

MCQ 22.06.2020 TO 27.06.2020

1. With reference to the Competition Commission of India (CCI), consider the following statements.

1. It is a statutory body.
2. Its objective is to prevent practices having adverse effects on competition.
3. It is responsible for the implementation of Monopolies and Restrictive Trade Practices Act.

Which of the statements given above is/are correct?

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

Answer: A

Explanation:

- **Statement 1 is correct:** The Competition Commission of India (CCI) is a **statutory body** established under the **Competition Act, 2002** for the administration, implementation and enforcement of the Act.
- The following are the objectives of the Commission.
 - To prevent practices having adverse effects on competition. **Hence, statement 2 is correct.**
 - To promote and sustain competition in markets.
 - To protect the interests of consumers and
 - To ensure freedom of trade
- CCI consists of a Chairperson and 6 Members appointed by the Central Government.
- **Statement 3 is incorrect:** The Monopolies and Restrictive Trade Practices Act, 1969 [MRTP Act] repealed and was replaced by the Competition Act, 2002.

<https://pib.gov.in/PressReleasePage.aspx?PRID=1632361>

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

2. The bank, headquartered in Manila, was modeled closely on the World Bank, and has a similar weighted voting system where votes are distributed in proportion with members' capital subscriptions. The two largest shareholders are the US and Japan.

Which one of the following multilateral development banks is described in the above passage?

- A. New Development Bank
- B. Asian Development Bank
- C. Asian Infrastructure Investment Bank
- D. European Investment Bank

Answer: **B**

Explanation:

- Founded in 1966, the Asian Development Bank's (ADB) headquarters are in Manila, Philippines. The Asian Development Bank's primary mission is to foster growth and cooperation among countries in the Asia-Pacific Region.
- At present, ADB comprises 68 members (including **India**)- of which 49 are from within Asia and the Pacific and 19 outside.
- The ADB was modeled closely on the World Bank, and has a similar weighted voting system where votes are distributed in proportion with members' capital subscriptions.
- The two largest shareholders of the ADB are the US and Japan.
- ADB is an official United Nations Observer.

<https://www.thehindu.com/business/Economy/indian-economy-to-contract-by-4-in-2020-21-forecasts-adb/article31863511.ece>

3. The Rule of Law Index is designed and compiled by

- A. Transparency International
- B. World Justice Project
- C. Amnesty International
- D. International Court of Justice

Answer: **B**

Explanation:

- The Rule of Law Index is designed and compiled by the **World Justice Project** -- an independent organisation.
- The index, which covers 128 countries, is a quantitative assessment tool which offers a detailed and comprehensive picture of the extent to which countries adhere to the rule of law in practice.
- Factors of the WJP Rule of Law Index include:
 1. Constraints on Government Powers
 2. Absence of Corruption
 3. Open Government
 4. Fundamental Rights
 5. Order and Security
 6. Regulatory Enforcement
 7. Civil Justice
 8. Criminal Justice

(Data is collected for a 9th factor, "Informal Justice," but it is not used in aggregated scores and rankings. This is due to the complexities of these systems and the difficulties in measuring their fairness and effectiveness in a matter that is both systematic and comparable across countries.)

<https://economictimes.indiatimes.com/news/politics-and-nation/sc-refuses-to-entertain-plea-on-improving-indias-rank-on-rule-of-law-index/articleshow/76443306.cms>

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

4. The megalithic site “Kodumanal” is located in which of the following states?

- A. Andra Pradesh
- B. Telangana
- C. Tamil Nadu
- D. Karnataka

Answer: C

Explanation:

- Kodumanal is a village located in the Erode district in Tamil Nadu.
- It was once a flourishing ancient trade city known as Kodumanam, as inscribed in Patittrupathu of Sangam Literature.
- Various excavations have been carried out in the village and it came out with the layers of a megalithic-cum-early tomb of historic period.

<https://www.thehindu.com/news/national/tamil-nadu/excavation-at-kodumanal-reveals-megalithic-belief-in-afterlife/article31862510.ece>

5. With reference to the Financial Stability and Development Council (FSDC), consider the following statements

1. It is chaired by the RBI Governor.
2. Its members include the heads of financial sector regulators like Securities and Exchange Board of India (SEBI), Pension Fund Regulatory and Development Authority (PFRDA), Insurance Regulatory and Development Authority (IRDA).
3. It is entrusted with the task of fixing the benchmark policy interest rate to contain inflation within the specified target level.

Which of the statements given above is/are correct?

- A. 1 only

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

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

Answer: **B**

Explanation:

- With a view to strengthening and institutionalizing the mechanism for maintaining financial stability, enhancing inter-regulatory coordination and promoting financial sector development, the Financial Stability and Development Council (FSDC) was set up by the Government as the apex level forum in 2010.
- The Chairman of the Council is the Finance Minister and its members include the heads of financial sector Regulators (RBI, SEBI, PFRDA, IRDA & FMC). **Hence, statement 1 is incorrect and statement 2 is correct.**
- **Statement 3 is incorrect:** The Council monitors macro prudential supervision of the economy, including functioning of large financial conglomerates, and addresses inter-regulatory coordination and financial sector development issues. It also focuses on financial literacy and financial inclusion.
- The task of fixing the benchmark policy interest rate (repo rate) to contain inflation within the specified target level is entrusted with the Monetary Policy Committee (MPC) headed by the RBI Governor.

