

MCQ 27.07.2020 TO 31.07.2020

1. **With reference to the BRICS grouping, consider the following statements:**

1. Asian Development Bank is an initiative of the BRICS member countries.
2. The grouping has put in place a Contingent Reserve Arrangement to support member countries during balance of payments pressures.

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:

- BRICS brings together five major emerging economies- China, Brazil, Russia, India and South Africa. It comprises 43% of the world population, having 30% of the world GDP and a 17% share in world trade.
- The grouping was formalised during the first meeting of **BRIC** (Brazil, Russia, India and China) Foreign Ministers on the margins of the UNGA in New York in September 2006.
- South Africa was added to the grouping in 2011 creating "BRICS".
- BRICS cooperation is aimed at complementing and strengthening existing bilateral and multilateral relations among member countries.
- The **Chairship of the forum is rotated annually** among the members, in accordance with the acronym B-R-I-C-S.
- Cooperation among members is predicated on three levels or "tracks" of interaction, namely:
 - **Track I:** Formal diplomatic engagement between the national governments

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- **Track II:** Engagement through government-affiliated institutions, e.g. state-owned enterprises and business councils
- **Track III:** Civil society and “people-to-people” engagement.

Significant developments of BRICS:

New Development Bank

- **Statement 1 is incorrect:** The NDB created by the BRICS countries formally came into existence at the Ufa Summit (Russia) in 2015.
- It was established with the objective of financing infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, complementing the efforts of multilateral and regional financial institutions toward global growth and development.
- In 2018, the NDB received **observer status** in the UN General Assembly.
- The five member nations – Brazil, Russia, India, China and South Africa – have an **equal shareholding in the NDB.**
- Voting power of each member is equal to the number of its subscribed shares in capital stock.
- All members of the United Nations could be members of the bank, however the share of the BRICS nations can never be less than **55% of voting power.**

Contingency Reserve

- **Statement 2 is correct:** The BRICS Contingent Reserve Arrangement (CRA) is a framework for the provision of support through liquidity and precautionary instruments in response to actual or potential short-term balance of payments pressures.

<http://newsonair.com/News?title=10th-BRICS-Trade-Ministers-Meeting-%3a-Piyush-Goyal-calls-for-all-nations-to-enhance-transparency-in-their-trade-%26-build-trust&id=395548>

2. Consider the following statements about the Composition scheme under GST.

1. The scheme is available for both manufacturers and service providers within a threshold limit.

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2. Those who opt for composition scheme cannot avail input tax credit under GST.
3. Businesses with inter-State supplies cannot opt for the composition scheme.

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: **D**

Explanation:

- The Composition scheme is an easy, low procedure and compliance friendly tax scheme for small and medium enterprises.
- Under the scheme, firms pay a fixed percentage of their turnover as tax. Companies opting to file only four tax returns in a year (a normal taxpayer has to file 37 returns under GST), thereby reducing the tax compliance burden and cost of small firms.
- **Statement 2 is correct:** However, a Composition scheme firm is not allowed to avail input tax credit of GST.
- **Statement 1 is correct:** In 2019, the Composition scheme was extended for small service providers (turnover up to Rs 50 lakh). Till then, it was applicable only to manufacturers whose taxable business turnover is up to Rs 1.5 crore.
- **Statement 3 is correct:** Businesses with inter-State supplies, manufacturers of ice cream, pan masala and tobacco, and e-commerce players cannot opt for the composition scheme.

https://www.business-standard.com/article/economy-policy/gst-network-makes-annual-returns-available-online-for-composition-dealers-120072101693_1.html

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3. With reference to Currency swap agreements, consider the following statements:

1. Currency swaps are used to obtain foreign currency loans at a better interest rate than could be obtained by borrowing directly in a foreign market.
2. India has a Currency swap arrangement with the SAARC grouping.

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:

- **Statement 1 is correct:** Currency swaps are used to obtain foreign currency loans at a better interest rate than could be obtained by borrowing directly in a foreign market.
- Recently, the Reserve Bank of India agreed to a \$400 million currency swap facility for Sri Lanka till November 2022.
- **Statement 2 is correct:** The SAARC currency swap facility came into operation on November 15, 2012 with an intention to provide a backstop line of funding for short-term foreign exchange liquidity requirements or balance of payment crises till longer-term arrangements are made.

<https://www.thehindu.com/business/Economy/rbi-signs-currency-swap-facility-for-sri-lanka/article32186056.ece>

4. Consider the following statements.

1. Insurance Regulatory and Development Authority (IRDA) is a statutory body set up to regulate the Indian insurance industry.
2. At present, 74% FDI is allowed in the insurance sector under the automatic route.

