

MCQ 28.09.2020 TO 30.09.2020

1. Consider the following statements regarding Emissions Trading

1. Emissions trading is a central element of the Montreal protocol
2. It also has a profit motive.

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:** Emissions trading is a central element of the **Kyoto protocol** in the form of the Clean Development Mechanism (CDM).
- The Montreal Protocol on Substances that Deplete the Ozone Layer, also known simply as the Montreal Protocol, is an international treaty designed to protect the ozone layer by phasing out the production of numerous substances that are responsible for ozone depletion.
- **Statement 2 is correct:** Emissions trading is a market-based approach to controlling pollution. By creating tradable pollution permits **it attempts to add the profit motive as an incentive for good performance**, unlike traditional environmental regulation based solely on the threat of penalties.

<https://www.thehindu.com/opinion/op-ed/the-benefits-of-a-carbon-tax/article32709677.ece>

2. Which of the following countries borders “Nagorno-Karabakh”, a place recently seen in news?

- A. Azerbaijan
- B. Armenia
- C. Turkey
- D. Georgia

Answer: A

Explanation:

Nagorno-Karabakh is a landlocked region inside Azerbaijan, in the South Caucasus, within the mountainous range of Karabakh, lying between Lower Karabakh and Zangezur, and covering the southeastern range of the Lesser Caucasus Mountains. The region is mostly mountainous and forested.



<https://www.thehindu.com/news/international/clashes-erupt-between-armenia-azerbaijan/article32709444.ece>

3. “Right to Strike” is a?

- A. Fundamental Right
- B. Legal Right
- C. Constitutional Obligation
- D. Fundamental Duty

Answer: B

Explanation:

- In India, **right to protest** is a **fundamental right** under Article 19 of the Constitution of India. **But right to strike is not a fundamental right but a legal right** and with this right statutory restriction is attached in the industrial dispute Act, 1947.

<https://www.thehindu.com/news/national/the-hindu-explains-what-does-the-new-industrial-relations-code-say-and-how-does-it-affect-the-right-to-strike/article32705599.ece>

4. Consider the following statements regarding tax buoyancy

1. It is calculated by dividing change in tax collection with GDP growth.
2. Tax buoyancy is a better indicator than tax elasticity to measure tax responsiveness

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:** Tax buoyancy is calculated by **dividing change in tax collection with GDP growth.**
- **Statement 2 is incorrect:** Tax elasticity refers to changes in tax revenue in response to changes in tax rate. Usually, **tax elasticity is considered a better indicator** to measure tax responsiveness. Since the changes are made in tax rates and that creates a difference in tax revenue, it is considered as a better indicator

<https://www.thehindu.com/opinion/lead/growth-compulsions-fiscal-arithmetic/article32709726.ece>

5. Consider the following statements made by Global Climate Risk Index 2020

1. India is the 5th worst vulnerable country due to climate change
2. India has recorded the highest number of fatalities due to climate change

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:** As per the report **India is the fifth most vulnerable country** to climate change. India's rank has worsened from the 14th spot in 2017 to 5th in 2018 in the global vulnerability ladder
- **Statement 2 is correct:** The report mentions that **India has also recorded the highest number of fatalities** due to climate change and the second-highest monetary losses from its impact in 2018.
- The report is released by the Environment think tank, German watch
- Japan is the worst-hit country in 2018

<https://www.thehindu.com/opinion/op-ed/the-benefits-of-a-carbon-tax/article32709677.ece>

6. Consider the following statements regarding Monetary Policy Committee (MPC)

1. The RBI Governor has veto power
2. The government nominates three government civil servants out of the 6 membered MPC

Select the correct answer using the codes given below.

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

Answer: **D**

Explanation:

- **Statement 1 is incorrect:** The RBI Governor will chair the committee. **The governor, however, will not enjoy a veto power** to overrule the other panel members, but will have a **casting vote in case of a tie**.
- **Statement 2 is incorrect:** The three central government nominees of the MPC appointed by the search cum selection committee will hold office for a period of four years and will not be eligible for re-appointment. These three central government nominees in MPC are mandated to be persons of ability, integrity and standing, having knowledge and experience in the field of economics or banking or finance or monetary policy. RBI Act prohibits appointing any Member of Parliament

or Legislature or public servant, or any employee / Board / committee member of RBI or anyone with a conflict of interest with RBI or anybody above the age of 70 to the MPC