<https://economictimes.indiatimes.com/news/economy/finance/regulators-to-take-necessary-action-to-preserve-financial-stability-fsdc-sub-committee/articleshow/76445717.cms>

6. Consider the following statements about the Global Initiative on Sharing All Influenza Data (GISAID) initiative.
1. It was launched by Doctors Without Borders to improve the sharing of influenza data.

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

2. The Initiative ensures that open access to data in GISAID is provided free-of-charge and to everyone, provided individuals identify themselves and agree to uphold the GISAID sharing mechanism governed through its Database Access Agreement.

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:** The Global Initiative on Sharing All Influenza Data (GISAID) platform was launched by the **World Health Organization** in 2008 to provide a publicly accessible database designed by scientists for scientists, to improve the sharing of influenza data.
- The GISAID Initiative promotes the **international sharing** of all influenza virus sequences, related clinical and epidemiological data associated with human viruses, and geographical as well as species-specific data associated with avian and other animal viruses.
- The data help researchers understand how the viruses evolve, spread and potentially become pandemics.
- **Statement 2 is correct:** The Initiative ensures that **open access** to data in GISAID is provided **free-of-charge** and to everyone, provided individuals identify themselves and agree to uphold the GISAID sharing mechanism governed through its **Database Access Agreement**.

<https://www.pressreader.com/india/the-hindu/20200620/282140703632900>

7. Consider the following statements about the International Atomic Energy Agency (IAEA).

1. It is an autonomous international organization within the United Nations system.

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

2. It works for the safe, secure and peaceful uses of nuclear science and technology, contributing to international peace and security.

3. India is one of the members of IAEA.

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

Answer: **D**

Explanation:

- The International Atomic Energy Agency (IAEA) is the world's central intergovernmental forum for scientific and technical co-operation in the nuclear field.
- **Statement 2 is correct:** It works for the safe, secure and peaceful uses of nuclear science and technology, contributing to international peace and security and the United Nations' Sustainable Development Goals.
- **Statement 1 is correct:** The IAEA is an autonomous international organization within the United Nations system. It partners with more than a dozen UN organizations, thereby helping extend the reach of its services.
- **IAEA reports annually to the UN General Assembly.**
- Created in 1957, the IAEA Secretariat is headquartered in Vienna, Austria.
- **Statement 3 is correct:** Total Membership: 171 (including **India**).

<https://www.thehindu.com/news/international/germany-france-uk-press-iran-to-provide-atomic-site-access/article31874973.ece>

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

8. Consider the following statements about the Financial Action Task Force (FATF).

1. It is an intergovernmental organization founded on the initiative of the G 20 countries.
2. India is a founder member of FATF.
3. FATF maintains “grey list” and “black list” of countries in order to combat money laundering and terrorist financing.

Which of the statements given above is/are correct?

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

Answer: C

Explanation:

- The Financial Action Task Force (FATF) is an intergovernmental organization that designs and promotes policies and standards to combat target money laundering, terrorist financing, and other threats to the global financial system.
- **Statement 1 is incorrect:** The FATF was created in 1989 by the **G7 countries**, and is headquartered in Paris.
- There are 38 members, including India and two regional organisations- European Commission and the Gulf Cooperation Council.
- **Statement 2 is incorrect:** India became an observer at FATF in 2006. FATF admitted India as the 34th Country Member of FATF in 2010.
- **Statement 3 is correct:** FATF maintains two different lists of countries: those that have deficiencies in their anti-money laundering and counter terrorist financing (AML/CTF) regimes but they commit to an action plan to address these loopholes, and those that do not end up doing enough. The former is commonly known as the **grey list** and latter as **blacklist**.

<https://www.thehindu.com/news/national/fatf-indian-officials-attend-virtual-eag-plenary-meet/article31871464.ece>

9. Consider the following statements about the Garib Kalyan Rojgar Abhiyan.

1. It was launched recently as a pan-India initiative.
2. The initiative will help in the development of rural areas by providing livelihood opportunities to the migrant workers and rural Indians.

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:

- Prime Minister Narendra Modi has launched Garib Kalyan Rojgar Abhiyan, a massive rural public works scheme, in six states.
- **Statement 2 is correct:** The initiative will help in the development of rural areas by providing livelihood opportunities to the migrant workers and rural Indians.
- It will involve intensified and focused implementation of 25 different types of works to provide employment to the migrant workers and create infrastructure in the rural regions of the country.
- The scheme entails a resource envelope of 50 thousand crore rupees.
- **Statement 1 is incorrect:** A total of 116 Districts with more than 25 thousand returnee migrant workers across **six States**, namely Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan, Jharkhand and Odisha have been chosen for the campaign.
- These districts are estimated to cover about two third of such migrant workers.

<http://newsonair.com/News?title=PM-Modi-launches-Garib-Kalyan-Rojgar-Abhiyaan-to-boost-livelihood-opportunities-in-rural-India&id=391720>

10. Consider the following statements about the Generalized System of Preferences (GSP).

1. Under GSP, the donor country offers preferential treatment such as zero or low duties on imports to products originating in beneficiary countries.
2. At present, GSP is offered only by the U.S.