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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

Answer: A

Explanation:

- **Statement 1 is correct:** In 1999, the Insurance Regulatory and Development Authority (IRDA) was constituted as an autonomous body to regulate and develop the insurance industry. The IRDA was incorporated as a statutory body in April, 2000.
- The key objective of the IRDA is to regulate the Indian insurance industry to protect the interests of the policyholders and work for the orderly growth of the industry.
- **Statement 2 is incorrect:** Currently, FDI up to **49 percent** is permissible in insurance under the automatic route with the condition that insurance company's ownership and control remains at all times in the hands of resident Indian entities.

<https://www.thehindu.com/business/irdai-nod-for-arogya-sanjeevani-group-variant/article32186397.ece>

5. Consider the following statements about Hagia Sophia.

1. It was constructed during the reign of Justinian I in Jerusalem.
2. It is recognised as a World Heritage site by UNESCO.

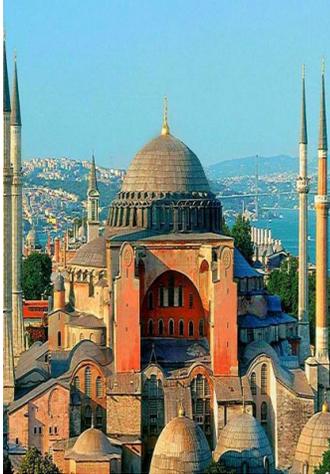
Which of the statements given above is/are correct?

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

D. Neither 1 nor 2

Answer: **B**

Explanation:



- **Statement 1 is incorrect:** The construction of Hagia Sophia in **Istanbul** started in **532 AD** during the reign of **Justinian I**, the ruler of the **Byzantine Empire**, when the city was known as **Constantinople**.
- The structure was originally built to become the **seat of the Patriarch of the Eastern Orthodox Church** and remained so for approximately 900 years.
- In **1453**, when Constantinople fell to **Sultan Mehmet II's Ottoman forces**, the Hagia Sophia was ransacked by the invading forces and **turned into a mosque** shortly after.
- The structure of the monument was then subjected to several changes where **Orthodox symbols were removed** and **minarets were added to the exterior of the structure**.
- For five centuries, it was a jewel in the Ottoman Sultan's crown.
- **Mustafa Kemal Atatürk**, the founding father of modern Turkey, converted the building into a **museum** in 1935 as part of his **secularisation drive**.

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- Ever since, it has been one of Turkey's most visited monuments as well as a **symbol of Christian-Muslim co-existence**.
- It is also called **Church of the Holy Wisdom or Church of the Divine Wisdom** and **Ayasofya** in Turkish.
- **Statement 2 is correct:** It is also a component of a **UNESCO World Heritage site** called the **Historic Areas of Istanbul** (designated 1985).

<https://www.thehindu.com/news/international/erdogan-joins-thousands-to-pray-at-hagia-sophia/article32185769.ece>

6. **With reference to Association of South East Asian Nations (ASEAN), consider the following statements:**

1. It is a regional & intergovernmental organisation of 10 countries of southeast Asia.
2. India became an official member of ASEAN in 2019.

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:** Association of South East Asian Nations (ASEAN) is a regional & intergovernmental organisation of 10 countries of southeast Asia.
- **Statement 2 is incorrect:** Membership. 10 States — Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam. **India is not a member of ASEAN.**

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- They work towards progress of the southeast Asia region.

<http://ddnews.gov.in/national/india-asean-will-play-lead-role-post-covid-world-economic-recovery-dr-jitendra-singh>

7. **The main objective of the SFURTI initiative is**

- A. To provide Interest subsidy on educational loans for overseas studies for the students belonging to minority communities.
- B. To provide better socio-economic infrastructure facilities to the minority communities.
- C. To provide a mechanism to link agricultural production to the market by bringing together farmers, processors and retailers.
- D. To organize the traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability.

Answer: **D**

Explanation:

- SFURTI (Scheme of Fund for Regeneration of Traditional Industries) was launched by the **Ministry of Micro Small and Medium Enterprises (MSME)** in 2005 with the view to promote Cluster development.

Objective of the Scheme

- **To organize the traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability**
- To provide sustained employment for traditional Industry artisans and rural entrepreneurs
- To enhance marketability of products of clusters by providing support for new products, design intervention and improved packaging, and also the improvement of marketing Infrastructure
- To equip traditional artisans of the associated clusters with improved skills and capabilities through training and exposure visits

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- To make provision for common facilities and improved tools and equipment for artisans
- To strengthen the cluster governance systems with the active participation of the stakeholders, so that they are able to gauge the emerging challenges and opportunities and respond to them in a coherent manner
- To build innovative and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster- based regenerated traditional Industries