<https://economictimes.indiatimes.com/news/economy/policy/mpc-meeting-scheduled-this-week-postponed-rbi-to-announce-fresh-dates/articleshow/78362092.cms>

7. **In the Indian context, compensations that India seeks from the foreign defence equipment seller for the purchase of military equipment from them is called as**

- A. Compensation investment
- B. Return of purchase
- C. Defence Offset
- D. Defence Buyback

Answer: C

Explanation:

- Defence Offsets are a **portion of a contracted price with a foreign supplier that must be re-invested in the Indian defence sector**, or against which the government can purchase technology. Under offset clause, foreign companies are required to invest part of their deal value in the country and meant to improve the domestic defence manufacturing.

<https://www.thehindu.com/news/national/rajnath-singh-unveils-new-defence-acquisition-procedure/article32715556.ece>

8. **Consider the following statements regarding Agriculture Infrastructure Fund**

1. The focus is on both medium and long term debt financing facility
2. Farmer Producer Organizations are a part of this

Select the correct answer using the codes given below.

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

Answer: C

Explanation:

- **Statement 1 is correct:** The scheme shall provide a **medium - long term** debt financing facility for investment in viable projects for post-harvest management Infrastructure and community farming assets through interest subvention and financial support.
- The duration of the Scheme shall be from FY2020 to FY2029 (10 years).
- **Statement 2 is correct:** Farmer Producer Organizations: In case of FPOs the credit guarantee may be availed from the facility **created under FPO promotion scheme.**

<https://indianexpress.com/article/opinion/columns/farm-bills-farmer-protests-parliament-rajya-lok-sabha-6618353/>

9. Consider the following statements regarding “Production Linked Incentive” scheme for electronics manufacturing

- 1) It’s a scheme by the Ministry of Electronics and Information Technology (**MeitY**)
- 2) It focuses on both small scale and large scale manufacturing.

Select the correct answer using the codes given below.

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

Answer: A

Explanation:

Statement 1 is correct : Ministry of Electronics and Information Technology (**MeitY**) introduced **PLI or Production Linked Incentive Scheme, as a part of the National Policy on Electronics.**

The scheme will give incentives between 4-6% to the electronic companies, provided that they manufacture mobile phones and other electronic and nanoelectronic components-- transistors, diodes, thyristors, resistors, capacitors, microelectromechanical systems in India.

In order to position India as a global hub for Electronics System Design and Manufacturing (ESDM) and push further the vision of the National Policy on Electronics (NPE) 2019, three schemes namely the Production Linked Incentive Scheme (PLI), Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECES) and Modified Electronics Manufacturing Clusters Scheme (EMC 2.0) have been notified.

Statement 2 is incorrect: Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing notified vide Gazette Notification No.CG-DL-E-01042020-218990 dated April 01, 2020 offers a production linked incentive to boost domestic manufacturing and attract large investments in mobile phone manufacturing and specified electronic components, including Assembly, Testing, Marking and Packaging (ATMP) units. The Scheme would tremendously boost the electronics manufacturing landscape and establish India at the global level in electronics sector.

<https://www.thehindu.com/business/Industry/apple-vendors-may-invest-900-mn-under-pli-plan/article32719502.ece>

10. What does Doctrine of Colourable Legislation refer to?

- A. Question of competency of the legislation while enacting a law
- B. Question of competency of the judiciary while analysing a law
- C. Question of competency of executive in implementing a law
- D. None of the above

Answer: A

Explanation:

- The doctrine of colourable legislation refers to the question of competency of the legislature while enacting a provision of law.
- The doctrine of colourable legislation is based on the maxim that what cannot be done directly cannot also be done indirectly. The doctrine becomes applicable when a legislature seeks to do something in an indirect manner when it cannot do it directly. Thus, it refers to the competency of the legislature to enact a particular law.

<https://indianexpress.com/article/explained/an-expert-explains-farm-acts-and-federalism-6622769/>

11. With reference to the “Crime in India” report 2019, consider the following statements.

1. NCRB releases the “Crime in India” report.
2. The recently published report mentions that crimes against women have increased but crimes against Scheduled Castes has decreased.