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:

- **Statement 1 is correct:** The Generalised System of Preferences (GSP) is one of the oldest trade preference programmes in the world, under which developed countries offer **preferential treatment** (such as zero or low duties on imports) to products originating in developing countries.
- **Statement 2 is incorrect:** GSP is presently extended by 29 developed countries.
- India, as a developing country, enjoyed special trade benefits from the **GSP programme of U.S** which allowed duty-free entry of Indian goods worth \$5.6 billion into the U.S.
- In June 2019, the U.S. decided to terminate India's eligibility for the GSP based on complaints from US' dairy and medical device industries alleging that India has implemented a wide array of trade barriers that are affecting the US exports in those sectors.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/us-keen-to-restore-gsp-benefits-as-trade-talks-begin/primeshow/76475449.cms>

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

11. With reference to generic drugs, which one of the following statements is not correct?

- A. A generic drug is a medication created to be the same as an existing approved brand-name drug in dosage form, safety, strength, route of administration, quality, and performance characteristics.
- B. Approved generic medicines are generally sold after patents and exclusivities protecting the brand-name version end.
- C. Generic drugs have to repeat animal and clinical studies to demonstrate safety and effectiveness before approval.
- D. Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) is a campaign to provide generic drugs to the masses.

Answer: C

Explanation:

- **Statement A is correct:** A generic drug is a medication created to be the same as an existing approved brand-name drug in dosage form, safety, strength, route of administration, quality, and performance characteristics.
- It works in the same way and provides the same clinical benefits as its brand-name version.
- **Statement B is correct:** Approved generic medicines are generally sold after patents and exclusivities protecting the brand-name version end.
- **Statement C is incorrect:** Generic medicines tend to cost less than their brand-name counterparts because they do not have to repeat animal and clinical (human) studies that were required of the brand-name medicines to demonstrate safety and effectiveness.
- In addition, multiple applications for generic drugs are often approved to market a single product; this creates competition in the marketplace, typically resulting in lower prices. Typically results in prices about 85% less than the brand-name.
- **Statement D is correct:** Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) is a campaign launched by the Department of Pharmaceuticals to provide quality medicines at

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

affordable prices to the masses. PMBJP stores have been set up to provide generic drugs, which are available at lesser prices but are equivalent in quality and efficacy as expensive branded drugs.

<https://www.pressreader.com/india/the-hindu/20200622/281487868606905>

12. In which one of the following States is Chakrashila Wildlife Sanctuary located?

- A. Maharashtra
- B. Assam
- C. Sikkim
- D. Arunachal pradesh

Answer: **B**

Explanation:

- Golden langurs occupy moist evergreen and tropical deciduous forests as well as some riverine areas and savannas. They are found **only in Assam and parts of Bhutan**.
- Its range has been considerably depleted and fragmented with a total gross estimated population in Bhutan and India of about 4,500–5,000 individuals.
- It is listed in Appendix I of CITES, as Endangered on the IUCN Red List of Threatened Species, and in Schedule I of the Indian Wildlife (Protection) Act, 1972.
- In Assam, its main population is in the Manas Biosphere Reserve and **Chakrashila Wildlife Sanctuary**.
- Chakrashila is India's first wildlife sanctuary with golden langur as the primary species.

<https://www.thehindu.com/news/national/other-states/even-golden-langurs-suffer-forced-abortion-infanticide/article31883455.ece>

13. Which of the following is/are statements are correct with reference to the interim report of the 15th Finance Commission?

1. It introduced performance-based incentives to states on two parameters — demographic performance and taxation efforts.
2. It introduced Forest and Ecology as a criteria for devolution.
3. The Commission used only 2011 population data for its recommendations.
4. The share of states in the centre's taxes is recommended to keep unchanged at 42%.

Select the correct answer using the code given below :

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

Answer: C

Explanation:

- Recently, the 15th Finance Commission has submitted its interim report for the financial year 2020-21.
- The final report with recommendations for the 2021-26 period will be submitted by October 30, 2020.

Key recommendations for 2020-21 period

Devolution of taxes to states:

- **Statement 4 is incorrect:** The share of states in the centre's taxes is recommended to be **decreased from 42%** during the 2015-20 period to **41%** for 2020-21.
- The 1% decrease is to provide for the newly formed union territories of Jammu and Kashmir, and Ladakh from the resources of the central government.

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

Criteria for devolution:

- **Statement 1 is correct:** The FC reintroduced **performance-based incentives** to states on two parameters — **demographic performance** and **taxation efforts**.
- **Statement 3 is correct:** The Commission used only 2011 population data for its recommendations.

| Criteria | 14th FC 2015-20 | 15th FC 2020-21 |
|-------------------------|--------------------|--------------------|
| Income | 50.0 | 45.0 |
| Distance | | |
| Population (1971) | 17.5 | - |
| Population (2011) | 10.0 | 15.0 |
| Area | 15.0 | 15.0 |
| Forest Cover | 7.5 | - |
| Forest and Ecology | - | 10.0 |
| Demographic Performance | - | 12.5 |
| Tax Effort | - | 2.5 |
| Total | 100 | 100 |

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

- **Income distance** - is the distance of the state's income from the state with the highest income. States with lower per capita income would be given a higher share to maintain equity among states.
- The **Demographic Performance** criterion has been introduced to reward efforts made by states in controlling their population. States with a lower fertility ratio will be scored higher on this criterion.
- **Statement 2 is correct: Forest and ecology** - share of dense forest of each state in the aggregate dense forest of all the states.
- **Tax effort:** This criterion has been used to reward states with higher tax collection efficiency.

Grants-in-aid

- In 2020-21, the following grants will be provided to states: (i) revenue deficit grants, (ii) grants to local bodies, and (iii) disaster management grants.