Who Can Apply

- Non-Government organizations (NGOs)
- Institutions of the Central and State Governments
- Semi-Government institutions
- Field functionaries of State and Central Govt.
- Panchayati Raj institutions (PRIs)
- Statement A is related to the **Padho Pardesh**: It provides Interest Subsidy on Educational Loans for Overseas Studies for the Student belonging to Minority Communities.
- Statement B is related to the **Pradhan Mantri Jan Vikas Karyakram (PMJVK)**: It seeks to provide better socio economic infrastructure facilities to the minority communities particularly in the field of education, health & skill development which would further lead to lessening of the gap between the national average and the minority communities with regard to backwardness parameters.
- Statement C is related to the **Scheme of Mega Food Park**: It aims at providing a mechanism to link agricultural production to the market by bringing together farmers, processors and retailers so as to ensure maximizing value addition, minimizing wastage, increasing farmers income and creating employment opportunities particularly in rural sector.

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- The Mega Food Park Scheme is based on the “Cluster” approach and envisages creation of state of art support infrastructure in a well-defined agri / horticultural zone for setting up of modern food processing units in the industrial plots provided in the park with a well-established supply chain.

<http://newsonair.com/News?title=Vice-Chairman-of-J%26K-KVIB-reviews-status-of-SFURTI-clusters&id=396158>

8. Which of the following amounts to criminal contempt under the Contempt of Courts Act, 1971?

1. Willful disobedience to any judgment, decree, direction, order, writ or other process of a court.
2. Acts which scandalise or tend to scandalise, or lower or tend to lower the authority of, any court.
3. Acts which prejudice, or interfere or tend to interfere with, the due course of any judicial proceeding.
4. Acts which interfere or tend to interfere with, or obstruct or tend to obstruct, the administration of justice in any other manner.

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: C

Explanation:

- According to the Contempt of Courts Act, 1971, contempt of court can either be civil contempt or criminal contempt.

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- **Civil contempt** means wilful disobedience to any judgment, decree, direction, order, writ or other process of a court or wilful breach of an undertaking given to a court.
- On the other hand, **criminal contempt** means the publication (whether by words, spoken or written, or by signs, or by visible representations, or otherwise) of any matter or the doing of any other act whatsoever which
 - scandalises or tends to scandalise, or lowers or tends to lower the authority of, any court; or
 - prejudices, or interferes or tends to interfere with, the due course of any judicial proceeding; or
 - interferes or tends to interfere with, or obstructs or tends to obstruct, the administration of justice in any other manner.
- A contempt of court may be punished with simple imprisonment for a term which may extend to six months, or with fine which may extend to two thousand rupees, or with both, provided that the accused may be discharged or the punishment awarded may be remitted on apology being made to the satisfaction of the court.
- However, innocent publication and distribution of some matter, fair and reasonable criticism of judicial acts and comment on the administrative side of the judiciary do not amount to contempt of court.

<https://www.thehindu.com/opinion/editorial/scandalising-as-contempt-the-hindu-editorial-on-proceedings-against-prashant-bhushan/article32198126.ece>

9. **With reference to India's revised FDI policy to prevent opportunistic takeovers of firms, consider the following statements.**
1. It places restrictions on entities from Pakistan and Bangladesh only who can now invest in Indian firms only under the Government route.
 2. Even if the investing company is not located in the restricted countries, it would still be subject to these conditions if its owner is a citizen or resident of such a country.

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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

Answer: **B**

Explanation:

● India recently revised its FDI policy with the objective of preventing “opportunistic takeovers” of firms hit by the lockdown induced by the COVID-19 outbreak.

What was the amendment?

- **Statement 1 is incorrect:** The government has announced that an entity of a country that **shares a land border** with India can now invest in Indian firms **only under the Government route**.
- India shares land borders with **Pakistan, Afghanistan, China, Nepal, Bhutan, Bangladesh and Myanmar**.
- Previously, only investments from Pakistan and Bangladesh faced such restrictions.
- **Statement 2 is correct:** The new changes also apply to “**beneficial**” owners — even if the investing company is not located in a neighboring country, it would still be subject to these conditions if its owner is a citizen or resident of such a country.

Rationale of the changes

- While the recent changes did not name any country, analysts see the amendments as aimed at possible Chinese investments.
- With many Indian businesses coming to a halt due to the lockdown imposed to contain the COVID-19 pandemic and valuations plummeting, a number of domestic firms may be vulnerable to opportunistic takeovers or acquisitions from foreign players.

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- China's FDI has grown five-fold since 2014 and, as of December 2019, its cumulative investment in India exceeded \$8 billion — far more than investments by other countries that share borders with India.
 - The fear is partly due to the concerns arising from other countries where Chinese investments in the time of COVID-19 are seen as an attempt to take over national assets at a time of crisis.
- <https://www.thehindu.com/news/national/200-chinese-investment-bids-await-mha-nod/article32196986.ece>

10. With reference to the No-Confidence Motion, which one of the following statements is not correct?

- A. A Motion of No-Confidence can be introduced in the Lok Sabha only.
- B. There is no mention of a No-Confidence Motion in the Constitution of India.
- C. No reason is required to move such a motion.
- D. The first-ever no-confidence motion was moved 1999.

