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Daily MCQs: 16-12-2024

1. With reference to State Development Loans (SDLs), consider the following statements.

1. They are dated securities issued by states for meeting their market borrowings requirements.
2. SDLs issued by the State Governments qualify for Statutory Liquidity Ratio (SLR) requirements.
3. Foreign Portfolio Investors (FPI) are not allowed to invest in SDLs.

Which of the statements given above is/are correct?

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

2. Consider the following statements about cess.

1. If the cess collected in a particular year goes unspent, it can be allocated for other purposes.
2. Proceeds from cess are part of the divisible pool of taxes.
3. Cess can be levied on both indirect and direct taxes.

How many of the statements given above are correct?

- A. Only one
- B. Only two
- C. All three
- D. None

3. The Government of India has launched the PM Vishwakarma scheme with the main objective of

- A. Provide end-to-end support to artisans and craftspeople
- B. Carry out property surveys in rural inhabited areas
- C. Provide financial assistance for training of athletes
- D. Promote vocationalisation of school education

4. In the context of International politics, the term 'de-hyphenation' refers to

- A. Governments acting primarily to maintain their security and influence over other countries

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- B. Not aligning with or against any major power bloc
- C. International relations constructed through reciprocal interactions between states
- D. Dealing with two countries in an independent manner

5. With reference to Blackholes, consider the following statements:

1. A black hole is a place in space where gravity pulls so much that even light can not get out.
2. An Event Horizon is the boundary defining the region of space around a black hole from which nothing can escape.
3. Sagittarius A* is a supermassive black hole at the center of the Milky Way galaxy.

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

Solutions:

1. Answer: B

Explanation:

- **Statement 1 is correct:** State Development Loans (SDLs) are dated securities issued by states for meeting their market borrowings requirements.
- **Statement 2 is correct:** The SDL securities issued by states are credible collateral for meeting the SLR requirements of banks.
- **Statement 3 is incorrect:** Foreign Portfolio Investors (FPI) are allowed to invest in SDLs. The limits for FPI investment in SDLs are **2 per cent of outstanding stock of securities.**

2. Answer: A

Explanation:

- A cess is a tax that is **levied by the government to raise funds for a specific purpose.** Collections from the Education Cess and Secondary and Higher Education Cess, for instance,

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are supposed to be used for funding primary and higher and secondary education respectively.

- **Statement 1 is incorrect:** While all taxes go to the Consolidated Fund of India (CFI), cess may initially go to the CFI but has to be **used for the purpose for which it was collected**. If the cess collected in a particular year goes unspent, it **cannot be allocated for other purposes**. The amount gets carried over to the next year and can only be used for the cause it was meant for.
- **Statement 2 is incorrect:** The Union government **does not have to share cesses with the states** as they are not part of the divisible pool that needs to be shared with states.
- **Statement 3 is correct:** Cess can be levied on both indirect and direct taxes.
- It should be noted that state governments can impose cess if and only if it is **approved by the GST Council**. For example, after Kerala floods in the year 2018, the state government imposed a 1% calamity cess on GST and became the first state to do it.

3. Answer: A

Explanation:

- PM Vishwakarma is a **Central Sector Scheme** launched by the **Government of India in 2023** to **provide end-to-end support to artisans and craftspeople who work with their hands and tools**.
- It is a new scheme with an outlay of **Rs 13,000 crore** and is **fully funded by the Central government**. The **Ministry of Micro, Small & Medium Enterprise** is the nodal ministry of PM Vishwakarma Yojana.
- The prime focus of PM Vishwakarma is at improving the **quality** as well as the **reach of products and services** of artisans and craftspeople and to ensure that they are **integrated with the domestic and global value chains**.
- The scheme will provide support to artisans and craftspeople of **rural and urban areas** across India.
- **Eighteen traditional crafts** will be covered under PM Vishwakarma. These include (i) Carpenter; (ii) Boat Maker; (iii) Armourer; (iv) Blacksmith ; (v) Hammer and Tool Kit Maker; (vi) Locksmith; (vii) Goldsmith; (viii) Potter; (ix) Sculptor, Stone breaker; (x) Cobbler (Shoemsmith/ Footwear artisan); (xi) Mason (Rajmistri); (xii) Basket/Mat/Broom Maker/Coir Weaver; (xiii) Doll & Toy Maker (Traditional); (xiv) Barber; (xv) Garland maker; (xvi) Washerman; (xvii) Tailor; and (xviii) Fishing Net Maker.

