

1. Consider the following statements about the Minimum Support Prices (MSP).

1. It is announced every year before the sowing season.
2. It is approved by the Commission for Agricultural Costs and Prices (CACP).

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

Answer: A

Explanation:

- 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 a **guaranteed price for their produce** from the Government. The major objectives are to **support the farmers from distress sales** and to procure food grains for public distribution.
- **Statement 1 is correct:** MSP is announced every year before the sowing season to provide incentives to farmers for raising the production of the crops.
- **Statement 2 is not correct:** It is approved by the **Cabinet Committee on Economic Affairs** based on the recommendations of the Commission for Agricultural Costs and Prices (CACP).

About CACP

- The Commission for Agricultural Costs & Prices (CACP) is an attached office of the **Ministry of Agriculture and Farmers Welfare**.
- It came into existence in January 1965.
- It is mandated **to recommend minimum support prices** to incentivize the cultivators to adopt modern technology, and raise productivity and overall grain production in line with the emerging demand patterns in the country.
- As of now, CACP recommends MSPs of **23 commodities**, which comprise **7 cereals** (paddy, wheat, maize, sorghum, pearl millet, barley and ragi), **5 pulses** (gram, tur, moong, urad, lentil), **7 oilseeds** (groundnut, rapeseed-mustard, soyabean, seasmum, sunflower, safflower, niger seed), and **4 commercial crops** (copra, sugarcane, cotton and raw jute).

<https://www.thehindu.com/news/national/cabinet-approves-msp-for-14-kharif-crops/article31722966.ece>

2. With reference to credit rating agencies, consider the following statements:

1. They are independent companies who evaluate the financial condition of issuers of debt instruments.

2. In India, credit rating agencies are regulated by the RBI.
3. Most of the credit rating agencies in India follow the 'investor pays' model.

Which of the statements given above is/are correct?

- A. 1 only
- B. 1 and 2 only
- C. 1 and 3 only
- D. 1, 2 and 3

Answer: A

Explanation:

- **Statement 1 is correct:** Credit rating agencies are independent companies who evaluates the financial condition of issuers of debt instruments and then assigns a rating that reflects its assessment of the issuer's ability to make the debt payments.
- Potential investors, customers, employees and business partners rely upon the data and objective analysis of credit rating agencies in determining the overall strength and stability of a company.
- **Statement 1 is incorrect:** In India, credit rating agencies are regulated by the SEBI.

Issues with CRA structure in India

- CRAs in India follow the '**issuer pays model**', under which the payment for the ratings is provided by the corporate organisation whose credit service capability is assessed. It leads to a conflict of interest scenario and results in compromising the quality of analysis. **Hence, statement 3 is incorrect.**
- Another major issue in the credit rating structure is the phenomenon of '**rating shopping**', where the paying issuer can pressurise a CRA to award favourable ratings on the threat of denying future business.
- SEBI has recently introduced enhanced disclosure guidelines for CRAs.
- As per the new guidelines, CRAs will now have to disclose the probability of default for the instruments they rate and also clearly state the sensitive factors that could impact the credit worthiness of the entity.
- Further, the rating agencies will have to adopt a standardised terminology to disclose liquidity indicators while rating an instrument.

<https://www.thehindu.com/news/national/moodys-downgrades-indias-rating-to-baa3/article31724316.ece>

3. With reference to the India Meteorological Department (IMD), consider the following statements.

1. It is an agency under the Ministry of Environment, Forest and Climate Change.
2. IMD has the responsibility for forecasting, naming and distribution of warnings for tropical cyclones in the Northern Indian Ocean region, including the Malacca Straits, the Bay of Bengal, the Arabian Sea and the Persian Gulf.

