

Q.1) Consider the following statements about inverted duty structure

1. The issue of inverted duty structure arises mainly because of import duty on finished products is lower than import duty on raw materials
2. The natural corollary of an inverted duty structure is that it affects the competitiveness and sustainability of the domestic manufacturing industry

Select the correct statements

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.1) Solution (c)

Inverted duty structure is a situation where import duty on finished goods is low compared to the import duty on raw materials that are used in the production of such finished goods. For example, suppose the tariff (import tax) on the import of tyres is 10% and the tariff on the imports of natural rubber which is used in the production of tyres is 20%; this is a case of inverted duty structure.

When the import duty on raw materials is high, it will be more difficult to produce the concerned good domestically at a competitive price. Several industries depend on imported raw materials and components.

High tax on the raw materials compels them to raise price. On the other hand, foreign finished goods will be coming at a reduced price because of low tax advantage. In conclusion, manufactured goods by the domestic industry becomes uncompetitive against imported finished goods.

What inverted duty structure brings to the home country is that its industries are less protected as the tariff on the imported finished commodities are low. At the same time, the tariff on the import of raw materials used in the production of the finished goods domestically is high. This discourages the local production of goods using the imported raw materials as the price of imported finished goods may seem more attractive.

The disadvantage of the inverted duty structure increases with the increased use of imported raw materials. An inverted duty structure discourages domestic value addition.

Source: <http://www.thehindu.com/opinion/lead/the-manufacturing-muddle/article22671001.ece>

Q.2) Consider the following statements about Udayagiri Caves in Madhya Pradesh

1. They are rock-cut caves
2. It has Buddhist iconography
3. It is a UNESCO World Heritage Site

Select the correct code:

- a) 1 Only
- b) 1 and 2
- c) 2 and 3
- d) 1 and 3

Q.2) Solution (a)

The Udayagiri Caves are twenty rock-cut caves near Vidisha, Madhya Pradesh from the early years of the 5th century CE. They contain some of the oldest surviving Hindu temples and iconography in India. They are the only site that can be verifiably associated with a Gupta period monarch from its inscriptions. One of India's most important archaeological sites, the Udayagiri hills and its caves are protected monuments managed by the Archaeological Survey of India.

Udayagiri caves contain iconography of Vaishnavism (Vishnu), Shaktism (Durga and Matrikas) and Shaivism (Shiva). They are notable for the ancient monumental relief sculpture of Vishnu in his incarnation as the man-boar Varaha, rescuing the earth symbolically represented by Bhudevi clinging to the boar's tusk as described in Hindu mythology. The site has important inscriptions of the Gupta dynasty belonging to the reigns of Chandragupta II (c. 375-415) and Kumaragupta I (c. 415-55). In addition to these, Udayagiri has a series of rock-shelters and petroglyphs, ruined buildings, inscriptions, water systems, fortifications and habitation mounds, all of which remain a subject of continuing archaeological studies. The Udayagiri Caves complex consists of twenty caves, of which one is dedicated to Jainism and all others to Hinduism. The Jain cave is notable for one of the oldest known Jaina inscriptions from 425 CE, while the Hindu Caves feature inscriptions from 401 CE.

Source: <http://www.thehindu.com/opinion/columns/where-varaha-saves-the-earth/article22645921.ece>

Q.3) Consider the following statements about Rhododendron

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1. In India they are only found in the North East
2. It is the national flower of Nepal

Select the correct statements

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.3) Solution (b)

They are found in varied habitats from subtropical forest to alpine shrubs, rhododendrons range from dwarf shrubs to large trees. The smallest are *R. nivale* and *R. pumilum* at just 10 to 50 cm while the tallest species, *R. arboretum* grows over 40 metres tall.

Rhododendrons were first recorded by Captain Hardwick in Jammu and Kashmir in 1776 where he spotted the *Rhododendron arboretum*. But it was a visit by the British botanist Joseph D. Hooker to Sikkim between 1858 and 1850 that revealed the rhododendron wealth of the region.

They are native to areas from North America to Europe, Russia, and Asia, and from Greenland to Queensland, Australia and the Solomon Islands.

Only three taxa — *Rhododendron arboretum nilagiricum* found in south India and *Rhododendron colletianum* and *Rhododendron rawatti* from the western Himalayas are not found in the north-east.

Arunachal Pradesh is home to the highest number with 119 taxa (74 species, 21 sub species and 24 varieties) of the *Rhododendron*. The small State of Sikkim is home to 42 taxa (25 species, 11 sub-species and six varieties) while 10 taxa are found in Manipur, four in Mizoram and 11 in Nagaland.

Q.4) 'Modified Special Incentive Package Scheme' targets which of the following sectors?

- a) Heavy industries
- b) Electronic System Design and Manufacturing (ESDM)
- c) Automobile manufacturing and assembly
- d) Pharmaceuticals

Q.4) Solution (b)

The Modified Special Incentive Package Scheme (M-SIPS) was launched to promote large-scale manufacturing, to offset disability and to attract domestic and global investments into the Electronic System Design and Manufacturing (ESDM) sector in India. The scheme is available for both new projects and expansion projects. The scheme provides subsidy for investments in capital expenditure – 20% for investments in SEZs and 25% in non-SEZs.

Q.5) Which one of the following pairs form part of the six systems of Indian Philosophy?

1. Mimamsa and Vedanta
2. Nyaya and Vaisheshika
3. Sankhya and Yoga

Select the correct code:

- a) 1 and 2
- b) 2 and 3
- c) 1 and 3
- d) All of the above

Q.5) Solution (d)

The mainstream ancient Indian philosophy includes six systems (ṣaḍdarśana) – Sankhya, Yoga, Nyaya, Vaisheshika, Mimamsa and Vedanta.