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:** NCRB is under the Ministry of Home Affairs to function as a repository of information on crime and criminals so as to assist the investigators in linking crime to the perpetrators.
- **NCRB brings out the annual comprehensive statistics of crime across the country (‘Crime in India’ report)**
- **Statement 2 is incorrect:** Crimes against women increased 7.3 per cent from 2018 to 2019, and crimes against Scheduled Castes also went up 7.3 per cent in the same period, according to the annual National Crime Record Bureau’s “Crime in India” 2019 report released on Tuesday.

<https://indianexpress.com/article/india/ncrb-data-7-rise-in-crimes-against-women-6636529/>

12. Consider the following statements about Transgender Persons (Protection of Rights) Rules

1. A properly done medical examination comes before applying a certificate of identity
2. A transgender person is one whose gender does not match the gender assigned at birth

Which of the statements given above is/are correct?

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

Answer: **B**

Explanation:

- **Statement 1 is incorrect:** The Central government **put to an end the requirement of a medical examination** for trans persons applying for a certificate of identity in its latest rules framed under the Transgender Persons (Protection of Rights) Act, 2019.
- **Statement 2 is correct:**
 - The Transgender Persons (Protection of Rights) Act, 2019:
 - It defines a **transgender person as one whose gender does not match the gender assigned at birth.**
 - It prohibits any kind of discrimination against a transgender person, including denial of service or unfair treatment in relation to education, employment, healthcare, access to, or enjoyment of goods, facilities, opportunities available to the public.
 - A transgender person may write an application to the District Magistrate for a certificate of identity, indicating the gender as 'transgender'.
 - National Council for Transgender persons (NCT) would be established to advise the central government as well as monitor the impact of policies, legislation and projects with respect to transgender persons.

<https://indianexpress.com/article/india/transgender-rules-issued-no-medical-exam-needed-to-declare-desired-sex-6636480/>

13. “Green Strategic Partnership” between Indian and Denmark has the features of

1. Defence ties
2. Creation of jobs
3. Political Cooperation

4. Green Growth

Select the correct answer using the code given below :

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

Answer: **D**

Explanation:

The Green Strategic Partnership is a mutually beneficial arrangement to **advance political cooperation**, expand **economic relations and green growth**, **create jobs and strengthen cooperation** on addressing global challenges and opportunities; with focus on an ambitious implementation of the Paris Agreement and the UN Sustainable Development Goals.

<https://www.thehindu.com/news/national/india-denmark-launch-green-strategic-partnership/article32726691.ece>

14. The Monetary Policy Committee has a

- A. Flexible Inflation targeting
- B. Rigid Inflation targeting
- C. Mixture of flexible and rigid inflation targeting
- D. None of the above

Answer: **A**

Explanation:

- **India adopted a flexible inflation targeting framework** as a formal legal mandate of the RBI in March 2016. The preamble to the RBI Act, as well as relevant sections in the Act were amended to enable this change. The framework entailed many details such as on the rate of inflation to be targeted, the band, the measure, the composition of the Monetary Policy Committee and the objective. One of these sections require that the rate of inflation to be targeted needs to be reviewed

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every five years. In March 2021, the central government along with the RBI is required to review the target.

- The Agreement mandated RBI to bring down inflation to 6% by January 2016 and to 4% with a band of +/- 2 percent for all subsequent years.

<https://indianexpress.com/article/explained/monetary-policy-committee-what-delay-in-rbi-panel-meet-means-6637220/>

15. With reference to the Kasturi Rangam Committee, consider the following statements.

1. A complete ban on mining, quarrying and sand mining in Ecologically Sensitive Areas
2. The Western Ghats Ecology Expert Panel (WGEEP) designated the entire hill range as an Ecologically Sensitive Area (ESA).
3. Highly polluting industries should not be allowed

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: C

Explanation

- **Statement 1 is correct:** A complete ban on mining, quarrying and sand mining in ESA was recommended. Current mining areas in the ESA should be phased out within the next five years, or at the time of expiry of mining lease, whichever is earlier.
- **Statement 2 is incorrect:** Instead of the total area of Western Ghats, **only 37%** (i.e. 60,000 sq. km.) of the total area be brought under ESA under Kasturirangan report. **Statement 2 is from Gadgil report**
- **Statement 3 is correct:** **Red industries** i.e. which are highly polluting **be strictly banned** in these areas. <https://indianexpress.com/article/india/ngt-concerned-as-6-states-want-6k-sqkm-to-be-taken-off-western-ghats-eco-zone-6636663/>