<https://www.thehindu.com/news/national/additional-funds-sought-for-jal-jeevan-mission/article31884021.ece>

14. Which of the following are classified as “Minor Forest Produce” in the country?

1. Bamboo
2. Honey
3. Timber
4. Wild fruits

Select the correct answer using the codes given below

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

Answer: **B**

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

Explanation:

- Minor Forest Produce means **all non-timber forest produce** of plant origin and will include **bamboo**, canes, fodder, leaves, gums, waxes, dyes, resins and many forms of food including nuts, **wild fruits, Honey**, Lac, Tusser etc.
- MFP is a major source of livelihood for tribals living in forest areas. Tribals derive 20-40% of their annual income from MFP.

<http://newsonair.com/News?title=Procurement-of-MFP-by-govt-touches-all-time-high%2c-giving-boost-to-tribal-economy&id=391882>

15. With reference to elections to Rajya Sabha, consider the following statements.

1. Only elected members of the State Legislative Assemblies can vote in a Rajya Sabha election.
2. The elections are held through a secret ballot.
3. At present, 'none of the above' option is not applicable in Rajya Sabha elections.

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

Answer: **B**

Explanation:

- The legislators send a batch of new members to the Upper House every two years for a six-year term. A third of Members of Parliament in the Rajya Sabha (which is a permanent House and is not subject to dissolution), from each State retire once in two years and polls are held to fill up the vacancies.

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

- In addition, vacancies that arise due to resignation, death or disqualification are filled up through bypolls after which those elected serve out the remainder of their predecessors' term.

Who elects the members of the Rajya Sabha?

- **Statement 1 is correct:** Elected members of the State Legislative Assemblies. Here the word 'State' includes Puducherry and National Capital Territory of Delhi also.
- Voting is by single transferable vote, as the election is held on the **principle of proportional representation**. In other words, a bloc of MPs belonging to one or more parties can elect a member of their choice if they have the requisite numbers. This is to avoid the principle of majority, which would mean that only candidates put up by ruling parties in the respective States will be elected.
- Candidates fielded by political parties have to be proposed by at least 10 members of the Assembly or 10% of the party's strength in the House, whichever is less. For independents, there should be 10 proposers, all of whom should be members of the Assembly.

Why do not the Rajya Sabha polls have a secret ballot?

- **Statement 2 is incorrect:** The Rajya Sabha polls have a **system of open ballot**, but it is a limited form of openness.
- As a measure to check rampant cross-voting, which was taken to mean that the vote had been purchased by corrupt means, the system of each party MLA showing his or her marked ballots to the party's authorised agent, before they are put into the ballot box, has been introduced.
- Showing a marked ballot to anyone other than one's own party's authorised agent will render the vote invalid. Not showing the ballot to the authorised agent will also mean that the vote cannot be counted.
- And independent candidates are barred from showing their ballots to anyone.

Why does not none of the above, or NOTA, apply to the Rajya Sabha polls?

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

- The Election Commission of India (ECI) issued two circulars, on January 24, 2014 and November 12, 2015, giving Rajya Sabha members the option to press the NOTA button in the Upper House polls.
- **Statement 3 is correct:** However, in 2018, the Supreme Court of India struck down the provision, holding that the 'none of the above' option is only for general elections held on the basis of universal adult suffrage, and cannot be applied to indirect elections based on proportional representation.

Does cross-voting attract disqualification?

- No. The Supreme Court, while declining to interfere with the open ballot system, ruled that not voting for the party candidate will not attract disqualification under the anti-defection law. As voters, MLAs retain their freedom to vote for a candidate of their choice.
- However, the Court observed that since the party would know who voted against its own candidate, it is free to take disciplinary action against the legislator concerned.

Can a legislator vote without taking oath as a member of the Assembly?

- While taking oath as a member is for anyone to function as a legislator, the Supreme Court has ruled that a member can vote in a Rajya Sabha election even before taking oath as legislator.
- It ruled that voting at the Rajya Sabha polls, being a non-legislative activity, can be performed without taking oath.
- A person becomes a member as soon as the list of elected members is notified by the ECI, it said. Further, a member can also propose a candidate before taking the oath.

<https://www.thehindu.com/news/national/the-hindu-explains-how-are-elections-to-the-rajya-sabha-held/article31879432.ece>

16. Ambubachi Mela is celebrated in the state of

- A. Kerala
- B. Odisha
- C. Bihar
- D. Assam

Answer: **D**

Explanation:

- Ambubachi Mela is a 4 day fair which marks the annual menstruation of the goddess at **Kamakhya temple, Assam.**
- Kamakhya is a centre for **Tantra worship** and is one of 51 shakti peethas or holy sites for the followers of the Shakti cult, each representing a body part of the Sati, Lord Shiva's companion.
- The temple's sanctum sanctorum houses the yoni – female genital – symbolised by a rock.
- The religious congregation, organised from June 22-26 every year, draws lakhs of people from around the country and abroad.
- For the first time since 1565, Ambubachi festival began at the Kamakhya temple without mendicants, hermits and devotees due to the COVID 19 pandemic.

<https://www.thehindu.com/news/national/other-states/for-first-time-since-1565-ambubachi-sans-fair/article31888105.ece>

17. Consider the following statements about the Aarogya Setu mobile app.

1. It was developed by the Atal innovation centre.
2. It helps citizens identify their risk of contracting Covid-19 using Bluetooth and GPS reference points.

