and services (excludes non-GST goods and services) is actually even higher: about 60 percent of GDP.
- **Statement 2 is correct:** India's **Inter-state cross-border exchanges are about 54% of GDP**. It is **lower than USA (78%) and China (74%)** but greater than Canada and EU
- **Statement 3 is incorrect:** The five largest exporting states are **Maharashtra, Gujarat, Haryana, Tamil Nadu and Karnataka**; The five largest importing states are **Maharashtra, Tamil Nadu, Uttar Pradesh, Karnataka and Gujarat**

17. Correct Option: (b)

Explanation:

son meta-preference

- It is a subtler way of son preference which means that parents may choose to keep having children until they get the desired number of sons.
- It does not lead to sex selective abortion but it may be detrimental to female children because it may lead to fewer resources devoted to them.

- This form of sex selection alone will not skew the sex ratio. However, this kind of fertility stopping rule will lead to skewed sex ratios but in different directions i.e. skewed in favor of males if it is the last child, but in favor of females if it is not.
- A preference for sons will manifest itself in the SRLC being heavily skewed in favor of boys.

18. Correct Option: (c)

Explanation:

Insurance penetration

- **Statement 1 is correct:** **Insurance penetration** is defined as the **ratio of premium underwritten in a given year to the gross domestic product (GDP)**. The Insurance penetration which was 2.71 per cent in 2001, increased to 3.49 per cent in 2016 (Life 2.72 per cent and General 0.77 per cent)
- **Insurance density is defined as the ratio of premium underwritten in a given year to the total population.** The insurance density in India, which was US\$ 11.5 in 2001, has increased to US\$ 59.7 in 2016 (Life 46.5 and General 13.2).
- **Statement 2 is correct:** **Recently**, Finance Ministry issued a circular asking the public sector banks to adopt Broker model so that both insurance penetration and density could be increased.

19. Correct Option: (a)

Explanation:

- **Statement 1 is correct:** urban local governments (**ULGs**) **generate about 44 per cent of their total revenue** from own sources. Rural local governments (**RLGs**), **in contrast, rely overwhelmingly (about 95 percent) on devolution.**
- **Statement 2 is incorrect:** **Per capita revenue collected by ULGs** is about **3 per cent of the urban per capita income** while the corresponding figure is **only 0.1 per cent for RLGs**

20. Correct Option: (d)

Explanation:

Decoupling of Indian Economy

- Until early 2016, India's growth had been accelerating when growth in other

countries was decelerating. But then the converse happened. The world economy embarked on a synchronous recovery, but India's GDP growth—and indeed a number of other indicators such as industrial production, credit, and investment—decelerated. This is referred to as “decoupling”

Reasons for decoupling

- **India's tight monetary conditions** contributed by depressing consumption and investment and caused the rupee to strengthen, dampening both net services exports and the manufacturing trade balance.
- **Demonetization and GST:** Demonetization temporarily reduced demand and hampered production, especially in the informal sector. GST affected supply chains.
- The **Twin Balance Sheet challenge** has reduced investment and consequently economic activity and, hence growth.
- **Oil prices** increase since 2017 sharp falls in certain food prices that impacted agricultural incomes

21. Correct Option: (d)

Explanation:

'Prompt Corrective Action'

- PCA norms allow the **regulator to place certain restrictions** such as halting branch expansion and stopping dividend payment. It can even cap a bank's lending limit to one entity or sector. Other corrective action that can be imposed on banks include special audit, restructuring operations and activation of recovery plan. Banks' promoters can be asked to bring in new management, too. The RBI can also supersede the bank's board, under PCA.