Answer: D

Explanation:

- Article 75 of the Constitution states that the council of ministers shall be collectively responsible to the **Lok Sabha**.
- A no-confidence motion is usually moved by the opposition when it feels that the ruling government does not enjoy a majority in the House any longer.
- **Statement C is correct:** No reason is required to move such a motion.
- It can be moved against the entire council of ministers only (and not against the individual ministers).
- **Statement A is correct:** A no-confidence motion can be moved by **any member of the house** and can be done **only in the Lok Sabha** and not in the Rajya Sabha.

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- **Statement B is correct:** There is **no mention of a No-Confidence Motion** in the Constitution of India. Such a motion is moved under Rule 198 of the Rules of Procedure and conduct of Lok Sabha (the term is not mentioned in the Constitution).
- A **minimum of 50 members** have to accept the motion and the Speaker would accordingly announce the date for the discussion on the motion.
- A no-confidence motion needs a **majority vote** to pass the House.
- In case the government fails to prove its majority, then the government has to resign.
- **Statement D is incorrect:** J.B. Kripalani moved the first-ever no-confidence motion in **August 1963** against the Nehru government after the India-China war.

<https://www.thehindu.com/news/national/other-states/congress-set-to-move-no-confidence-motion-against-manipur-cm-biren-on-august-10/article32195727.ece>

11. Which among the following is/are the likely measure the Government/RBI takes to boost consumption in the economy?

1. Increasing repo rates
2. Increasing MGNREGA wages
3. Increasing income tax rates
4. Announcing tax holidays

Select the correct answer using the codes given below.

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

Answer: **B**

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Explanation:

- Repo rate is the rate of interest which is applied by RBI to commercial banks when the latter borrows from RBI.
- **Statement 1 is incorrect:** When RBI increases repo rate, loans to the consumers become costlier and will further reduce the private consumption.
- **Statement 2 is correct:** Increasing MGNREGA wages increases the disposal income with the public and boosts consumption.
- **Statement 3 is incorrect:** Raising income tax rates reduces the disposal income of taxpayers and will further reduce the private consumption.
- **Statement 4 is correct:** A tax holiday offers a period of exemption from income tax for new industries in order to develop or diversify domestic industries. It reduces tax liability and boosts consumption in the economy.

<https://www.livemint.com/industry/banking/rbi-likely-to-leave-repo-rate-unchanged-in-august-policy-meet-report-11596176620115.html>

12. Environmental Impact Assessment (EIA) norms are notified under

- A. Water (Prevention and Control of Pollution) Act, 1974
- B. Air (Prevention and Control of Pollution) Act, 1981
- C. Wild Life Protection Act, 1972
- D. Environmental Protection Act, 1986

Answer: **D**

Explanation:

- Environmental Impact Assessment (EIA) is the process or study which predicts the effect of a proposed industrial/infrastructural project on the environment.

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- It prevents any project from being approved which has a harsh effect on the environment and tries to give oversight to have solutions to the upcoming issues if the project is implemented.
- This process falls under **Environmental Protection Act 1986**.
- EIA covers projects such as mining of coal or other minerals, infrastructure development, thermal, nuclear and hydropower projects, real estate and other industrial projects.
- The projects are assessed based on their potential impact on the environment. Based on the assessments, they are granted or denied environmental clearance by a panel of experts.
- It was in 1994 when the first norms of the EIA were notified under the Environment (Protection) Act, 1986. This notification was replaced by another one in 2006.
- Recently, the Government of India has put up new draft EIA rules and has asked for public opinion on this.
- The EIA Notification, 2006, broadly divides all projects into two categories—Category A and Category B—based on potential impacts over an area and on human health and natural and man-made resources. According to the notification, all Category A projects (with potentially significant impacts) are required to carry out an EIA and undertake a public hearing before an environmental clearance may be granted by the Union environment ministry. Category B projects (with potentially less significant impacts) are evaluated and given a clearance by state level authorities, the State Environment Impact Assessment Authority (SEIAA) and State Expert Appraisal Committee (SEAC).
- Moreover, projects under Category B1 also require an EIA and public consultation, but those falling under B2 are exempted from requirements of both EIA and public consultation.

<http://newsonair.com/News?title=Govt-to-finalise-proposed-Environment-Impact-Assessment-Draft-2020-after-considering-various-suggestions&id=395789>

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13. Consider the following statements about the “poverty line” in India.

1. At present, it is based on monthly per capita income.
2. Poverty line vary across states and between rural and urban regions.