Benefits of the scheme

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- The Scheme envisages provisioning of the following benefits to the artisans and craftspersons:
 - **(i) Recognition:** Recognition of artisans and craftspeople through PM Vishwakarma certificate and ID card.
 - **(ii) Skill Upgradation:** Basic Training and Advanced Training, with a stipend of Rs. 500 per day;
 - **(iii) Toolkit Incentive:** A toolkit incentive of upto Rs. 15,000 in the form of e-vouchers at the beginning of Basic Skill Training.
 - **(iv) Credit Support:** Collateral free 'Enterprise Development Loans' of upto Rs. 3 lakh at a concessional rate of interest.

4. Answer: D

Explanation:

- In international politics, de-hyphenation means **dealing with two countries, having an adversarial relationship between them, in an independent manner.** This would mean building a relationship with one, ignoring the complexities of its relations with the other.
- If a third country were to be too conscious of the adversarial relations between two such countries, locked in enduring hostility, it is likely to face foreign policy challenges in conducting smooth relationship with both. Therefore, in such a case, a declaratory policy of de-hyphenation creates the required space for manouevre for the third country by lowering expectations of partisanship from it, in the other two countries.
- **For example:** In 2014, India instituted a policy toward Israel called **de-hyphenation.** According to this policy, India's relationship with Israel would stand on its own merits, independent and separate from India's relationship with the Palestinians. It would no longer be India's relationship with Israel-Palestine, but India's relationship with Israel, and India's relationship with the Palestinians.

5. Answer: D

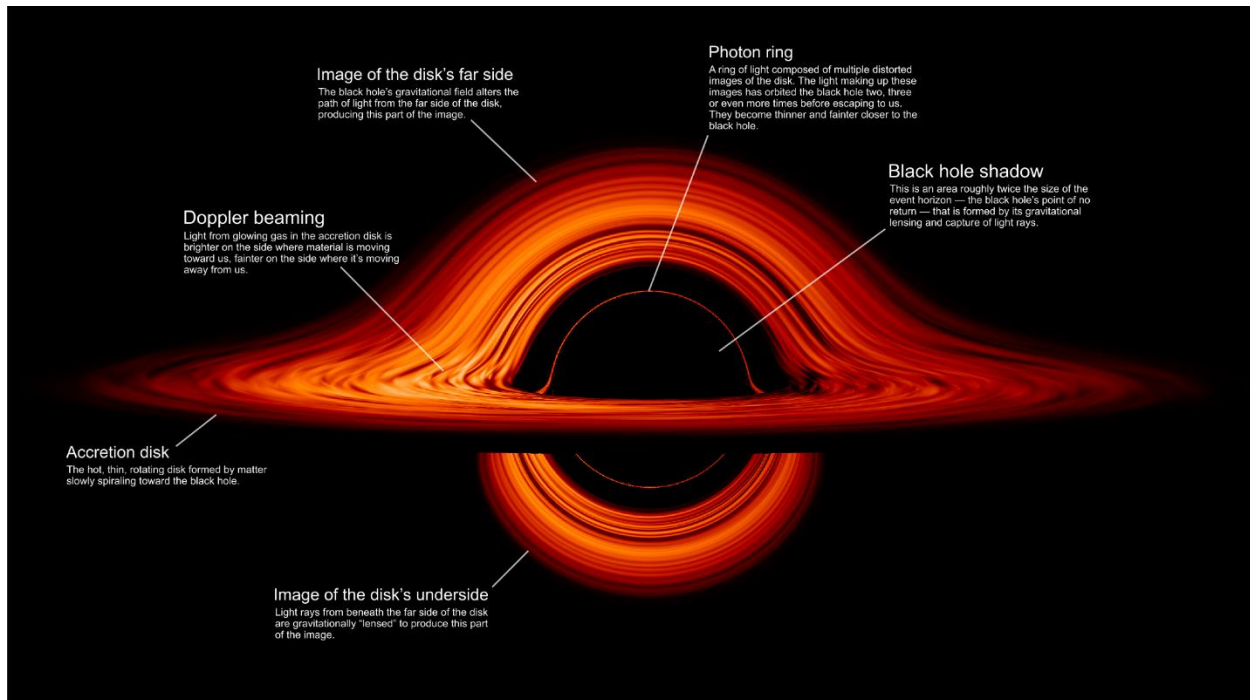
Explanation:

