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Daily MCQs: 09-08-2024

1. The task of fixing the repo rate to contain inflation within the specified target level rests with

- A. Ministry of Finance
- B. Economic Advisory Council to the Prime Minister
- C. Monetary Policy Committee
- D. Chief Economic Advisor

2. Which of the following best describes the term 'gig worker'?

- A. An employee engaging in a work arrangement on the basis of a written contract of employment for a fixed period.
- B. A person who is employed in an establishment and who has been recruited directly by the employer or indirectly through a contractor.
- C. A person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship.
- D. A self-employed worker or a wage worker in the organised sector who is not covered by the Industrial Disputes Act, 1947.

3. Consider the following statements about the Mahatma Gandhi National Rural Employment Guarantee (MGNREGA) Scheme.

- 1. The act makes it obligatory for the State to give rural households work on demand.
- 2. MGNREGA wage rates are set uniform across the country.
- 3. Gram sabhas must recommend the works that are to be undertaken and at least 50% of the works must be executed by them.

Which of the statements given above is/are correct?

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

4. Which of the following initiatives aims to bring about the Blue Revolution through sustainable and responsible development of the fisheries sector in India?

- A. Pradhan Mantri Kisan Sampada Yojana
- B. Pradhan Mantri Fasal Bima Yojana
- C. Pradhan Mantri Krishi Sinchayee Yojana
- D. Pradhan Mantri Matsya Sampada Yojana

5. The Financial Stability and Development Council (FSDC) is chaired by the

- A. Prime Minister
- B. Union Finance Minister

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- C. Chief Economic Advisor
- D. CEO, NITI Aayog

Solutions:

1. Answer: C

Explanation:

- The Monetary Policy Committee (MPC) is a committee of the RBI which is entrusted with the task of fixing the benchmark policy interest rate (**repo rate**) to **contain inflation within the specified target level.**
 - Under the **flexible inflation targeting (FIT) framework**, the RBI targets to contain **Consumer Price Index (CPI) based inflation within 4 percent with a tolerance band of (+/-) 2 percent** for the period April 1, 2021, to March 31, 2026.
- The MPC has **six members: RBI Governor (Chairperson)**, RBI Deputy Governor in charge of monetary policy, one official nominated by the RBI Board and remaining 3 members would represent the Government.
- The MPC is required to meet **at least four times in a year.** The **quorum** for the meeting is **four members.**
- The MPC makes decisions based on **majority vote.** In case of a tie, the **RBI governor will have a second or casting vote.**
- Each Member of MPC writes a **statement** specifying the reasons for voting in favour of, or against the proposed resolution.

2. Answer: C

Explanation:

- The **Code on Social Security 2020** defines "**gig worker**" as a person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship.
- **Niti Aayog** estimates that more than 7.5 million workers were engaged in the gig economy in 2020-21. This could grow to 23.5 million workers in the next eight years, making up for 4.1 per cent of total livelihood in India.
- Gig workers can be broadly classified into **platform and non-platform workers.** Platform workers are those whose work is based on online software apps or digital platforms, while non-platform gig workers are generally casual wage workers, working part-time or full-time.

3. Answer: C

Explanation:

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- The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005, guarantees **100 days of work** each financial year to **any rural household** willing to do public work-related unskilled manual work at the **statutory minimum wage**.
- In addition to this, there is a provision for upto **additional 50 days of unskilled wage employment** in a financial year in drought/natural calamity notified rural areas. The **State Governments** may make provision for providing additional days beyond the period guaranteed under the Act from their own funds.
- **Statement 1 is correct:** The act makes it **obligatory** for the State to give rural households work on demand. In case such employment is not provided within 15 days of registration, the applicant becomes eligible for an **unemployment allowance**.
- The **Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)** was initiated as directed in MGNREGA to implement the mandate of the Act.
- The **Ministry of Rural Development (MRD)** is monitoring the entire implementation of the MGNREGS in association with state governments.

Key Features of the Scheme

- **Every rural household** has the right to register under MGNREGA.
- Urban households are excluded from the scheme.
- **One-third** of the stipulated workforce must be **women**.
- **Work site facilities** such as creche, drinking water and shade have to be provided.
- The employment will be provided **within a radius of 5 km**: if it is above 5 km extra wage will be paid.
- **Statement 2 is incorrect:** MGNREGA wage rates **vary from state to state** and are revised by indexing them to the **Consumer Price Index-Agricultural Labourers (CPI-AL)** for a particular state.
- While **60 per cent of the total expenditure** has to be on **wage**, **40 per cent** spending has to be on the **creation of material assets**.
- Permissible works predominantly include water and soil conservation, afforestation and land development works.
- **Statement 3 is correct:** **Gram sabhas** must recommend the works that are to be undertaken and **at least 50% of the works must be executed by them**.
- **Social Audit** has to be done by the Gram Sabha.

Funding Pattern

- Funding is **shared between the centre and the states**.
- The funding pattern of the scheme comprises **100% funding for unskilled labour cost and 75% of the material cost** by **Central Government** and **rest shall be borne by the State Government**.

4. Answer: D

Explanation:

- The central government launched the Pradhan Mantri Matsya Sampada Yojana (PMMSY) in 2020 to bring about the **Blue Revolution** through sustainable and responsible development of the fisheries sector in India.

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- It is implemented by the **Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying.**

Objectives

- It is a flagship scheme for **integrated, sustainable, inclusive development of marine and inland fisheries sector** in the country with an estimated investment of Rs. 20,000 crores for its implementation during a period of 5 years from FY 2020-21 to FY 2024-25 in all States/Union Territories.
- It aims at enhancing **fish production by an additional 70 lakh tonne** by 2024-25, **increasing fisheries export earnings to Rs.1,00,000 crore** by 2024-25, **doubling of incomes** of fishers and fish farmers, **reducing post-harvest losses** from 20-25% to about **10%**.
- It is designed to address critical gaps in fish production and productivity, quality, technology, post-harvest infrastructure and management, modernization and strengthening of value chain, traceability and establishing a robust fisheries management framework and fishers' welfare.
- It primarily focuses on adopting '**Cluster or Area based approaches**' and creation of **Fisheries clusters** through backward and forward linkages.
- The scheme also aims at generating additional **55 lakhs direct and indirect gainful employment opportunities** in the fisheries sector and allied activities.

Sub components covered under PMMSY

- Enhancement of Production and Productivity
- Infrastructure and Post-Harvest Management
- Fisheries Management and Regulatory Framework.

5. Answer: B

Explanation:

- Financial Stability and Development Council (FSDC) is an apex-level **non-statutory body** constituted in **2010** to strengthen and institutionalize the mechanism for maintaining financial stability.
- It is chaired by the **Union Finance Minister of India.**
- Its members include the heads of financial sector regulators (RBI, SEBI, PFRDA, IRDA), Finance Secretary and/or Secretary, Department of Economic Affairs, Secretary, Department of Financial Services, and Chief Economic Adviser.
- 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.**
- **No funds are separately allocated** to the Council for undertaking its activities.