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:

- Poverty line is defined as the money value of the goods and services needed to provide basic welfare to an individual.
- At present, the poverty line is based on **monthly per capita consumption expenditure** in India.

Hence, statement 1 is incorrect.

- In India, the official poverty estimates are based on the **Tendulkar committee's** recommendation.
- According to this estimate, a person who spends Rs. 27.2 in rural areas and Rs. 33.3 in urban areas a day are defined as living below the poverty line. The committee arrived at a cut-off of about 22% of the population below the poverty line.
- **Statement 2 is correct:** Poverty line vary across states as price levels of commodities vary from state to state.

<https://www.thehindu.com/opinion/op-ed/the-majority-cannot-afford-a-balanced-diet/article32206439.ece>

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14. With reference to the Logistics Exchange Memorandum of Agreement (LEMOA), consider the following statements.

1. It is one of the foundational agreements of the U.S.
2. The agreement enables the sharing of military intelligence between two countries and requires each country to protect the others' classified information.
3. India and the U.S. have already signed the LEMOA.

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:

GSOMIA

- The first of the four foundational agreements of the U.S., the **General Security Of Military Information Agreement (GSOMIA)** was signed by India in 2002.
- The agreement enables the **sharing of military intelligence** between the two countries and requires each country to protect the others' classified information.

LEMOA

- **Statements 1 & 3 are correct:** The second agreement, the **Logistics Exchange Memorandum of Agreement (LEMOA)**, was signed by the two countries in 2016.
- **Statement 2 is incorrect:** The pact gives both countries **access to designated military facilities** on either side for the purpose of refuelling and replenishment in primarily four areas — port calls, joint exercises, training and humanitarian assistance and disaster relief.

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- The agreement does not make the provision of logistical support binding on either country, and requires individual clearance for each request.
- This is **purely a logistical agreement**. There will be no basing of the U.S. troops or assets on Indian soil.

COMCASA

- The third agreement, **Communications Compatibility and Security Agreement (COMCASA)** was signed during the inaugural 2+2 dialogue in 2018.
- It is an India-specific variant of Communications and Information Security Memorandum of Agreement (CISMOA).
- It enables the two countries to **share secure communication and exchange information on approved equipment** during bilateral and multinational training exercises and operations.
- It is valid for a period of 10 years from the date of signing.
- COMCASA allows India to procure and transfer specialised equipment for encrypted communications for US origin military platforms like the C-17, C-130 and P-8Is.

BECA

- The fourth agreement, **Basic Exchange and Cooperation Agreement (BECA)** has not yet been signed.
- It permits the **exchange of unclassified and controlled unclassified geospatial products, topographical, nautical, and aeronautical data, products and services** between India and the US National Geospatial-Intelligence Agency (NGA).
- BECA is an important enabler of unmanned aerial vehicles from the US, such as the Predator-B, that use spatial data for accurate strikes on enemy targets.

<https://www.thehindu.com/opinion/lead/needed-a-map-for-indias-foreign-policy/article32206877.ece>

15. Which among the following are methods of disinvestment of central public sector enterprises (CPSEs)?

- A. Strategic sale
- B. Initial Public Offering
- C. Exchange Traded Fund
- D. Institutional Placement Program

Select the correct answer using the codes given below:

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

Answer: **D**

Explanation:

Methods of disinvestment of central public sector enterprises (CPSEs)

- **Initial Public Offering (IPO)** – offer of shares by an unlisted CPSE or the Government out of its shareholding or a combination of both to the public for subscription for the first time.
- **Further Public Offering (FPO)** – offer of shares by a listed CPSE or the Government out of its shareholding or a combination of both to the public for subscription.
- **Offer for sale (OFS)** of shares by Promoters through Stock Exchange mechanism – method allows auction of shares on the platform provided by the Stock Exchange; extensively used by the Government since 2012.
- **Strategic sale** - sale of substantial portion of the Government shareholding of a CPSE of upto 50%, or such higher percentage as the competent authority may determine, along with transfer of management control.
- **Institutional Placement Program (IPP)** – only Institutions can participate in the offering.

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● **CPSE Exchange Traded Fund (ETF)** –Disinvestment through ETF route allows simultaneous sale of GoI's stake in various CPSEs across diverse sectors through single offering. It provides a mechanism for the GoI to monetize its shareholding in those CPSEs which form part of the ETF basket.

<https://www.thehindu.com/business/Industry/govt-to-go-ahead-with-divestment-of-23-psus-cleared-by-cabinet-nirmala-sitharaman/article32206108.ece>

16. **The objective of the St. Petersburg Declaration (2010) is**

- A. Double the global tiger population by 2022.
- B. Gradually reduce the consumption and production of hydrofluorocarbons (HFCs).
- C. Phasing out the production of numerous substances that are responsible for ozone depletion.
- D. Promoting universal health coverage and striving towards attainment of the Sustainable Development Goals.