RISK THRESHOLDS AND CORRECTIVE ACTIONS		
RISK THRESHOLD 1	RISK THRESHOLD 2	RISK THRESHOLD 3
<p>RESTRICTION ON DIVIDEND / DISTRIBUTION/REMITTANCE OF PROFITS.</p> <p>MORE CAPITAL TO BE BROUGHT IN BY OWNER / PROMOTERS IN CASE OF FOREIGN BANKS.</p> <p>DISCRETIONARY ACTIONS BY REGULATOR.</p>	<p>IN ADDITION OF ACTIONS UNDER RISK THRESHOLD 1,</p> <p>RESTRICTIONS ON BRANCH EXPANSION: DOMESTIC / OR OVERSEAS</p> <p>HIGHER PROVISIONS AS PART OF COVERAGE REGIME</p> <p>DISCRETIONARY ACTIONS BY REGULATOR.</p>	<p>RESTRICTIONS ON DIVIDEND. RESTRICTIONS ON BRANCH EXPANSION.</p> <p>RESTRICTIONS ON MANAGEMENT COMPENSATION AND DIRECTOR'S FEES.</p> <p>DISCRETIONARY ACTIONS BY REGULATOR.</p>

- There are two type of restrictions, **mandatory and discretionary. Restrictions on dividend, branch expansion, directors compensation, are mandatory** while **discretionary restrictions could include curbs on lending and deposit.** In the cases of two banks where PCA was invoked after the revised guidelines were issued — IDBI Bank and UCO Bank — only mandatory restrictions were imposed. Both the banks breached risk threshold 2.

22. Correct Option: (a)

Explanation:

- **Statement 1 is correct:** The environment for global trade policy has probably undergone a **paradigm shift** in the aftermath of **Brexit and the Trump's election in US**. At a time of a possible resurgence of **protectionist pressures** and India's needs open markets abroad, it is increasingly clear that India and other emerging market economies **must play a more proactive role** in ensuring open global markets
- **Statement 2 is correct:** Rapid globalization in past few decades has led to a backlash in advanced countries. This is reflected in the decline in world trade-GDP ratios since 2011
- **Statement 3 is incorrect:** A world made up of **two equal-size countries will experience more trade than a world in which the larger country accounts for 95 percent of world output.** Over time, the world is becoming more equal in the distribution of the underlying output.

23. Correct Option: (c)

Explanation:

Voluntary National Reviews (VNRs)

- As part of its follow-up and review mechanisms, **the 2030 Agenda for Sustainable Development** encourages member states to **“conduct regular and inclusive reviews of progress at the national and sub-national levels, which are country-led and country-driven”**. These national reviews are expected to serve as a basis for the regular reviews by the high-level political forum (HLPF), meeting under the auspices of ECOSOC.

As stipulated in the 2030 Agenda, regular reviews by the **HLPF are to be voluntary, state-led, undertaken by both developed and developing countries**, and involve multiple stakeholders.

24. Correct Option: (c)

Explanation:

- **Statement 1 is incorrect:** The investment rate (Gross Capital Formation (GCF) as a share of GDP) in the economy **declined** by nearly 5.6 percentage points between 2011-12 and 2015-16.
- **Statement 2 is incorrect:** India's current investment/saving slowdown episode has been lengthy compared to other cases (investment slowdown started in 2012 and saving slowdown started in 2010) – and it may not be over yet.

25. Correct Option: (d)

Explanation:

Government e- Marketplace

- Government e-Marketplace (GeM) is a one stop portal to facilitate online procurement of common use Goods & Services required by various Government Departments / Organizations / PSUs. GeM aims to enhance transparency, efficiency and speed in public procurement. It provides the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users achieve the best value for their money. Objectives of the National Mission on GeM (NMG)
- **Statement 1 is correct:** To promote domestic manufacturing industries.
- **Statement 2 is correct:** To increase the government savings
- **Statement 3 is correct:** To bring transparency and efficiency in procurement of goods and services by various Ministries and agencies of the Government.

26. Correct Option: (b)

Explanation:

- Taxation is not just a vehicle for raising state revenue. It is also critically important for economic and political development. There is a social contract between citizens and the state. The state's role is to create the conditions for prosperity for all by providing essential services and protecting

the less well-off via redistribution. The citizen's part of the contract is to hold the state accountable when fails to honour that contract.

