

1. Invisibles in the Balance of Payments (BOP) includes

1. Net services earnings
2. Income from Investment
3. Unilateral Transfers
4. Merchandise exports

Select the correct answer using the code given below

- A. 1 only
- B. 1 and 3 only
- C. 1, 2 and 3 only
- D. 1, 2, 3 and 4

Answer: C

Explanation:

- Under the current account of the BoP, transactions are classified into merchandise (exports and imports) and invisibles. Invisible transactions are further classified into three categories, namely:
- **'Services'** such as travel, transportation, insurance, etc.
- **'Income from Investment'** comprises payment of interest on non-resident deposits, payment of interest on loans from non-residents, payment of dividend/profit to non-resident shareholders, etc.
- **'Unilateral Transfers'** represent one-sided transactions, i.e., transactions that do not have any quid pro quo, such as grants, gifts, and migrants' transfers by way of remittances for family maintenance, repatriation of savings, etc.
- Official transfer receipts record grants, donations and other assistance received by the Government from bilateral and multilateral institutions. Similar transfers by the Indian Government to other countries are recorded under official transfer payments.

<https://www.thehindu.com/business/Economy/balance-of-payments-will-be-strong-this-year-says-goyal/article32320275.ece>

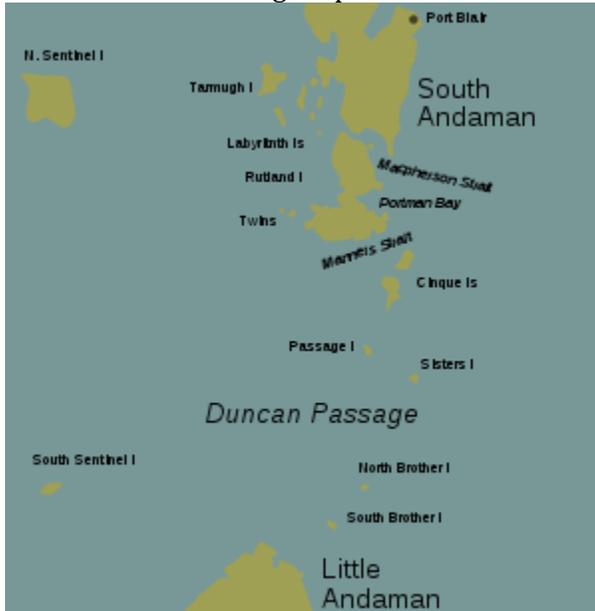
2. The Duncan Passage separates

- A. Little Andaman and South Andaman
- B. Andaman Islands and Nicobar Islands
- C. Islands of Java and Sumatra
- D. Java and Bali

Answer: A

Explanation:

- Duncan Passage separates Little Andaman from South Andaman.



<https://www.thehindu.com/news/national/pm-launches-submarine-optical-fibre-cable-to-andaman-nicobar-islands/article32314430.ece>

3. Banking Correspondents engage in which of the following activities?

1. Creating awareness about savings and other products
2. Promoting, nurturing and monitoring of Self Help Groups/ Joint Liability Groups/Credit Groups
3. Receipt and delivery of small value remittances
4. Recovery of principal / collection of interest
5. Sale of micro insurance/ mutual fund products/ pension products/ other third party products

Select the correct answer using the code given below

- A. 1, 2, 3 and 4 only
- B. 1, 3, 4 and 5 only
- C. 1, 2, 3 and 5 only
- D. 1, 2, 3, 4 and 5

Answer: **D**

Explanation:

- Banking Correspondents (BCs) are individuals/entities engaged by a bank in India (commercial banks, Regional Rural Banks (RRBs) and Local Area Banks (LABs)) for **providing banking services in unbanked / under-banked geographical territories.**
- A banking correspondent works as an agent of the bank and substitutes for the brick and mortar branch of the bank.