Answer: **A**

Explanation:

- In the 2010 St. Petersburg Declaration, several tiger home range countries came together to double the global tiger population by 2022. The countries agreed to a Global Tiger Recovery Program.
- The tiger range countries that are part of the Global Tiger Recovery Program are Bangladesh, Bhutan, Cambodia, China, **India**, Indonesia, Malaysia, Myanmar, Nepal, Russia, Thailand, and Vietnam.
- Option B is related to the **Kigali amendment**.
- Option C is related to the **Montreal protocol**.
- Option D is related to the **Alma-Ata declaration**.

<http://newsonair.com/News?title=Environment-Minister-releases-All-India-Tiger-Estimation-Report-2018-on-eve-of-Global-Tiger-Day-2020&id=395883>

17. With reference to the Real Estate Investment Trusts (REITs), consider the following statements.

1. They are collective investment vehicles which collect money from many investors, pool them, and then invest in commercial real estate.
2. In India, REITs are primarily regulated by the RBI.

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:** Real Estate Investment Trusts (REITs) are collective investment vehicles which collect money from many investors, pool them, and then invest in commercial real estate.
- The structure of REITs is similar to that of a mutual fund. Just like mutual funds, there are sponsors, trustees, fund managers and unit holders in REITs.
- However, unlike mutual funds, where the underlying asset is bonds, stocks and gold, REITs invest in physical real estate. The money collected is deployed in income-generating real estate. This income gets distributed among the unit holders.
- Besides regular income from rents and leases, gains from capital appreciation of real estate also form an income for the unit holders.

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● **Statement 2 is incorrect:** In India, the Real Estate Investment Trusts were introduced by the **Securities and Exchange Board of India (Sebi)** in 2007. In September, 2013, Sebi came out with revised regulations for REITs, which were approved on September 26, 2014.

<https://www.livemint.com/market/stock-market-news/what-is-reit-or-real-estate-investment-trust-11595912583941.html>

18. The term “collapse of bretton woods system” sometimes seen in news refers to which among the following events?

- A. Withdrawal of convertibility of gold into dollars.
- B. Failure to reach consensus on Agreement on Agriculture (AoA).
- C. Bankruptcy event that triggered the 2008 global financial crisis.
- D. Failure of UN peacekeeping force to prevent Rwandan genocide.

Answer: A

Explanation:

- The Bretton Woods Agreement and System created a collective international currency exchange regime that lasted from the mid-1940s to the early 1970s.
- The Bretton Woods System required a currency peg to the U.S. dollar, which was in turn pegged to the price of gold.
- The Bretton Woods System collapsed in the 1970s but created a lasting influence on international currency exchange and trade through its development of the IMF and World Bank.

<https://www.livemint.com/market/stock-market-news/is-us-dollar-s-reign-as-world-s-reserve-currency-is-under-threat-11596175872376.html>

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19. With reference to the Shanghai Cooperation Organisation (SCO), which one of the following statements is not correct?

- A. It is a permanent intergovernmental international organisation which aims at strengthening mutual trust and neighbourliness among the member states.
- B. India became a full-fledged member of the SCO in 2017.
- C. Regional Anti-Terrorist Structure is an organ of the SCO to promote cooperation of member states against terrorism, separatism and extremism.
- D. The Global Partnership on Artificial Intelligence's secretariat is hosted by the SCO.

Answer: **D**

Explanation:

- **Statement A is correct:** SCO is a permanent intergovernmental international organisation established in 2001.
- It aims at strengthening mutual trust and neighbourliness among the member states; making joint efforts to maintain and ensure peace, security and stability in the region.
- Prior to the creation of SCO in 2001, Kazakhstan, China, Kyrgyzstan, Russia and Tajikistan were members of the Shanghai Five. Following the accession of Uzbekistan to the organisation in 2001, the Shanghai Five was renamed the SCO.
- **Statement B is correct:** India became a full member-state in 2017.
- The organisation has two permanent bodies — the SCO Secretariat based in Beijing and the Executive Committee of the Regional Anti-Terrorist Structure (RATS) based in Tashkent.
- **Statement C is correct:** RATS of the SCO engaged in furthering cooperation and ties between member countries on concerns of terrorism, security, drug trafficking, crime and cyber warfare.
- The Global Partnership on Artificial Intelligence (GPAI) is an international and multi-stakeholder initiative to guide the responsible development and use of AI, grounded in human rights, inclusion, diversity, innovation, and economic growth.

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- **Statement D is incorrect:** GPAI will be supported by a Secretariat, to be hosted by **Organization for Economic Cooperation and Development (OECD)** in Paris, as well as by two Centers of Expertise- one each in Montreal and Paris.