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:** Aarogya Setu is a mobile app developed by the **National Informatics Centre** under the **Ministry of Electronics and Information Technology**.
- **Statement 2 is correct:** It helps citizens identify their risk of contracting Covid-19.
- Aarogya Setu is designed to keep the user informed in case s/he has crossed paths with someone who has tested positive.
- The tracking is done through **Bluetooth & GPS reference points**, which can show the user's interaction with anyone who has tested positive.
- The app alerts are accompanied by instructions on how to self-isolate and what to do in case you develop symptoms.
- There is also a self-testing tool where the users can assess their health voluntarily by answering a few questions.

<https://www.thehindu.com/news/national/coronavirus-parliamentary-panel-on-it-starts-work-on-aarogya-setu/article31891679.ece>

18. Consider the following statements about the Life Insurance Corporation of India (LIC)

1. LIC was founded in 1956 when the Parliament of India passed the Life Insurance of India Act that nationalised the insurance industry in India.
2. Currently, the government owns the entire 100 per cent stake in LIC.

Which of the statements given above is/are correct?

- A. 1 only

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

- B. 2 only
- C. Both 1 and 2
- D. Neither 1 nor 2

Answer: C

Explanation:

- **Statement 1 is correct:** The Life Insurance Corporation of India (LIC) was founded in 1956 when the Parliament of India passed the Life Insurance of India Act that nationalised the insurance industry in India.
- The primary objective of LIC is to provide life insurance policies to all sections of society.
- **Statement 2 is correct:** The government owns 100 per cent of LIC.
- In the Union Budget 2020-21, the government has announced that it will sell a part of its holding in LIC through an initial public offering (IPO).
- LIC is the only public sector life insurance company in India and it is the largest life insurance company in the country.

<https://indianexpress.com/article/explained/lic-ipo-market-disinvestment-6470795/>

19. Which among the following are the objectives of Food Corporation of India (FCI)?

1. Procurement of food grains from farmers at Minimum Support Prices (MSP) announced by the Government.
2. Maintenance of buffer stock of food grains for food security and price stability.
3. Distribution of food grains to consumers through PDS.

Select the correct answer using the codes given below.

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

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

D. 1, 2 and 3

Answer: **D**

Explanation:

- Food Corporation of India (FCI) was set up in 1965 under the Food Corporations Act.
- The main objectives of FCI are
 - Procurement of food grains from farmers at Minimum Support Prices (MSP) announced by the Government;
 - Distribution of food grains to consumers through PDS, particularly the vulnerable sections of society at affordable prices; and
 - Maintenance of buffer stock of food grains for food security and price stability.
- Thus, it is mandated to serve the interests of producers and consumers alike.

<https://www.thehindu.com/news/national/other-states/help-the-needy-during-pandemic-rajasthan-high-court-tells-fci/article31893039.ece>

20. With reference to the Ways and Means Advances (WMA) facility, which one of the following statements is not correct?

- A. Under this window, the centre government can avail temporary loans from the RBI.
- B. It is a temporary liquidity arrangement that helps meet mismatches in receipts and payments of the government.
- C. Interest for the loans under WMA is charged at the existing repo rate.
- D. The WMA facility is not available to the state governments.

Answer: **D**

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

Explanation:

- **Statement A is correct:** The RBI gives temporary loans to the **centre and state governments** as a banker to the government. This facility is called Ways and Means Advances (WMA). **Hence, statement D is correct.**
- **Statement B is correct:** Thus, WMA is a temporary liquidity arrangement that helps meet mismatches in receipts and payments of the government.
- **Statement C is correct:** Under this scheme, Centre and states can avail themselves of immediate cash from the RBI. But it has to return the amount within **90 days**. Interest is charged at the existing **repo rate**.
- The limits for WMA are decided by the government and RBI mutually and revised periodically.
<https://economictimes.indiatimes.com/news/economy/policy/govt-keeps-off-rbis-wma-for-three-consecutive-week/articleshow/76510992.cms>

21. With reference to the Intermediate-Range Nuclear Forces (INF) treaty, consider the following statements.

1. It was signed between the United States and the Soviet Union.
2. It required the signatories to eliminate all of their nuclear and conventional ground-launched ballistic and cruise missiles above the range 5,500 kilometres.

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**

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

Explanation:

- **Statement 1 is correct:** Signed in 1987, the Intermediate-Range Nuclear Forces (INF) treaty required **the United States and the Soviet Union** to eliminate all of their **nuclear and conventional ground-launched ballistic and cruise missiles** with ranges of **500 to 5,500 kilometres. Hence, statement 2 is incorrect.**
- As a result of the treaty, both countries destroyed a total of 2,692 short-, medium-, and intermediate-range missiles.
- Last year, the **U.S. announced its formal withdrawal** from the Intermediate-Range Nuclear Forces treaty accusing Russia of breaching the terms of the deal.

<https://www.thehindu.com/news/international/india-pak-oil-sanctions-exemptions-and-treaties-india-in-boltons-book/article31899453.ece>

22. With reference to Government e-Marketplace (GeM), consider the following statements.

1. It is a 100 percent government-owned company setup.
2. It is mandatory for Government users to make purchases through GeM.
3. 'SWAYATT' initiative is related to GeM.