- BCs engage in
 - identification of borrowers;
 - collection and preliminary processing of loan applications including verification of primary information/data;
 - **creating awareness about savings and other products and education and advice on managing money and debt counselling;**
 - processing and submission of applications to banks;
 - **promoting, nurturing and monitoring of Self Help Groups/ Joint Liability Groups/Credit Groups/others;**
 - post-sanction monitoring;
 - follow-up for recovery,
 - disbursal of small value credit,
 - **recovery of principal / collection of interest**
 - collection of small value deposits
 - **sale of micro insurance/ mutual fund products/ pension products/ other third party products and**
 - **receipt and delivery of small value remittances/ other payment instruments.**

- The banks in India may engage the following individuals/entities as BCs.
 - Individuals like retired bank employees, retired teachers, retired government employees and ex-servicemen, individual owners of kirana (small shops) / medical /Fair Price shops, individual Public Call Office (PCO) operators, agents of Small Savings schemes of Government of India/Insurance Companies, individuals who own petrol pumps, authorized functionaries of well-run Self Help Groups (SHGs) which are linked to banks, any other individual including those operating Common Service Centres (CSCs);
 - NGOs/ Microfinance Institutions set up under Societies/ Trust Acts or as Section 25 Companies ;
 - Cooperative Societies registered under Mutually Aided Cooperative Societies Acts/ Cooperative Societies Acts of States/Multi State Cooperative Societies Act;
 - Post Offices;
 - Companies registered under the Indian Companies Act, 2013 with large and widespread retail outlets
 - Non-banking Finance Companies (NBFCs) were not allowed to be appointed as Business Correspondents (BCs) by banks. However, since 2014 banks have been permitted to engage non-deposit taking NBFCs (NBFCs-ND) as BCs, subject to certain conditions.

<https://www.thehindu.com/news/national/when-the-postman-acts-as-a-human-atm/article32315734.ece>

4. Consider the following statements about Nutrient Based Subsidy scheme (NBS).

1. Under the scheme, a fixed amount of subsidy is provided on each grade of subsidized Phosphatic and Potassic (P&K) fertilizers depending upon its nutrient content.
2. The scheme is being implemented by the Department of Fertilizers under the Ministry of Agriculture and farmers welfare.

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:

- In a country like India, where around **65 per cent of the population depends on agriculture** for their livelihood, the **Government has a major role in ensuring** the availability of agri-inputs including **fertilisers at affordable prices**. At the same time, **balanced fertilisation** is necessary to enhance farm productivity
- Government is making available Urea and 21 grades of P&K fertilizers to farmers at subsidized prices through fertilizer manufacturers/importers. The subsidy on P&K fertilizers is being governed by the NBS Scheme.
- **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 based on its nutrient content.

Aims of the Nutrient Based Subsidy Scheme

- The scheme aims at ensuring that sufficient quantity of P&K is at the farmer's disposal at statutory controlled prices, so that the agricultural growth can be sustained and **balanced nutrient application to the soil can be ensured**
 - It aims at improving the agricultural productivity, promoting the **growth of the indigenous fertilizers industry** and also reducing the burden of Subsidy
- **Statement 2 is incorrect:** The scheme is being implemented by the **Department of Fertilizers** under the **Ministry of Chemicals and Fertilizers** (not under the Ministry of agriculture and farmers welfare).

<https://economictimes.indiatimes.com/news/economy/agriculture/pm-wants-farmers-to-slash-use-of-urea/articleshow/77451010.cms>

5. Consider the following statements about the UMANG mobile app.

1. It was launched in 2017 to drive Mobile Governance in India.
2. It was developed by the Ministry of Electronics and Information Technology (MeitY) and National e-Governance Division (NeGD).

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: C

Explanation:

- The UMANG mobile app (Unified Mobile Application for New-age Governance) is a Government of India all-in-one single, unified, secure, multi-channel, multi-platform, multi-lingual, multi-service mobile app, powered by a robust back-end platform providing access to high impact services of various organizations (Central and State).
- **Statements 1 & 2 are correct:** It was developed by the **Ministry of Electronics and Information Technology (MeitY)** and **National e-Governance Division (NeGD)** to drive **Mobile Governance in India**.
- Launched in 2017, at present, about 660 services from 127 departments & 25 states and about 180 utility bill payment services are live and more are in pipeline. UMANG user base has crossed 2.1 Crore including Android, iOS, Web and KaiOS.
- Services offered include Provident Fund (PF) services, Aadhaar-related services, online tax payments, and pension-related services.
- Citizens can also access their Digilocker from UMANG and give their feedback after availing any service through Rapid Assessment System (RAS) which has been integrated with UMANG.

<https://pib.gov.in/PressReleasePage.aspx?PRID=1644807>