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Daily MCQs: 04-02-2025

1. Consider the following statements about e-SHRAM portal

- 1) It is a national portal launched by the Ministry of Labour and Employment.
- 2) It aims to create a centralized national database of unorganized workers.
- 3) It is mandatory for all informal workers to register on the portal.
- 4) Only workers above the age of 18 are eligible to register on e-SHRAM.

How many of the statements given above are correct?

- A. Only one
- B. Only two
- C. Only three
- D. All four

2. Consider the following statements with respect to Payments Banks.

1. Payments banks are expected to increase the penetration level of financial services to the remote areas of the country.
2. Deposits mobilized by the payments bank are covered under the deposit insurance scheme of the Deposit Insurance and Credit Guarantee Corporation of India (DICGC).
3. They cannot offer loans.
4. They cannot issue credit cards.

Which among the above statements is/are correct?

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

3. Consider the following statements about Defence Acquisition Council (DAC)

- 1) The Prime Minister is the Chairman of DAC.
- 2) It is the highest decision-making body in the defense ministry for deciding on new policies and capital acquisitions

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

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4. Consider the following statements about the Open Network for Digital Commerce

- 1) It is a government-backed initiative aimed at democratizing e-commerce in India.
- 2) It is intended to reduce the dominance of large e-commerce companies in the Indian market.
- 3) It is mandatory for all the existing digital commerce applications and platforms to be a part of the ONDC network.

How many of the statements given above are correct?

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

5. Which of the following is/are functions of APEDA?

- 1) Promotion of export oriented production and development of the Scheduled products
- 2) Fixing of standards and specifications for the scheduled products for the purpose of exports
- 3) Carrying out inspection of meat and meat products in slaughterhouses for the purpose of ensuring the quality of such products

Select the correct answer using the codes given below

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

Solutions:

1. Answer: B

Explanation

- **Statement 1 is correct:** In 2021, the **Ministry of Labour and Employment** unveiled the e-shram portal to **register 38 crore unorganized workers**, such as construction laborers, migrant workforce, street vendors and domestic workers, among others.
- **Statement 3 is incorrect:** **Unorganized workers are required to volunteer on their own to register on the e-Shram portal using their Aadhaar cards and bank account details. Hence it is not mandatory.**

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- The workers will be issued an **e-Shram card containing a 12 digit unique number**. This is a **permanent number** and valid for lifetime.
- **Statement 2 is correct:** The portal would lead to the creation of a **national database of unorganized workers**. In future, it is envisaged that **all the social security benefits** to unorganized workers will be delivered through this portal. In **emergency and national pandemic like situations**, this database may be utilized to provide necessary assistance to the eligible unorganized workers.
- Apart from being **Aadhaar-linked**, it will collect details of the name, occupation, address, educational qualification, skill types and family of the registered workers.
- The portal was developed by the Ministry of Labour & Employment, in technical collaboration with the **National Informatics Centre** (an attached office under the Ministry of Electronics and Information Technology).
- **Statement 4 is incorrect:** The portal is open to workers engaged in the **unorganized sector and aged between 16 and 59**.

2. Answer: D

Explanation

- Payments banks are the new age banks with limited facilities. These banks mostly operate through the small vendors and shopkeepers. It exists in between the mobile wallet and regular banks.
- Payments banks are permitted to set up their own outlets such as branches, Automated Teller Machines (ATMs), Business Correspondents (BCs), etc. to undertake only certain restricted activities permitted to banks under the Banking Regulation Act, 1949.
- A payments bank provides following services to its customers:
 - Accept demand deposits
 - Remittance services
 - Mobile payments
 - Fund transfers
 - **Statement 4 is correct:** Debit card and associated services (Payments Banks cannot issue credit cards)
 - Net Banking services
 - Sell third-party financial products like insurance and mutual funds
- However, payments banks cannot undertake the following activities:
 - **Statement 3 is correct:** They **cannot undertake lending activities**
 - They **cannot set up subsidiaries to undertake non-banking financial services activities**
 - They are **not eligible to accept NRI deposits**.