- The OECD will also be a Permanent Observer to the GPAI's governing bodies.

- India has recently joined the GPAI initiative as its **founder member**.

<https://www.thehindu.com/opinion/lead/ric-a-triangle-that-is-still-important/article32215791.ece>

20. Who are eligible to avail benefits from the Kisan Credit Card (KCC) scheme?

1. Tenant farmers
2. Oral lessees
3. Share Croppers
4. Self Help Groups of farmers
5. Farmers involved in activities related to animal husbandry and fisheries

Select the correct answer using the codes given below

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

Answer: **D**

Explanation:

- The Kisan Credit Card (KCC) scheme was launched in 1998 with the aim of providing short-term formal credit to farmers.
- The beneficiaries under the scheme will be issued with a **Smart card/ Debit card**.
- It enables farmers to purchase agricultural inputs such as seeds, fertilizers, pesticides, etc. and draw cash to satisfy their agricultural and consumption needs.

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- The Scheme is implemented by **Commercial Banks, RRBs, Small Finance Banks and Cooperatives.**

Eligibility:

- All farmers-individuals/Joint borrowers who are owner cultivators.
- **Tenant farmers, Oral lessees and Share Croppers etc.**
- **Self Help Groups (SHGs)** or Joint Liability Groups (JLGs) of farmers including tenant farmers, sharecroppers etc.,
- Last year, KCC was extended to **farmers who are involved in activities related to animal husbandry and fisheries.**
- Under the KCC Scheme, a flexible limit of Rs.10,000 to Rs.50,000 has been provided to marginal farmers (as Flexi KCC) based on the land holding and crops grown.

<https://economictimes.indiatimes.com/news/economy/agriculture/banks-sanctions-about-rs-90000-crore-concessional-credit-to-1-1-crore-kcc-holders/articleshow/77201273.cms>

21. Consider the following statements.

1. Corbett Tiger Reserve (CTR) is located in the state of Rajasthan.
2. CTR has the highest tiger density amongst 50 tiger reserves in India.

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**

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Explanation:

● **Statement 1 is incorrect:** According to the report titled 'Status of Tigers Co-predators and Prey in India', released by the Union Ministry of Environment, Forest and Climate Change, Corbett Tiger Reserve (CTR) of **Uttarakhand** has recorded the highest tiger density amongst 50 tiger reserves in India. **Hence, statement 2 is correct.**

● CTR has 14 tigers per 100 square kilometers which is the highest in India.

● The CTR also has the highest tiger numbers with 231 inside the reserve and 266 utilizing the reserve.

● Utilizing means animals do not necessarily share the habitat on a permanent basis but move from one area to another through corridors which connect the forests where tigers reside.

<https://www.newindianexpress.com/nation/2020/jul/28/corbett-reserve-has-highest-tiger-density-in-india-report-2175962.html>

22. **With reference to Overseas Citizens of India (OCIs), consider the following statements.**

1. They are registered under the Citizenship Act, 1955.

2. An applicant is not eligible for the OCI card if he, his parents or grandparents have ever been a citizen of Pakistan or Bangladesh.

3. They are considered in parity with NRIs in respect of matters relating to the acquisition of agricultural or plantation properties.

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: **A**

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Explanation

- **Statement 1 is correct:** An Overseas Citizen of India (OCI) is a person registered as OCI Cardholder under section 7A of the Citizenship Act, 1955.
- Following categories of foreign nationals are eligible for registration as OCI Cardholder:-
 - who was a citizen of India at the time of, or at any time after the commencement of the Constitution i.e. 26.01.1950; or
 - who was eligible to become a citizen of India on 26.01.1950; or
 - who belonged to a territory that became part of India after 15.08.1947; or
 - who is a child or a grandchild or great grandchild of such a citizen; or
 - spouse of foreign origin of a citizen of India or spouse of foreign origin of an OCI Cardholder
- **Statement 2 is correct:** No person who or either of whose parents or grandparents or great grandparents is or had been a citizen of Pakistan, Bangladesh or such other country as the Central Government may, by notification in the Official Gazette, specify, shall be eligible for registration as an OCI Cardholder.

What benefits an OCI cardholder is entitled to?

- Multiple entry life-long visa for visiting India for any purpose.
- **Statement 3 is incorrect:** Parity with Non-Resident Indians (NRIs) in respect of all facilities available to them in economic, financial, and educational fields **except in matters relating to the acquisition of agricultural or plantation properties.**
- Registered OCI Cardholder shall be treated at par with NRIs in the matter of inter-country adoption of Indian children.

