

Daily mcqs- 12th November

1. Consider the following statements about Viability Gap Funding

- 1) Viability Gap Funding (VGF) signifies a grant provided to support infrastructure projects that are economically justified but fall short of financial viability.
- 2) The lack of financial viability usually arises from long gestation periods and the inability to increase user charges to commercial levels.

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

Answer: C

Explanation:

Viability Gap Funding (VGF) signifies a grant, one-time or deferred, provided to support infrastructure projects that are economically justified but fall short of financial viability. The lack of financial viability usually arises from long gestation periods and the inability to increase user charges to commercial levels. Hence **both the statements are correct.**

Why in the news?

The Cabinet Committee on Economic Affairs chaired by Prime Minister has approved continuation and Revamping of the Scheme for Financial Support to Public Private Partnerships (PPPs) in Infrastructure Viability Gap Funding (VGF) Scheme Till 2024-25 with a total outlay of Rs. 8,100 cr.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1671914>

2. Which among the following are examples of Consumer goods?

1. Household appliances
2. Computers in an MNC company
3. Steam turbines
4. Apparel

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Select the correct answer using the code given below.

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

Answer: B

### Explanation:

- Capital goods and consumer goods are classified based on how they are used.
- Capital goods are any tangible assets used by one business to produce goods or services as an input for other businesses to produce consumer goods.
- The most common capital goods are property, plant, and equipment (PPE), or fixed assets such as buildings, machinery and equipment, tools, and vehicles.
- A consumer good is any good purchased for consumption and not used later for the production of another consumer good.
- Examples of consumer goods include food, clothing, vehicles, electronics, and household appliances.

### 3. Consider the following statements:

1. A major drawback of introducing the Goods and Services Tax (GST) is the increased impact of cascading effect.
2. Under the GST regime, it is mandatory for a state to get approval of the GST council to levy

cess

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:**

- Cascading tax effect is also termed as “tax on tax”. This effect occurs when a good is taxed on every stage of production. Such a good is taxed till it is finally sold to the consumer. This means each succeeding transfer of good is taxed inclusive of the taxes charged on the preceding transfer. As a result, the final consumer bears the burden of the multiple taxes imposed on every stage of production.
- **Statement 1 is incorrect:** Under the GST system, the consumer pays the final tax but an efficient input tax credit system **ensures that there is no cascading of taxes-** tax on tax paid on inputs that go into manufacture of goods.
- **Statement 2 is correct:** Under the GST regime, it is mandatory for a state to get approval of the GST council to levy cess. In January 2019, the GST council gave permission to Kerala to implement 1 per cent Flood Cess, apart from GST.

**4. Consider the following countries:**

1. Turkmenistan
2. Uzbekistan
3. Kazakhstan
4. Kyrgyzstan
5. Tajikistan

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Caspian Sea is bordered by which of the above countries?

- (a) 1, 2 and 4 only
- (b) 1, 3 and 5 only
- (c) 1 and 3 only
- (d) All of the above

Ans: (c)

Explanation:



5. What is the correct sequence of occurrence of the following cities from North to South?

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1. Kabul
2. Ashgabat
3. Astana
4. Bishkek

Select the correct answer using the code given below.

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

**Answer: B**