- **A citizen's stake in exercising accountability diminishes if he does not pay in a visible and direct way for the services the state commits to providing.**

27. Correct Option: (a)

Explanation:

(₹ in lakh crore)						
Total Expenditure	26.95	30.00	32.85	33.78	40.60	43.96
Expenditure on Social Services	6.58	7.46	7.68	7.90	9.84	10.94
i) Education	3.13	3.48	3.54	3.31	3.95	4.41
ii) Health	1.26	1.39	1.49	1.52	2.26	2.25
iii) Others	2.20	2.59	2.65	3.07	3.63	4.27
As percentage to GDP						
Total Expenditure	27.1	26.7	26.4	24.7	26.7	26.4
Expenditure on Social Services	6.6	6.6	6.2	5.8	6.5	6.6
i) Education	3.1	3.1	2.8	2.4	2.6	2.7
ii) Health	1.3	1.2	1.2	1.1	1.5	1.4
iii) Others	2.2	2.3	2.1	2.2	2.4	2.6
As percentage to total expenditure						
Expenditure on Social Services	24.4	24.9	23.4	23.4	24.2	24.9
i) Education	11.6	11.6	10.8	9.8	9.7	10.0
ii) Health	4.7	4.6	4.5	4.5	5.6	5.1
iii) Others	8.2	8.6	8.1	9.1	8.9	9.7
As percentage to social services						
i) Education	47.5	46.7	46.1	41.9	40.2	40.3
ii) Health	19.1	18.7	19.4	19.2	22.9	20.6
iii) Others	33.4	34.7	34.6	38.9	36.9	39.1

28. Correct Option: (d)

Explanation:

- **Real estate and construction together is the second largest employment provider in the country, next only to agriculture, according to the Economic Survey 2017-18**
- Real estate and construction together, is the second largest employment provider in the country, next only to agriculture. It employed over 40 million workforce in 2013, and as per projections is slated to employ over 52 million workforce by 2017, and 67 million workforce by 2022. This implies that it will generate over 15 million jobs over the next five years, which will translate to about three million jobs annually. Nearly 90 per cent of the workforce employed in the real estate and construction sector are engaged in construction of buildings.

29. Correct Option: (d)

Explanation:

- Since late July 2017, interest rates on 10-year government securities (g-secs) have been climbing steadily, rising from about

6.4 percent to 7.3 percent on January 1, 2018. Over that period, the outlook for **policy rates has deteriorated as the RBI has shifted from rate-cutting to a more hawkish stance.** But this shift would not seem to warrant a nearly 1 percentage point increase in long-term rates. **Neither would the changes in international rates, which have only increased modestly**

- The **government gets deposits from the public—independent of its deficit-induced borrowings—in the form of various savings schemes to the public,** encompassed in the **NSSF.** Currently, these schemes offer above-market rates, risk-free investment options, and favorable tax breaks, both at the time of deposit and withdrawal, not available in most regular savings schemes. The Economic Survey of 2015-16 had estimated the magnitude of the implicit subsidies to small savers under the NSSF. But what is relevant here is that the flows into the NSSF are autonomous, determined by their perceived attractiveness, rather than the size of the fiscal deficits. The following identity captures the idea.
- Net Market Borrowings = Fiscal Deficit - NSSF net flows
- **If NSSF net flows increase, for any given fiscal deficit, market borrowings should decline; and vice versa. Market borrowings and hence the supply of g-secs are endogenous to these autonomous flows.** So it's perfectly

possible for market borrowing to increase, even when the fiscal deficit decreases or remains constant.

30. Correct Option: (b)

Explanation:

- **Statement 1 is incorrect:** India's R&D Expenditures has tripled in nominal terms and doubled in real terms since 2004-05 to 2016-17. However, it has **remained stagnant at 0.6-0.7% of GDP over the past two decades.** This is well below other countries such as **US (2.8), China (2.1), Israel (4.3) and Korea (4.2).**
- This is not surprising given the fact that India is a lower middle-income country. **However, it currently underspends even relative to its income level.**
- **Statement 2 is correct:** The **government is the primary source of fund** (compared to other countries where private sector carries the bulk of R&D) as well as the primary user of these funds.
- Further, **the Central government undertakes almost entire R&D expenditure with limited State government spending but spending by state governments is needed especially for application oriented R&D aimed at problems specific to their economies and populations.**