<https://www.thehindu.com/business/Industry/govt-notifies-100-fdi-in-air-india-for-nris/article32215469.ece>

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23. “Paris call” sometimes seen in the news in the context of

- A. Agreement which commits countries to undertake nationally determined contributions to strengthen the global response to climate change.
- B. Global health partnership of public and private sector organizations dedicated to immunisation for children in the world’s poorest countries.
- C. Convention which recognizes the way in which people interact with nature, and the fundamental need to preserve the balance between the two.
- D. Agreement on nine fundamental cybersecurity principles and a commitment to work together to promote a safe and secure cyberspace for all.

Answer: **D**

Explanation:

- The Paris Call for Trust and Security in Cyberspace of 12 November 2018 is a call to come together to face the new threats endangering citizens and infrastructure. It is based around **nine common principles** to secure cyberspace, which act as many areas for discussion and action.
- The Paris Call invites all cyberspace actors to work together and encourage States to cooperate with private sector partners, the world of research and civil society. The supporters of the Paris Call commit to working together to adopt responsible behaviour and implement within cyberspace the fundamental principles which apply in the physical world.
- The Paris Call was sent in 2018 by the President of the French Republic, Emmanuel Macron, during the Internet Governance Forum held at UNESCO and the Paris Peace Forum.
- Option A is related to the **Paris climate agreement**.
- Option B is related to the **Gavi alliance**.
- Option C is related to the **UNESCO World Heritage Convention**.

<https://www.thehindu.com/opinion/lead/a-quest-for-order-amid-cyber-insecurity/article32225383.ece>

24. With reference to the Dispute resolution mechanism of the WTO, consider the following statements.

1. The first step to resolve a trade dispute is engaging in the consultation process.
2. If two trading partners having a dispute could not resolve at the first level, one of them can ask for a settlement of the Dispute Settlement Body (DSB) for hearing.
3. Appeals from the DSB lie with the Appellate Body which must have at least two sitting members to hear an appeal.

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: A

Explanation:

- **Statement 1 is correct:** According to the procedure established by the WTO, the first step to resolve a trade dispute is engaging in the **consultation process**.
- **Statement 2 is correct:** If two trading partners having a dispute could not resolve at that level, one of them can ask for a settlement of the **Dispute Settlement Body (DSB)** for hearing.
- The DSB's ruling can be challenged at the **appellate body**, the highest court for global trade disputes.

WTO's Appellate Body

- The Appellate Body is a standing committee of **seven members** that presides over appeals against judgments passed in trade-related disputes brought by WTO members.
- Members of the Appellate Body have four-year terms.

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- In the selection process, WTO members follow the **consensus principle**, which means that the nomination of the Appellate Body members can only proceed smoothly with the agreement of all 164 members of the WTO.
- **Statement 3 is incorrect:** The Appellate Body **must have at least three sitting members** to hear an appeal.
- Last year, the Appellate Body became dysfunctional because of the United States' refusal to approve the appointment of new members to the body.
- Consequently, the Appellate Body is left with only one member, who will not be able to deliver any rulings on pending trade disputes as a minimum of three members is required to adjudicate any dispute.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/dispute-up-a-notch-wto-sets-up-2-more-dispute-panels-against-indias-import-duties/articleshow/77245563.cms>

25. **With reference to the Insolvency and Bankruptcy Code (IBC), consider the following statements :**

1. The National Company Law Tribunal (NCLT) regulates the functioning of insolvency professionals, insolvency professional agencies and Information utilities.
2. The latest amendments mandate a deadline for the completion of the resolution process within 270 days, including all litigation and judicial processes.

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: **D**

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Explanation:

- The Insolvency and Bankruptcy Code (IBC) creates time-bound processes for insolvency resolution of companies and individuals. These processes will be completed within 180 days (unless extended by a one time extendable period of 90 days). If insolvency cannot be resolved, the assets of the borrower may be sold to repay creditors (known as liquidation).
- The resolution processes are conducted by licensed insolvency professionals (IPs). These IPs are members of insolvency professional agencies (IPAs).
- **Information utilities** (IUs) are established to collect, collate and disseminate financial information to facilitate insolvency resolution.
- **Statement 1 is incorrect:** The **National Company Law Tribunal** (NCLT) adjudicates insolvency resolution for companies and Limited Liability Partnerships. The **Debt Recovery Tribunal** (DRT) adjudicates insolvency resolution for individuals and partnership firms.
- The **Insolvency and Bankruptcy Board of India** (IBBI) regulates the functioning of IPs, IPAs and IUs.
- IBC was later amended with the provision to **bar promoters from bidding for their own companies**. It prevented defaulters from regaining control of their companies at a cheaper value
- **Statement 2 is incorrect:** The code was again amended in 2019 which mandates a deadline for the completion of the resolution process **within 330 days, including all litigation and judicial processes**.

<https://timesofindia.indiatimes.com/business/india-business/suspending-ibc-for-a-year-bad-idea-restart-bankruptcy-courts-in-2-3-months-viral-acharya/articleshow/77248303.cms>