



Daily MCQ: 13.08.2026

- 1) Consider the following statements regarding Cess in India:
1. A cess is a tax levied by the government for a specific and predetermined purpose and is generally intended to be discontinued once the stated objective is fulfilled.
 2. Revenues collected through Union cesses and surcharges are included in the divisible pool of taxes and are shared between the Centre and States on the recommendations of the Finance Commission.
 3. The Union Government can impose cesses through Parliamentary legislation, while State Governments can levy certain cesses under their constitutional legislative powers.

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
- 2) A percentage-based charge deducted from the amount received in a digital payment transaction, which is collected by banks or payment service providers for processing and settlement of the transaction, is called :
- (a) Merchant Discount Rate (MDR)
 - (b) Cash Reserve Ratio (CRR)
 - (c) Marginal Standing Facility (MSF)
 - (d) Statutory Liquidity Ratio (SLR)
- 3) Consider the following statements with reference to the Cauvery Water Management Authority (CWMA):
1. It is a statutory body established under the Cauvery Water Management Scheme, 2018.
 2. Its directions are binding on the concerned basin States for implementing the Cauvery water-sharing arrangement.

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
- 4) The Dirac Medal, recently seen in the news, is associated with which one of the following fields?
- (a) Mathematics
 - (b) Theoretical Physics
 - (c) Chemistry
 - (d) Astronomy
- 5) Consider the following options with reference to 'Shruti (Yard 3037)', which was recently seen in the news:
- (a) Supersonic cruise missile system



- (b) Next Generation Offshore Patrol Vessel
- (c) Nuclear-powered ballistic missile submarine
- (d) Stealth guided-missile destroyer

Explanation

1) Answer: (B)

- **Statement 1 is CORRECT:** A **cess** is an additional tax levied by the government for a specific, earmarked purpose (such as education, health, or infrastructure). Unlike general taxes, the funds raised from a cess can only be used for the earmarked objective. Once the purpose is fulfilled or revised by law, the cess can be discontinued or modified.
- **Statement 2 is INCORRECT:** Under **Article 270** of the Indian Constitution, revenues collected from Union cesses and surcharges are **excluded** from the divisible pool of taxes. They go directly into the Consolidated Fund of India for the specified purpose and are **not shared** with the State Governments based on Finance Commission recommendations.
- **Statement 3 is CORRECT:** The Union Government can levy cesses through Acts of Parliament (e.g., the Health and Education Cess under the Finance Act). Similarly, State Governments have constitutional authority under State List entries (Schedule VII) to levy certain specific cesses, such as cesses on land revenue, water, or local infrastructure.

2) Answer: (A)

Merchant Discount Rate (MDR) is the **fee charged on digital payment transactions** such as debit card, credit card, QR-code, and certain electronic payment transactions. It is generally calculated as a **percentage of the transaction value** and is collected by banks or payment service providers for processing and settlement.

Cash Reserve Ratio (CRR) is the **percentage of a bank's Net Demand and Time Liabilities (NDTL) that must be maintained as cash reserves with the Reserve Bank of India (RBI).**

Marginal Standing Facility (MSF) is a **short-term borrowing facility provided by the RBI to scheduled commercial banks**, allowing them to borrow overnight funds against approved government securities.

Statutory Liquidity Ratio (SLR) is the **minimum percentage of deposits that banks are required to maintain in the form of specified liquid assets such as cash, gold, or approved government securities.**

Since the question refers to a **percentage-based charge associated with processing digital payment transactions**, it describes the **Merchant Discount Rate (MDR).**

Therefore, option (a) is the correct answer.

3) Answer: (C)

- The **Cauvery Water Management Authority (CWMA)** is a **statutory, quasi-judicial body** established under the **Cauvery Water Management Scheme, 2018**, notified under **Section 6A of the Inter-State River Water Disputes Act, 1956.** Hence **Statement 1 is Correct.**



- The CWMA is responsible for ensuring compliance with the **Supreme Court-modified Cauvery water-sharing arrangement**, and its directions are binding on the concerned basin States. **Hence Statement 2 is Correct.**
- **Therefore, option C is the correct answer.**

4) Answer: (B)

- It was first awarded in 1985.
- It is given in honor of P.A.M. Dirac, one of the greatest physicists of the 20th century.
- It is awarded annually on Dirac's birthday (August 8), to scientists who have made significant contributions to theoretical physics.
- It is awarded by the International Centre for Theoretical Physics (ICTP).
- Selection Process: An international committee of distinguished scientists selects the winners from a list of nominated candidates.
- The Dirac Medal is not awarded to Nobel Laureates, Fields Medallists, or Wolf Foundation Prize winners, although several past Dirac medallists later went on to receive those honours.
- Cash Prize: The Medalist also receives a prize of US \$5,000

5) Answer: (B)

- **Shruti (Yard 3037)** is a **Next Generation Offshore Patrol Vessel (NGOPV)** launched at Garden Reach Shipbuilders and Engineers (GRSE), Kolkata.
- It belongs to a multi-role class of ships intended for maritime surveillance, search and rescue (SAR), protection of offshore assets, anti-piracy missions, and Humanitarian Assistance and Disaster Relief (HADR).