31. Correct Option: (a)

Explanation:

Table 2. Expenditure of Principal Science Government Agencies (Rs. Crores)

Agency	2010-11	2012-13	2014-15
1. Council of Scientific & Industrial Research (CSIR)	2929	2910	3335
2. Defense Research & Development Org. (DRDO)	10149	9895	13258
3. Department of Atomic Energy (DAE)	2855	3191	4075
4. Department of Biotechnology (DBT)	921	1031	1021
5. Department of Science & Technology (DST)	2133	2378	2701
6. Department of Space (DOS)	4482	4856	5818
7. Indian Council of Agricultural Research (ICAR)	3182	3569	3983
8. Indian Council of Medical Research (ICMR)	679	808	843
Total	27330	28636	35034

Source: DST.

- India spends more on defence research as compared to research over space and atomic energy sectors combined together. Also, more funds are being spent on agricultural research as compared to health research. Thus, the correct order of sectoral expenditure of funds for conducting R&D is: **Defence > Space > Atomic Energy > Agriculture > Health**

32. Correct Option: (b)

Explanation:

- **Statement 1 is incorrect:** Only **34.5% of total cropped area is irrigated in India**. To improve irrigation facility Pradhan Mantri Krishi Sinchayee Yojana was launched by government.
- **Statement 2 is correct:** India has **highest net cropland area (NCA) with 179.8 Mha (9.6% of global NCA)**. However, according to Index of Crop Diversification, there is a **declining inter-temporal behavior in crop diversification among most of States** (exception being Himachal Pradesh & Jharkhand). This **monoculture practices has been the reason for declining productivity, lower response to fertilizer, degradation of soil health and declining profitability of cultivation**.

33. Correct Option: (d)

Explanation:

The Baltic Dry Index (BDI)

- The Baltic Dry Index (BDI) is a shipping and trade index created by the London-based Baltic Exchange. It measures changes in the cost of transporting various raw materials, such as coal and steel. So **statement 1 and 2 are correct**.
- Members of the exchange directly contact shipping brokers to assess price levels for given shipping paths, a product to transport, and time to delivery or speed. The Baltic Dry Index is a composite of three sub-indices that measure different sizes of dry bulk carriers or merchant ships: Capesize (100,000 deadweight tonnage (DWT) or greater), Panamax (60,000 to 80,000 DWT capacity), and Supramax (45,000 to 59,999 DWT capacity).

- The Baltic Exchange calculates the index by assessing multiple shipping rates across more than 20 routes for each of the BDI component ships.
- Members contact dry bulk shippers worldwide to gather their prices and they then calculate an average.
- **Statement 3 is correct**
- **Many investors consider a rising or contracting index to be a leading indicator of future economic growth.**
- The index can experience high levels of volatility because the supply of large carriers tends to be small with long lead times and high production costs.

34. Correct Option: (d)

Explanation:

Middle Income Trap

- The middle income trap connotes that middle income countries would grow more slowly than what would be expected given their level of income (i.e., slower than richer countries), impeding the transition from middle income to high income status.
- The doubts about the convergence process have been articulated around the notion of "middle income trap", under which the middle income countries would have grown slowly as expected because of two fold reasons
 - On one hand, **as the countries attain middle income status, they would be squeezed out of manufacturing and other dynamic sector,**
 - On the other hand, **they would lack the institutional, human and technological capital to carve out niches higher up the value added chain.**
- However, denying such fears the middle income countries continued to grow faster than the convergence standard demanded. Rather, the poorest have been growing faster than the lower middle income countries that in turn have been growing faster than the richest

35. Correct Option: (b)

Explanation:

Index	Base Year	Agency/source
WPI	2011-12	Office of Economic Affairs Ministry of Commerce and Industries
CPI All India, CPI -Urban and Rural	2012	CSO, Ministry of Statistics and Programme Implementation
CPI-AL	1986-87	Labour Bureau, Ministry of Labour and Employment
CPI-RL	1986-87	Labour Bureau, Ministry of Labour and Employment
CPI-IW	2001	Labour Bureau, Ministry of Labour and Employment