- **Statement 1 is correct:** A black hole is a place in **space where gravity pulls so much that even light can not get out.** The gravity is so strong because matter has been squeezed into a tiny space. This can happen **when a star is dying.**
- Because no light can get out, **people can't see black holes.**

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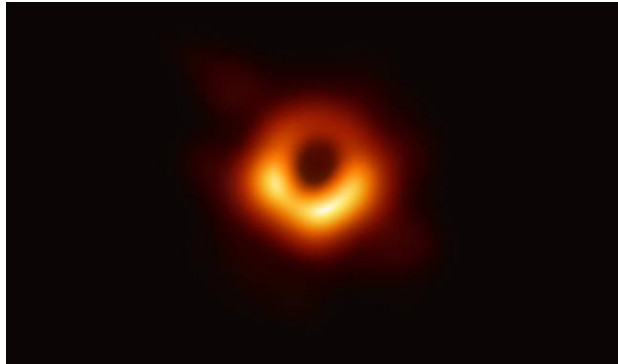
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- **Statement 2 is correct:** A black hole's "surface," called its **event horizon**, is the **boundary defining the region of space around a black hole from which nothing (not even light) can escape**. In other words, the escape velocity for an object within the event horizon exceeds the speed of light.
- **Albert Einstein** first predicted the existence of black holes in 1916, with his **general theory of relativity**. The term "black hole" was coined many years later in 1967 by American astronomer John Wheeler.
- In 2019, astronomers using the **Event Horizon Telescope (EHT)** — an international collaboration that networked eight ground-based radio telescopes into a single Earth-size dish — captured an image of a black hole for the first time.
- It appears as a dark circle silhouetted by an orbiting disk of hot, glowing matter. The **supermassive black hole** is located at the heart of a galaxy called **M87**, located about 55 million light-years away, and weighs more than 6 billion solar masses.

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How big are black holes?

- Black holes can be **big or small**. Scientists think the smallest black holes are as small as just one atom. These black holes are very tiny but have the mass of a large mountain. Mass is the amount of matter, or "stuff," in an object.
- Another kind of black hole is called "**stellar**." Its mass can be up to 20 times more than the mass of the sun. There may be many, many stellar mass black holes in Earth's galaxy. Earth's galaxy is called the Milky Way.
- The largest black holes are called "**supermassive**." These black holes have masses that are more than 1 million suns together. Scientists have found proof that every large galaxy contains a supermassive black hole at its center.
- **Statement 3 is correct:** The supermassive black hole at the center of the Milky Way galaxy is called **Sagittarius A* (aka Sgr A*, pronounced Sagittarius A-star)**. It has a mass equal to about 4 million suns and would fit inside a very large ball that could hold a few million Earths.

How do black holes form?

- Scientists believe the smallest black holes **formed when the universe has begun**.
- Stellar black holes are made when the center of a very big star falls in upon itself, or collapses. When this happens, it causes a **supernova**. A supernova is an exploding star that blasts a part of the star into space.
- Scientists think supermassive black holes were formed at the same time as the galaxy they are in.

How do we identify blackholes?

- A way in which the universe showcases a black hole is when the **black hole interacts with its surroundings**.
- When the **dust particles and matter from the surroundings fall onto a supermassive black hole**, it engulfs a part of the surroundings but some of the **matter is converted into**

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energy and emitted as electromagnetic radiation that makes the black hole appear very luminous.

- This luminosity can be detected on the earth thus, adding more insights into these occurrences.



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