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Objectives

- The main objective of payments banks is to widen the spread of payment and financial services to small business, low-income households, and the migrant labour workforce in a secured technology-driven environment.
- **Statement 1 is correct:** With payments banks, RBI seeks to increase the penetration level of financial services to the remote areas of the country.
- The Reserve Bank expects payments banks to target India's migrant labourers, low-income households and small businesses, offering savings accounts and remittance services with a low transaction cost.

Eligible promoters

- Existing non-bank Pre-paid Payment Instrument (PPI) issuers authorised under the Payment and Settlement Systems Act, 2007
- Other entities such as individuals / professionals; Non-Banking Finance Companies (NBFCs), corporate Business Correspondents (BCs), mobile telephone companies, supermarket chains, companies, real sector cooperatives; that are owned and controlled by residents; and public sector entities may apply to set up payments banks.

Regulations

- Payments banks are registered as a **public limited company** under the **Companies Act, 2013**, and licensed under Section 22 of the **Banking Regulation Act, 1949**.
- **Statement 2 is correct:** Deposits mobilised by the payments bank are covered under the **deposit insurance scheme of the Deposit Insurance and Credit Guarantee Corporation of India (DICGC)**.
- Apart from amounts maintained as **Cash Reserve Ratio (CRR)** with RBI on its outside demand and time liabilities, Payments banks are required to invest **minimum 75 per cent of its "demand deposit balances"** in Government securities/Treasury Bills with maturity up to one year that are recognized by RBI as eligible securities for maintenance of Statutory Liquidity Ratio (SLR) and hold **maximum 25 per cent in current and time / fixed deposits** with other scheduled commercial banks for operational purposes and liquidity management.
- The **minimum paid-up equity capital for payments banks shall be Rs. 100 crore**, of which the promoter's contribution would be minimum 40 percent of paid-up equity capital for the first 5 years of commencement of the business.
- The foreign shareholding in the payments bank would be **as per the Foreign Direct Investment (FDI) policy for private sector banks** as amended from time to time. As per the current FDI policy, the aggregate foreign investment in a private sector bank from all sources will be allowed upto a **maximum of 74 per cent** of the paid-up capital of the bank.

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3. Answer: B

Explanation

- Defence Acquisition Council (DAC) is **constituted under the Ministry of Defence (MoD)** for **overall guidance of the defence procurement planning process**.
- **Statement 1 is incorrect:** The **Defence Minister is the Chairman** of DAC. Its members include the Chief of Defence Staff (CDS) and Chiefs of triservices.
- **Statement 2 is correct:** The DAC is the **highest decision-making body** in the defence ministry for deciding on new policies and capital acquisitions for the three services and the Indian Coast Guard.
- The objective of the DAC is to **ensure expeditious procurement** of the approved requirements of the Armed Forces in terms of capabilities sought, and time frame prescribed, by optimally utilizing the allocated budgetary resources.

4. Answer: B

Explanation

- In 2022, the government of India launched the pilot phase of **open network for digital commerce (ONDC)** with an aim to **democratise the country's fast growing digital e-commerce space** that is currently dominated by the two U.S.-headquartered firms — Amazon and Walmart. **Hence statement 1 is correct.**

What is ONDC?

- ONDC is a network based on open protocol and will **enable local commerce across segments**, such as mobility, grocery, food order and delivery, hotel booking and travel, among others, **to be discovered and engaged through a single platform**.
- It is an initiative of the **Department for Promotion of Industry and Internal Trade (DPIIT)** under the **Ministry of Commerce and Industry**.
- It is **neither an aggregator application nor a hosting platform**, and all existing digital commerce applications and platforms can voluntarily choose to adopt and be a part of the ONDC network. **Hence statement 3 is incorrect.**