36. Correct Option: (b)

Explanation:

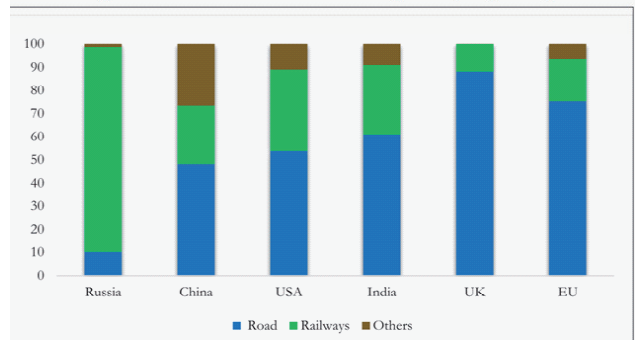
- **Long-term Capital Gains is the tax paid on profit generated by an asset such as real estate, shares or share-oriented products held for a particular time-frame.** The definition of Long-term Capital Gains, or LTCG, is different for various products.
- Safe harbour refers to the circumstances under which income-tax authorities will accept the transfer price declared by the assessee without any question or scrutiny. Under it, **Indian units of MNCs declaring minimum operational profits specified in the safe harbour scheme**—regarded by the I-T department as the industry standard for such transactions among unrelated parties—will not be subject to rigorous transfer pricing audits.

37. Correct Option: (d)

Explanation:

- The share of various modes of transportation in Inland Freight Transportation are:
 - Roadways: Around 60%
 - Railways: Nearly 30%
 - Waterways: Coastal shipping (6.5%), inland waterways(.5%).
 - Airways: Nearly 3%

Figure 3 : Modal Share of Road in Inland Freight Transport (per cent)



38. Correct Option: (d)

Explanation:

- **Statement 1 is incorrect:** India's urban local governments (ULGs), meanwhile, are much closer to international norms. This is evidence that ULGs have emerged more fiscally empowered than RLGs so far in India.
- **ULGs generate about 44 per cent of their total revenue from own sources.** Rural local governments (RLGs), in contrast, rely overwhelmingly (about 95 per cent) on devolution. Per capita own revenue collected by ULGs is about 3 per cent of the urban per capita income while the corresponding figure is only 0.1 per cent for RLGs.
- **Statement 2 is incorrect: Building tax, including property/house tax, are collected at the municipality (ULG) and Gram Panchayat level.** Property taxes are the principal sources of direct tax revenue at the third tier of government, apart from professional taxes.

39. Correct Option: (d)

Explanation:

- **1 is correct,** because inflation makes exports uncompetitive, and increase trade imbalance, which adversely affects the nominal exchange rate
- **2 is correct,** because FPI withdrawals also put adverse pressure on exchange rate due to outflow of Forex.
- **3 is incorrect,** NRI deposits improve the exchange rate, due to forex inflows
- **4 is correct,** because increase in per capita income, with other factors remaining same, would increase imports, and hence increase trade imbalance, which adversely affects the nominal exchange rate.

sector a new Scheme called '**Pradhan Mantri Shram-Yogi Maandhan**' is announced. The Finance Minister said that within next five years it would be one of the largest pension schemes of the world.

- **Statement 2 is correct:** Under the scheme, an assured monthly pension of Rs 3,000 per month will be provided to workers in the unorganised sector after 60 years of age. The scheme is expected to benefit 10 crore workers. This new pension scheme will run alongside the existing Atal Pension Yojana, which guarantees returns post-retirement. The scheme is touted as to become the world's biggest pension scheme for the unorganised sector.

45. Correct Option: (c)

Explanation:

- **Statement 1 is correct:** According to the Union Budget 2019, there is an increase in tax collection from 6.38 Lakh crore in 2013-14 to 12 lakh crore in 2018-19.
- **Statement 2 is correct:** Number of return files has increased from 3.79 crore to 6.85 crore showing 80% growth in tax base.