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

Answer: **D**

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

Explanation:

- **Statement 1 is correct:** The Government e-Marketplace (GeM) is a 100 percent government-owned company setup under the aegis of Ministry of Commerce and Industry. GeM aims to enhance transparency, efficiency and speed in public procurement.
- **Statement 2 is correct:** In 2017, the government made it mandatory for all the departments and ministries to source goods and services from the GeM.
- More than 3,000 startups are already registered on GeM and the marketplace also working to onboard self-help groups and artisan clusters on the platform.
- **Statement 3 is correct:** In 2019, GeM launched 'SWAYATT' [Startups, Women And Youth Advantage Through eTransactions] to bring together key stakeholders, within the Indian entrepreneurial ecosystem to the national procurement portal of Government [GeM].
<https://www.thehindu.com/business/Industry/country-of-origin-must-on-government-e-marketplace-platform-says-government/article31897319.ece>

23. Which among the following constitute Reserve Money or Base Money (M0)?

1. Currency in Circulation
2. Bankers' Deposit with RBI
3. Other Deposits with RBI
4. Certificate of Deposits issued by Banks

Select the correct answer using the codes given below.

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

Answer: **B**

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

Explanation:

- RBI publishes information for four alternative measures of Money supply, namely,
 - Reserve Money or Base Money (M0)
 - Narrow Money (M1)
 - Intermediate Money (M2)
 - Broad Money (M3)
- Reserve Money or Base Money (M0)
 - **M0 = Currency in Circulation + Bankers' Deposit with RBI + Other Deposits with RBI**
 - Currency in circulation is equal to money held by the public and banks.
 - Bankers deposit with RBI includes CRR and Excess Reserve.
 - Other Deposits include deposits of financial institutions, IMF, PF funds of RBI staffs etc.
 - Narrow Money (M1)
 - **M1 = Currency with public + Current Deposits with Banking System + Demand liabilities portion of saving deposits with the banking system + Other Deposits with RBI**
 - Currency with public is equal to Currency in circulation minus cash on hand with banking system
 - Current Deposits and Demand liabilities portion of saving deposits that can be withdrawn by a depositor at any point of time.
 - Intermediate Money (M2)
 - **M2 = M1 + Time Liabilities portion of saving deposits with banking system + Certificate of Deposits issued by Banks + Term Deposits (Excluding FCNR (B) deposits upto 1 year maturity with banking system)**
 - Broad Money (M3)
 - **M3 = M2 + Term Deposits (Excluding FCNR (B) deposits over 1 year maturity with banking system) + Call borrowings from "Non Depository Financial Corporations by the banking system.**

<https://www.thehindu.com/business/Economy/money-supply-surge-signals-uncertainty-amid-pandemic/article31901104.ece>

24. Consider the following statements about the H-1B visa regime.

1. It is issued by the US administration to highly skilled foreign workers.
2. Indian IT companies are amongst the biggest beneficiaries of the H-1B visa regime.

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:

About H-1B visa regime

- **Statement 1 is correct:** In order to fill a vacuum of highly-skilled low-cost employees in IT and other related domains, the US administration issues a certain number of visas each year which allows companies from outside the US to send employees to work on client sites.
- Of these work visas, the H-1B remains the most popular among Indian IT companies.
- The US government has a cap of 85,000 total H-1B visas for each year. Of this, 65,000 H-1B visas are issued to highly skilled foreign workers, while the rest 20,000 can be additionally allotted to highly skilled foreign workers who have a higher education or masters degree from an American university.

Why in News?

- The US administration said it was extending the 60-day ban on immigration and non-immigrant worker visas till the end of 2020.

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

- Popular work visas including the much-coveted H-1B and H-2B, and certain categories of H-4, J, and L visas shall also remain suspended until December 31.
- The move, US President Donald Trump said, was to protect domestic workers who had been impacted due to a contraction in the economy in the wake of the Covid-19 pandemic.

Impact on Indians

- **Statement 2 is correct:** Indian IT companies are amongst the biggest beneficiaries of the US H-1B visa regime, and have since 1990s cornered a lion's share of the total number of visas issued each year.
- As of April 1, 2020, the US Citizenship and Immigration Services (USCIS) had received about 2.5 lakh H-1B work visa applications, according to official data. Indians had applied for as many as 1.84 lakh or 67 per cent of the total H-1B work visas for the current financial year ending March 2021.

<https://indianexpress.com/article/explained/us-h1b-visa-suspension-india-it-companies-6471966/>

25. Consider the following pairs:

Defence Missile system Manufactured in

1. S-400 Turkey
2. Integrated Air Defence Weapon System U.S.
3. Barak-8 India & Israel

Which of the pairs given above is/are correctly matched?

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

Answer: C

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

Explanation:

Defence Missile system Developed in

1. S-400 Russia

2. Integrated Air Defence Weapon System U.S.

3. Barak-8 India & Israel

- Recently, the US has approved the sale of an Integrated Air Defence Weapon System (IADWS) to India.

- The IADWS system will be used along with indigenous, Russian and Israeli systems to erect an ambitious **multi-layered missile shield over the National Capital Territory of Delhi** against aerial threats ranging from drones to ballistic missiles.

Proposed air defence plan for Delhi

- As per the proposed overall air defence plan for Delhi, the **innermost layer of protection** will be through the IADWS.

- The **indigenous Akash area defence missile systems**, with a 25-km range, in turn, will form the layer over the IADWS.

- The second layer will be through the highly automated and mobile **S-400 systems of Russia**, which will have missiles with interception ranges of 120, 200, 250 and 380 kms.

- Then will come the **Barak-8** medium-range surface-to-air missile systems, jointly developed by **Israeli Aerospace Industries and DRDO**, which have a 70-100 km interception range.

- The outermost layer of Delhi's missile shield will be provided by the indigenous two-tier **Ballistic Missile Defence (BMD) system** being developed by **DRDO**.