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

Answer: **B**

Explanation:

- **Statement 1 is incorrect:** India Meteorological Department (IMD) is an agency under the **Ministry of Earth Sciences** of the Government of India. It is the principal government agency in all matters relating to meteorology, seismology and allied subjects.
- Established in 1875, IMD is headquartered in Delhi and operates hundreds of observation stations across India and Antarctica.
- **Statement 2 is correct:** IMD is also one of the six Regional Specialised Meteorological Centres of the World Meteorological Organization. It has the responsibility for forecasting, naming and distribution of warnings for tropical cyclones in the Northern Indian Ocean region, including the Malacca Straits, the Bay of Bengal, the Arabian Sea and the Persian Gulf.
- Mandates of IMD
 - To take meteorological observations and to provide current and forecast meteorological information for optimum operation of weather-sensitive activities like agriculture, irrigation, shipping, aviation, offshore oil explorations, etc.
 - To warn against severe weather phenomena like tropical cyclones, norwesters, dust storms, heavy rains and snow, cold and heat waves, etc., which cause destruction of life and property.
 - To provide meteorological statistics required for agriculture, water resource management, industries, oil exploration and other nation-building activities.
 - To conduct and promote research in meteorology and allied disciplines.
 - To detect and locate earthquakes and to evaluate seismicity in different parts of the country for development projects.

<https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1628295>

4. "Hydroxychloroquine" sometimes seen in the news in the context of

- A. Antimalarial drug currently in clinical trial to treat SARS-CoV-2 infection
- B. Recently developed vaccine to prevent ebola virus
- C. Popular vaccine to prevent Kyasanur Forest Disease
- D. Chemical substance in commonly used pesticides in India

Answer: **A**

Explanation:

- Hydroxychloroquine (HCQ) is an antimalarial drug similar to chloroquine, one of the oldest and best-known anti-malarial drugs.
- It can be bought over the counter and is fairly inexpensive.

Mechanism of action:

- Hydroxychloroquine is an interferon blocker, and works by diminishing the immune system's response to a viral infection.
- This property of HCQ makes it useful in autoimmune disorders such as lupus and rheumatoid arthritis.

Hydroxychloroquine and COVID-19:

- A hyperactive response by the immune system is said to be primarily responsible for pneumonia, also a fallout of a severe SARS-CoV-2 infection.
- Since it has the ability to diminish the immune system's response to a viral infection it seems to be effective in case of COVID-19 patients.
- The drug has shown to have shortened the time to clinical recovery of COVID-19 patients.
- However, many of these are in small lab controlled testing and no proper human trials have been conducted to determine its efficacy.
- A study in France enrolling 80 patients and a study in Wuhan, the epicentre of outbreak, showed that Hydroxychloroquine alone or in combination with azithromycin appeared to reduce virus levels quicker.
- It's primarily these results that have prompted drug regulators in several countries including India to approve the drug in restricted settings.

<https://timesofindia.indiatimes.com/world/rest-of-world/hydroxychloroquine-a-drug-dividing-the-world/articleshow/76134672.cms>

5. The Bharat Interface for Money (BHIM) facility was developed by

- A. National Securities Depository Limited
- B. National Payment Corporation of India
- C. Reserve Bank of India
- D. Atal innovation centre

Answer: **B**

Explanation:

- Bharat Interface for Money (BHIM) is an initiative to enable fast, secure, reliable cashless payments through mobile phones.
- BHIM is based on **Unified Payment Interface (UPI)** to **facilitate e-payments** directly through banks.
- It is interoperable with other Unified Payment Interface (UPI) applications, and bank accounts.
- Unified Payment Interface (UPI) is an instant payment system **built over the IMPS infrastructure** and allows users to instantly transfer money between any two bank accounts.
- BHIM is developed by the **National Payment Corporation of India (NPCI)**.
- Money can be sent using a Virtual Payment Address (VPA), Mobile number, Account Number & IFSC, Aadhaar Number or QR code.

<https://tech.economictimes.indiatimes.com/news/mobile/bhim-app-data-breach-exposes-data-of-over-7-million-users-report/76131461>