

Q.1) Consider the following

1. M Nagaraj Case
2. Mandal Commission
3. Indra Sawhney Case

They are concerned with

- a) Reservation
- b) Section 377
- c) National Judicial Appointments Commission
- d) Capital gains tax

Q.1) Solution (a)

Reservation in central government jobs (Indra Sawhney v UOI November) - 1992

- Attempt to correct historic injustices constitutionally.
- The constitutional bench of the Supreme Court held in this matter that caste could be a factor for identifying backward classes.
- It defined the "creamy layer" criteria and uphold the execution of the recommendations made by the Mandal Commission

M. Nagaraj v. Union of India (October 2006) held that the state must demonstrate backwardness, inadequacy of representation and maintenance of efficiency before providing reservation in promotions.

Source: <http://www.financialexpress.com/india-news/delhi-high-court-quashes-government-order-extending-reservation-in-promotion/831972/>

Q.2) With reference to Market Stabilisation Scheme (MSS), consider the following statements:

1. It is a tool used by the RBI to suck out excess liquidity from the market through issue of securities on behalf of the government.
2. The money raised under MSS is parked in the government account or utilised to fund its expenditure.

Which of the statements given above is/are true?

- a) 1 only
- b) 2 only

- c) Both 1 and 2
- d) Neither 1 nor 2

Q.2) Solution (a)

Market Stabilisation Scheme

- MSS is a tool used by the Reserve Bank of India to suck out excess liquidity from the market through issue of securities like Treasury Bills, Dated Securities etc. on behalf of the government.
- The MSS was first introduced in April 2004. Main thing about MSS is that it is used to withdraw excess liquidity or money from the system by selling government bonds. The money raised under MSS is kept in a separate account called MSS Account and not parked in the government account or utilized to fund its expenditures.
- The money obtained under MSS should be kept with the RBI. It should not be transferred to the government. This is because, if it is transferred, government will spend the money in the economy thereby adding to liquidity.
- After demonetisation, huge deposits were put into the banking system. At the same time, banks can't lend it to customers as it is just temporary money. The RBI has instructed banks to keep all the additional deposits as CRR. But here, the banks will suffer losses as they have to pay interest to the depositors.
- To compensate banks, the MSS policy is revived. Here, banks can put the excess money obtained from deposits in Market Stabilisation Bonds (MSBs). They can get an interest payment as well.

Source: <http://www.livemint.com/Opinion/OTJeJfkNZgeKWBKg58dlgN/Forex-reserves-The-problem-of-plenty.html>

Q.3) Which of the following states granted minority status to Jews?

- a) Gujarat
- b) Maharashtra
- c) Goa
- d) Kerala

Q.3) Solution (b)

The decision is based on the Maharashtra State Minorities Commission Act, 2004, which empowers the government to declare a community minority.

IASbaba's Daily Quiz

August 30, 2017

Jews/Judaism religion is classified under the category "Other Religion and Persuasion" in the Census of India.

Source: <https://thewire.in/162251/for-jewish-community-in-india-wait-for-minority-status-continues/>

Q.4) Which of the following prices is/are fixed by the central government?

- a) Minimum Support Price (MSP)
- b) Fair and Remunerative Price (FRP)
- c) Both (a) and (b)
- d) Neither (a) nor (b)

Q.4) Solution (c)

MSP is fixed by the central government on the recommendations of the Commission on Agricultural Cost and Prices (CAPC).

FRP is for sugar, which is fixed by the central government. Its normally higher than MSP, but serves the same purpose of providing a guarantee to sugarcane farmers that their produce will be bought at a given price. FRP is the existing arrangement for the price to be paid to sugarcane farmers by the Sugar Mills and is announced each year by the Centre, under the Sugarcane Control Order and on the advice of Commission for Agricultural Costs and Prices (CACPC), as the minimum price of sugarcane. However, many states in north India also announce a State Advised Price (SAP) under state legislation. Generally, the SAP is substantially higher than the FRP, and therefore wherever SAP is declared, it is the ruling price. Mill owners are obligated to pay SAP to farmers.

Source: <http://www.financialexpress.com/market/commodities/maharashtra-sugar-mills-hesitant-on-early-start-to-crushing-season/830229/>

Q.5) Consider the following statements about strike-slip faults

1. In this fault, the two plates move parallel but in opposite direction from one another
2. The chances of a tsunami, in this case, are less likely.

Select the correct statements

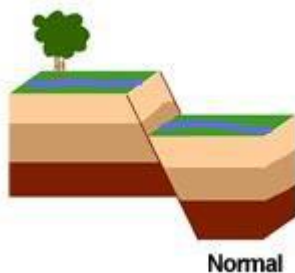
- a) 1 Only
- b) 2 Only

- c) Both 1 and 2
- d) Neither 1 nor 2

Q.5) Solution (c)

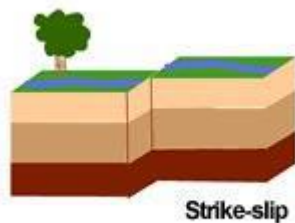
Earthquakes cause a fracture in the upper-most layer of the earth called the crust. This fracture divides the crust into blocks which move relative to one another. The movement of these blocks of crust is called a 'fault'. The fault can be of the following nature:

Normal fault - The blocks, in this case, shift vertically. The rock above the fault moves down



Thrust fault - In this case too, the blocks shift vertically, but the rock above the fault moves down

Strike-slip faults - This is the term used for fractures when the blocks move horizontally (to the left or the right)



Tsunamis are caused by the displacement of water. This displacement happens only due by vertical shift of the crust. Since the amount of water displaced by the horizontal movement of the crust is limited, chances of a tsunami, in this case, are less likely.

Source: <http://www.thehindu.com/todays-paper/tp-national/tp-andhrapradesh/geological-stresses-seen-in-indian-ocean/article19578253.ece>