Role in Democratising Digital Commerce

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- The ONDC platform aims to **create new opportunities, curb digital monopolies and support micro, small and medium enterprises and small traders** and help them get on online platforms. **Hence statement 2 is correct.**
- The ONDC aims to **enable buying of products from all participating e-commerce platforms by consumers through a single platform.**
- Currently, a buyer needs to go to Amazon website/app, for example, to buy a product from a seller on Amazon. Under ONDC, it is envisaged that a buyer registered on one participating e-commerce site (for example, Amazon) may purchase goods from a seller on another participating e-commerce site (for example, Flipkart).
- The ONDC model is trying to **replicate the success of the Unified Payments Interface (UPI)** in the field of digital payments.
 - *UPI allows people to send or receive money irrespective of the payment platforms they are registered on.*
- The open network concept also **extends beyond the retail sector, to any digital commerce domains including wholesale, mobility, food delivery, logistics, travel, urban services, etc.**

Significance

- The government believes that ONDC will put an **end to the domination of the e-commerce market by a few large platforms.** Amazon and Flipkart, for instance, have been accused of discriminating among sellers on their platforms and promoting certain seller entities in which they hold indirect stakes.
- With an open network like ONDC that connects buyers and sellers across platforms, the government hopes to **level the playing field and make platforms redundant.**
- It is said that buyers will also be able to access sellers across platforms without having to switch between multiple platforms.
- Over the next five years, the ONDC expects to bring on board 90 crore users and 12 lakh sellers on the network.
- The ONDC will **standardise operations** like cataloguing, inventory management, order management and order fulfilment, **hence making it simpler and easier for small businesses to be discoverable over network and conduct business.**

Challenges

- ONDC faces its own share of challenges and risks, which must be addressed. One of the pivotal challenges lies in ensuring the **adoption and acceptance of ONDC by the various stakeholders** within the e-commerce ecosystem.
- Another challenge is to **ensure the quality and reliability** of the services and products offered on the network. ONDC will have to **establish clear standards and guidelines** for quality assurance, consumer protection, data privacy, cybersecurity, etc.
- ONDC will also have to ensure **effective dispute resolution mechanisms** for handling complaints and grievances.

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- ONDC will have to **ensure the sustainability and scalability** of the network to make sure that the network can **handle the increasing volume and variety of transactions and data**.

5. Answer: D

Explanation

- **All the statements are correct.**
- The Agricultural and Processed Food Products Export Development Authority (APEDA) was established by the Government of India under the Agricultural and Processed Food Products Export Development Authority Act, 1985.
- The Authority replaced the Processed Food Export Promotion Council (PFEPCC).
- It functions under the **Ministry of Commerce and Industry**.
- The Authority has its headquarters in **New Delhi**.

Functions of APEDA

- **Development of industries** relating to the scheduled products for export by way of providing financial assistance or otherwise for undertaking surveys and feasibility studies, participation in enquiry capital through joint ventures and other reliefs and subsidy schemes;
- **Registration of persons as exporters** of the scheduled products on payment of such fees as may be prescribed;
- **Fixing of standards and specifications** for the scheduled products for the purpose of exports;
- **Carrying out inspection** of meat and meat products in slaughterhouses, processing plants, storage premises, conveyances or other places where such products are kept or handled for the purpose of ensuring the quality of such products;
- **Improving of packaging** of the Scheduled products;
- **Improving of marketing** of the Scheduled products outside India;
- **Promotion of export oriented production and development** of the Scheduled products;

Products monitored

- APEDA is mandated with the responsibility of **export promotion and development** of the following scheduled products:
 - Fruits, Vegetables and their Products.
 - Meat and Meat Products.
 - Poultry and Poultry Products.
 - Dairy Products.
 - Confectionery, Biscuits and Bakery Products.
 - Honey, Jaggery and Sugar Products.

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- Cocoa and its products, chocolates of all kinds.
- Alcoholic and Non-Alcoholic Beverages.
- Cereal and Cereal Products.
- Groundnuts, Peanuts and Walnuts.
- Pickles, Papads and Chutneys.
- Guar Gum.
- Floriculture and Floriculture Products.
- Herbal and Medicinal Plants.
- In addition to this, APEDA has been entrusted with the responsibility to monitor **import of sugar**.



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