

1. Which among the following statement is incorrect with respect to Monetary Policy Committee (MPC)?

- a) The Monetary Policy Committee (MPC) determines the policy interest rate required to achieve the inflation target
- b) The committee consists of six members and no government official can be nominated to the MPC
- c) Decisions will be taken by majority vote; however RBI governor enjoys a veto power to overrule the other panel members
- d) Members of the MPC will be appointed for a period of four years and shall not be eligible for reappointment

Ans: C

Explanation

MPC

- The Monetary Policy Committee (MPC) constituted by the Central Government under Section **45ZB of the RBI Act** determines the policy interest rate required to achieve the inflation target.
- It is tasked with framing monetary policy using tools like the **repo rate, reverse repo rate, bank rate** and cash reserve ratio (CRR)

Composition of MPC

- The committee will have **six members**. Of the six members, the government will nominate three. **No government official will be nominated to the MPC.**
- The other three members would be from the RBI with the governor being the ex-officio chairperson. Deputy governor of RBI in charge of the monetary policy will be a member, as also an **executive director of the central bank.**

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Selection and term of members

- **Selection:** The government nominees to the MPC will be **selected by a Search-cum-Selection Committee under Cabinet Secretary** with RBI Governor and Economic Affairs Secretary and three experts in the field of economics or banking or finance or monetary policy as its members
 - Members of the MPC will be **appointed for a period of four years** and shall not be eligible for reappointment.
 - Decisions will be **taken by majority vote with each member having a vote**
 - **RBI governor's role:** The RBI Governor will chair the committee. **The governor, however, will not enjoy a veto power to overrule the other panel members**, but will have a casting vote in case of a tie.
- ❖ The rate-setting **Monetary Policy Committee (MPC)** will be meeting five times in FY21, against seven in FY20
- ❖ Usually, the MPC meets six times a year. But, in FY20, it had an extra meeting in view of **the pandemic and the urgent need to assess the current and evolving macroeconomic situation**

2. Consider the following statements regarding the National Green Tribunal (NGT)

1. It has been established under the Environment (Protection) Act, 1986 for effective and expeditious disposal of cases relating to environmental protection and conservation of forests
2. The Tribunal shall not be bound by the procedure laid down under the Code of Civil Procedure, 1908
3. The NGT has jurisdiction to deal with civil cases under the Public Liability Insurance Act, 1991

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Which of the statements given above is/are correct?

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

Ans: B

Explanation

- The National Green Tribunal has been established on 18.10.2010 **under the National Green Tribunal Act 2010** for effective and **expeditious disposal of cases** relating to environmental protection and conservation of forests and other natural resources **including enforcement of any legal right relating to environment and giving relief** and compensation for damages to persons and property and for matters connected therewith or incidental thereto
- It is a **specialized body equipped with the necessary expertise** to handle environmental disputes involving multi-disciplinary issues.
- The Tribunal shall **not be bound by the procedure laid down under the Code of Civil Procedure, 1908**, but shall be guided by principles of natural justice
- The Tribunal's **dedicated jurisdiction in environmental matters** shall provide speedy environmental justice and help **reduce the burden of litigation** in the higher courts
The **NGT deals with civil cases** under the seven laws related to the environment, these include
 - The Water (Prevention and Control of Pollution) Act, 1974
 - The Water (Prevention and Control of Pollution) Cess Act, 1977
 - **The Forest (Conservation) Act, 1980**
 - The Air (Prevention and Control of Pollution) Act, 1981
 - The Environment (Protection) Act, 1986

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- **The Public Liability Insurance Act, 1991 and**
- The Biological Diversity Act, 2002

- Recently, the National Green Tribunal (NGT) has **directed all States and Union Territories to take adequate steps to mitigate risks** in disposal of bio-medical waste in view of the Covid-19 pandemic

3. Which of the following statements is/are correct regarding the New Development Bank (NDB)?

1. NDB mobilizes resources for infrastructure and sustainable development projects in BRICS and other emerging economies
2. Unlike the World Bank, which assigns votes based on capital share, New Development Bank assigns one vote for each participant country and none of the countries will have veto power

Select the correct answer using the codes given below

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

Ans: C

Explanation

New Development Bank

- It is a **multilateral development bank operated by the BRICS states** (Brazil, Russia, India, China and South Africa).
- The New Development Bank was agreed to by BRICS leaders at **the 5th BRICS summit held in Durban, South Africa in 2013.**

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- It was **established in 2014**, at the 6th BRICS Summit at Fortaleza, Brazil
- The bank is set up to **foster greater financial and development cooperation among the five emerging markets.**
- In the **Fortaleza Declaration**, the leaders stressed that the NDB will strengthen cooperation among BRICS and will supplement the efforts of multilateral and regional financial institutions for global development.
- The bank will be **headquartered in Shanghai, China**
- Unlike the World Bank, which assigns votes based on capital share, in the New Development Bank **each participant country will be assigned one vote, and none of the countries will have veto power.**

Roles and functions

- The New Development Bank will **mobilise resources for infrastructure and sustainable development projects in BRICS** and other emerging economies and developing countries, to supplement **existing efforts of multilateral and regional financial institutions** for global growth and development
- ✓ Finance Minister of India recently attended the **5th Annual Meeting of the Board of Governors of the New Development Bank** through video-conference.

4. "Daporijo Bridge", a strategic link towards the LAC between India and China, was constructed recently on which of the following rivers?

- a) Dibang
- b) Subansiri
- c) Lohit
- d) Kameng

Ans: B

Explanation

- The **Border Roads Organisation (BRO)** has managed to build a 430-ft bridge in a strategically important area in Arunachal Pradesh in just 27 days, despite challenges posed by the COVID-19 lockdown
- **Daporijo bridge on Subansiri River**, replacing an older bridge, was inaugurated recently by Arunachal Pradesh Chief Minister through video conferencing
- It is a **strategic link towards the LAC between India and China**



5. Consider the following statements regarding the PM-KISAN

1. Currently, the Scheme provides income support only to Small and Marginal Farmers across the country, holding cultivable land upto 2 hectares
2. The entire responsibility of identification of beneficiaries rests with the State / UT Governments

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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

Ans: B

Explanation

Pradhan Mantri Kisan Samman Nidhi (PM KISAN)

- It is implemented as a **central sector scheme** by the Government of India.
- This scheme was **introduced to augment the source of income of many small and marginal farmers.**
- Under the Scheme **an amount of Rs.6000/- per year is transferred** directly into the bank accounts of the farmers, subject to certain exclusion criteria relating to higher income status.
- The entire **responsibility of identification of beneficiaries rests with the State / UT Governments**

Ambit

- The Scheme initially provided income support to all Small and Marginal Farmers' families across the country, holding cultivable land upto 2 hectares. Its ambit was later expanded w.e.f. 01.06.2019 **to cover all farmer families in the country irrespective of the size of their land holdings.**

Exceptions

- **Affluent farmers have been excluded** from the scheme such as **Income Tax payers** in last assessment year, professionals like Doctors, Engineers, Lawyers, Chartered Accountants etc and pensioners drawing at least Rs.10,000/- per month (excluding MTS/Class IV/Group D employees)