INTERIM BUDGET 2019-20

SIMPLIFICATION OF DIRECT TAX SYSTEM

- Assessee-friendly IT Department: all returns to be processed in 24 hrs and returns issued simultaneously
- In two years, electronic verification and assessment of returns selected for scrutiny
- Increase in tax collections from Rs. 6.38 Lakh crore in 2013-14 to Rs. 12 Lakh crore this year
- Number of returns filed, up from 3.79 crore to 6.85 crore - 80% growth in tax base

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46. Correct Option: (b)

Explanation:

- **Statement 1 is incorrect:** The fiscal deficit has been brought down to 3.4% in 2018-19 RE from the high of almost 6% seven years ago.
- **Statement 2 is correct:** the Current Account Deficit (CAD), against a high of 5.6% six years ago, is likely to be only 2.5% of GDP this year.

47. Correct Option: (b)

Explanation:

- **Statement 1 is correct:** The government has set a target of creating 1 lakh digital villages in the next five years with an aim to foster financial inclusion.
- **Statement 2 is correct:** Digital villages are an integral scheme linked with the Digital India initiative, which aims to provide a platform for availability of services such as telemedicine, tele-education, LED street lighting, wi-fi and skill development to the people at the gram panchayat level across the country.
- **Statement 3 is incorrect:** Finance minister also said that 14 of the 21 AIIMS operating or being established in the country presently have been announced since 2014. He also announced setting up of a new - the 22nd AIIMS in Haryana.

48. Correct Option: (d)

Explanation:

- **Statement 1 is correct:** Welfare Development Board to frame special strategies for the benefit of the hard-to-reach De-notified, Nomadic and Semi-Nomadic communities will be set up under the Ministry of Social Justice and Empowerment.
- **Statement 2 is correct:** A Committee under NITI Aayog will also be set up to complete the task of identifying De-notified, Nomadic and Semi-Nomadic communities not yet formally classified.

INTERIM BUDGET 2019-20

Reaching out to the most deprived

- Committee under NITI Aayog will be set up to complete the task of identifying De-notified, Nomadic and Semi-Nomadic communities not yet formally classified.
- Welfare Development Board under the Ministry of Social Justice and Empowerment to be set up to implement welfare and development programmes for De-notified, Nomadic and Semi-Nomadic communities.

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49. Correct Option: (a)

Explanation:

- **Statement 1 is incorrect:** Ujjwala Yojana is aiming delivery of 8 crore free LPG connections, more than 6 crore connections have already been given and the remaining will get free gas connections by next year.
- **Statement 2 is correct:** More than 70 percent beneficiaries of Pradhanmantri Mudra Yojana are women.

INTERIM BUDGET 2019-20

WOMEN'S DEVELOPMENT TO WOMEN LED DEVELOPMENT

Securing health of every homemaker - over **6 crore free LPG** connections given under Ujjwala Yojana

More than **70%** of beneficiaries of Pradhan Mantri MUDRA Yojana are women

Benefits of **Maternity leave of 26 weeks** and Pradhan Mantri Matru Vandana Yojana for pregnant women financial empowerment of women by increased participation in work

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50. Correct Option: (c)

Explanation:

- **Statement 1 is correct:** The Finance Minister announced that a National Artificial Intelligence Portal will also be developed soon as a part of the National Programme on 'Artificial Intelligence'.

INTERIM BUDGET 2019-20

“National Programme on 'Artificial Intelligence' has been envisaged by the Government. National Centre on Artificial Intelligence as a hub along with Centres of Excellence has been established.”

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- **Statement 2 is correct:** The Department of Industrial Policy and Promotion will now be renamed as the Department for Promotion of Industries and Internal Trade.
- **Statement 3 is correct:** The Finance Minister stated that the Government e-Marketplace (GeM), created by the present Government two years ago, resulted in average savings of 25-28% and the platform will now be extended to all CPSEs. Transactions of over Rs. 17,500 crore have taken place so far.