- This system's **AAD (advanced air defence)** and **PAD (Prithvi air defence)** interceptor missiles are currently geared to intercept enemy missiles at altitudes from **15-25 km** and **80-100 km** respectively.

<https://www.thehindu.com/news/national/russia-to-speed-up-defence-deals-rajnath-singh/article31900616.ece>

26. Consider the following statements about the International Monetary Fund (IMF).

1. It was established in 1995 followed by the Uruguay Round negotiations.
2. The IMF is a permanent observer at the UN.
3. India is a founder member of the IMF.

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

Answer: C

Explanation:

- **Statement 1 is incorrect:** The International Monetary Fund (IMF) was conceived in 1944 at the **United Nations Bretton Woods Conference** in New Hampshire, United States.
- **WTO** was established in 1995 followed by the Uruguay Round negotiations.
- The IMF and the World Bank are called Bretton Woods twins.
- **Statement 2 is correct:** The IMF is a permanent observer at the UN.
- **Statement 3 is correct:** It is an organization of 189 countries. India is a founder member of the IMF.
- The mandate of the IMF as follows:
 - To promote international monetary cooperation;
 - To facilitate the expansion and balanced growth of international trade;
 - To promote exchange stability;

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

- To assist member countries in correcting maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity;
- To assist in the elimination of foreign exchange restrictions which hamper the growth of world trade;

<https://www.thehindu.com/business/Economy/imf-projects-sharp-contraction-of-45-in-indian-economy-in-2020/article31907715.ece>

27. Consider the following statements about the Make in India initiative.

1. It was devised to transform India into a global design and manufacturing hub.
2. The initiative aims to raise the contribution of the manufacturing sector to 50% of the GDP by the year 2025.

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:

- **Statement 1 is correct:** The Make in India initiative was launched by the Prime Minister in September 2014 which is devised to transform India into a global design and manufacturing hub.
- The scheme is helping drive investment, fostering innovation, developing skills, protecting Intellectual Property (IP) and building best-in-class manufacturing infrastructure.
- **Statement 2 is incorrect:** Led by the Department of Industrial Policy and Promotion, the initiative aims to raise the contribution of the **manufacturing sector to 25% of the GDP** by the year 2025 from its current 16%.

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

- For the Make in India campaign, the government of India has identified 25 priority sectors that shall be promoted adequately.

<https://www.thehindu.com/opinion/editorial/signalling-intent-the-hindu-editorial-on-government-e-marketplace-and-country-of-origin-clause/article31909333.ece>

28. With reference to Co-operative banks, consider the following statements.

1. Co-operative banks are financial entities established on a co-operative basis and belonging to their members.
2. According to the latest ordinance, urban and multi-State cooperative banks will be regulated by the RBI and the Registrar of Co-operative Societies.

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:

- **Statement 1 is correct:** Co-operative banks are financial entities established on a co-operative basis and belonging to their members. This means that the customers of a co-operative bank are also its owners.
- These banks provide a wide range of regular banking and financial services.

Structure of co-operative banks in India

- Broadly, co-operative banks in India are divided into two categories - **urban and rural.**

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

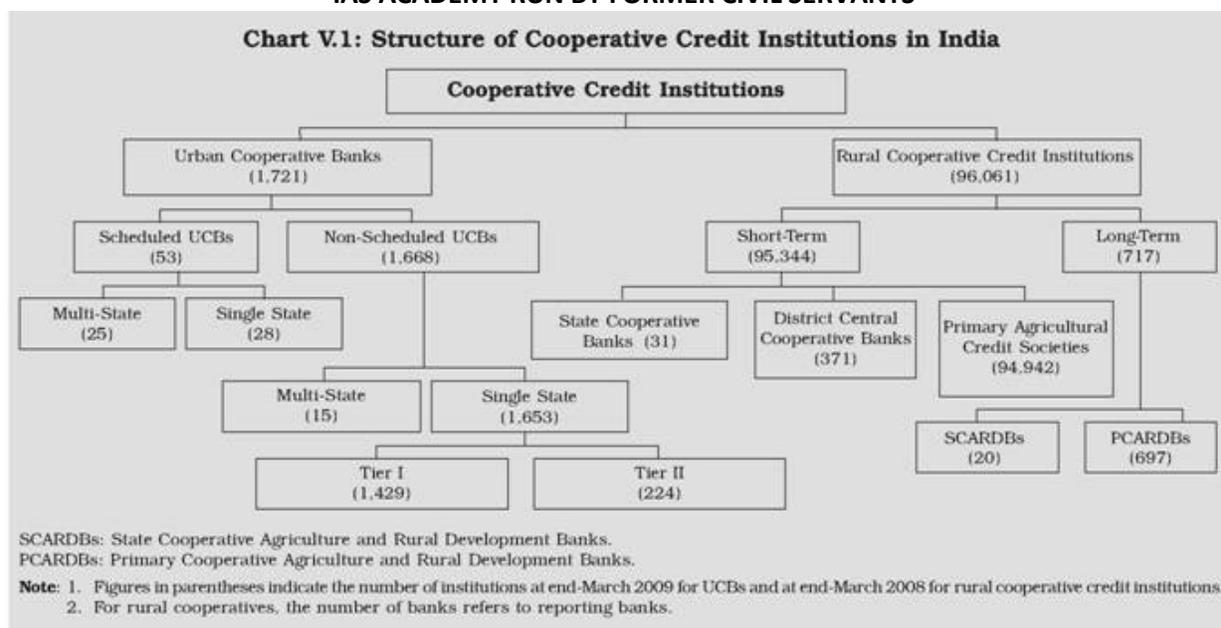
- Rural cooperative credit institutions could either be short-term or long-term in nature. Further, **short-term** cooperative credit institutions are further sub-divided into State Co-operative Banks, District Central Co-operative Banks, Primary Agricultural Credit Societies.
- Meanwhile, the **long-term** institutions are either State Cooperative Agriculture and Rural Development Banks (SCARDBs) or Primary Cooperative Agriculture and Rural Development Banks (PCARDBs).
- On the other hand, Urban Co-operative Banks (UBBs) are either **scheduled or non-scheduled**. Scheduled and non-scheduled UCBs are again of two kinds- **multi-state** and those operating in a **single state**.

Who oversees these banks?

- In India, co-operative banks are registered under the **States Cooperative Societies Act**.
- Cooperative banks are under the **dual control** of the Registrar of Cooperative Societies and RBI.
- While the role of registrar of cooperative societies includes incorporation, registration, management, audit, supersession of board and liquidation, RBI is responsible for regulatory functions such maintaining cash reserve and capital adequacy, among others.

Latest ordinance

- **Statement 2 is incorrect:** The Union Cabinet has approved an ordinance to bring all urban and multi-State cooperative banks under the **direct supervision of the RBI**.
- Currently, these banks come under dual regulation of the RBI and the Registrar of Co-operative Societies.
- The move to bring these urban and multi-State coop banks under the supervision of the RBI comes after several instances of fraud and serious financial irregularities.



<https://www.thehindu.com/news/national/cabinet-decides-to-bring-all-cooperative-banks-under-the-rbi-through-an-ordinance/article31904864.ece>

29. Consider the following statements about Kala-azar.

1. Kala-azar is caused due to infection by the parasite called Leishmania donovani.
2. The parasites are transmitted by the bite of infected female phlebotomine sandflies.

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:

- Leishmaniasis is a neglected tropical disease affecting almost 100 countries including India. It is caused by a parasite called Leishmania, which is transmitted through the bite of sand flies.
- There are three main forms of leishmaniasis – **visceral**, which affects multiple organs and is the most serious form of the disease, **cutaneous**, which causes skin sores and is the most common form); and **mucocutaneous**, which causes skin and mucosal lesion).
- **Visceral leishmaniasis**, which is commonly known as **Kala-azar** in India, is fatal in over 95% of the cases, if left untreated.
- The only drug available against leishmaniasis, miltefosine, is rapidly losing its effectiveness because of emerging resistance to this drug due to a decrease in its accumulation inside the parasite, which is necessary for the drug to kill the parasite.
- **Statement 1 is correct:** Kala-azar is caused due to infection by the parasite called Leishmania donovani.
- **Statement 2 is correct:** The parasites are transmitted by the bite of infected female phlebotomine sandflies.
- Kala-azar can cause no or few symptoms but typically it is associated with fever, loss of appetite (anorexia), fatigue, enlargement of the liver, spleen and nodes and suppression of the bone marrow. Kala-azar also increases the risk of other secondary infections.

<https://pib.gov.in/PressReleasePage.aspx?PRID=1633851>

30. Consider the following statements about Pradhan Mantri MUDRA Yojana.

1. Under the scheme, loans are provided to micro businesses of the farm and non farm sector.
2. The maximum amount of loan that can be availed under this scheme is Rs 1 crore.

Which of the statements given above is/are correct?

A. 1 only

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

B. 2 only

C. Both 1 and 2

D. Neither 1 nor 2

Answer: **D**

Explanation

● Pradhan Mantri Mudra Yojana (PMMY) is a flagship scheme of Government of India to “fund the unfunded” by bringing the millions of units which are existing outside the formal banking system to the formal financial system and extending affordable credit to them.

● **Statements 1 & 2 are incorrect:** It was launched in 2015 for providing loans **up to 10 lakh** to the **non-corporate, non-farm small/micro enterprises**.

● These loans are given by Commercial Banks, RRBs, Small Finance Banks, MFIs and NBFCs

Types of loans provided

➤ **Shishu** : covering loans upto 50,000

➤ **Kishor** : covering loans above 50,000 and upto 5 lakh

➤ **Tarun** : covering loans above 5 lakh and upto 10 lakh

Sectors covered

● **Land Transport Sector / Activity** - Which will inter alia support units for **purchase of transport vehicles for goods and personal transport** such as auto rickshaw, small goods transport vehicle, 3 wheelers, e-rickshaw, passenger cars, taxis, etc.

● **Community, Social & Personal Service Activities** - Such as saloons, beauty parlours, gymnasium, boutiques, tailoring shops, dry cleaning etc

● **Food Products Sector** - Support would be available for undertaking activities such as papad making, achaar making, **agricultural produce preservation at rural level**, sweet shops, small service food stalls and day to day catering / canteen services, cold chain vehicles etc

OFFICERS IAS ACADEMY

IAS ACADEMY RUN BY FORMER CIVIL SERVANTS

- **Textile Products Sector / Activity** - To provide support for undertaking activities such as **handloom, powerloom**, chikan work, zari and zardozi work, traditional embroidery etc

<https://economictimes.indiatimes.com/news/economy/finance/government-announces-2-per-cent-interest-subsidy-for-small-borrowers-under-mudra-yojana/articleshow/76566596.cms>



Plot No: 935,6th Avenue, Anna Nagar, Chennai-40
Ph: 044-40483555,9677120226,9677174226
Web: www.officersiasacademy.com