

**Q.1) When the Reserve Bank of India increases the Cash reserve ratio by 50 basis points, which of the following is likely to happen?**

- a) India's GDP growth rate increases drastically
- b) Foreign institutional investors may bring more capital into the economy
- c) It may help in bringing down high inflation prevalent in the economy
- d) It may drastically increase the liquidity in the banking system

**Q.1) Solution (c)**

**Cash Reserve Ratio (CRR)** is the share of a bank's total deposit that is mandated by the Reserve Bank of India (RBI) to be maintained with the latter in the form liquid cash.

In order to determine the base rate, the Cash Reserve Ratio acts as one of the reference rates. Base rate means the minimum lending rate which is determined by the Reserve Bank of India (RBI) and no bank is allowed to lend funds below this rate. This rate is fixed to ensure transparency with respect to borrowing and lending in the credit market.

Cash Reserve Ratio (CRR) is one of the components of the monetary policy of the RBI which is used to regulate the money supply, level of inflation and liquidity in the country. The higher the CRR, the lower is the liquidity with the banks and vice-versa.

During high levels of inflation, attempts are made to reduce the money supply in the economy. For this, RBI increases the CRR, sucking the loanable funds available with the banks. This, in turn, slows down investment and reduces the supply of money in the economy. As a result, the growth of the economy is negatively impacted. However, this also helps bring down inflation.

On the other hand, when the RBI needs to pump funds into the system, it lowers CRR which increases the loanable funds with the banks. The banks thus extend a large number of loans to the businesses and industry for different investment purposes. It also increases the overall supply of money in the economy. This ultimately boosts the growth rate of the economy.

**Q.2) Which of the following are considered as Non-Banking Financial Company (NBFC) in India as per RBI?**

- 1. Asset Finance Company (AFC)
- 2. Infrastructure Finance Company (IFC)
- 3. Peer to Peer (P2P) lenders
- 4. Account Aggregators

Select the correct answer using the codes given below:

- a) 1 and 2 only
- b) 1, 2 and 3 only
- c) 1, 3 and 4 only
- d) All the above

**Q.2) Solution (d)**

A Non-Banking Financial Company (NBFC) is a company registered under the Companies Act, 1956 engaged in the business of loans and advances, acquisition of shares/stocks/bonds/debentures/securities issued by Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agriculture activity, industrial activity, purchase or sale of any goods (other than securities) or providing any services and sale/purchase/construction of immovable property.

A non-banking institution which is a company and has principal business of receiving deposits under any scheme or arrangement in one lump sum or in installments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

**Different types of NBFCs are as follows:**

- Asset Finance Company (AFC)
- Investment Company (IC)
- Loan Company (LC)
- Infrastructure Finance Company (IFC)
- Infrastructure Debt Fund: Non- Banking Financial Company (IDF-NBFC)

Non-Banking Financial Companies (NBFCs) bring in diversity and efficiency to the financial sector and make it more responsive to the needs of the customers. Peer to Peer (P2P) and Account Aggregators are the new categories of NBFC that have been introduced recently.

**Q.3) Consider the following statements regarding 'Digital Public Credit Registry':**

1. It will capture loan information of individuals and corporate borrowers and work as a financial information infrastructure.
2. It was set up based on the recommendations of Y.M. Deosthalee committee.

**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

**Q.3) Solution (c)**

It will capture loan information of individuals and corporate borrowers and work as a financial information infrastructure.

It was set up by the RBI based on the recommendations given by Y.M. Deosthalee committee.

It will provide access to various stakeholders in the Finance industry and Enrich existing credit info ecosystem. Useful Credit information will help the banks reduce bad loans.

**Q.4) In the context of Repurchase agreement between bank and RBI, consider the following statements:**

1. It is the rate at which the central bank of a country (Reserve Bank of India in case of India) lends money to commercial banks.
2. In India it is the primary tool in the RBI's Monetary and Credit Policy.
3. In this RBI lends it for long term money to banks

**Which of the above statements is/are correct?**

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

**Q.4) Solution (d)**

**Repo Rate, or repurchase rate**, is the key monetary policy rate of interest at which Reserve Bank of India (RBI) lends short term money to banks, essentially to control credit availability, inflation, and the economic growth. Repo Rate in India is the primary tool in the RBI's Monetary and Credit Policy.

**Q.5) Which one of the following provides the Immediate Payment Service (IMPS) in India?**

- a) Indian banks' Association
- b) National Securities Depository Limited
- c) National Payments Corporation of India
- d) Reserve Bank of India

**Q.5) Solution (c)**

**The National Payments Corporation of India (NPCI)**

- The National Payments Corporation of India (NPCI) is an initiative taken by the RBI and Indian Bank's Association (IBA) to operate the retail payments and settlement systems in India.
- The National Payments Corporation of India (NPCI) serves as an umbrella body for the operation of retail payment in India

NPCI can operate the following payment systems

- National Financial Switch (NFS)
- Immediate Payment System (IMPS)
- National Automatic Clearing House (ACH)
- Aadhaar Enabled Payments System (AEPS)
- Operation of Cheque Truncation System

**Products of NPCI**

- Rupay
- BHIM app
- UPI
- Bharat Bill Payment System

**Q.6) The term Securitization is sometimes seen in the news. It refers to which of the following:**

- a) Issuance of Government security to finance the fiscal deficit.
- b) The pooling of financial assets into a consolidated financial instrument.
- c) Unwillingness to hold government security due to expectation of default.
- d) Conversion of unsecured debt into secured debt to reduce Non-Performing Asset issue.

**Q.6) Solution (b)**

**Securitization**

- Securitization is a process by which a company clubs its different financial assets/debts to form a consolidated financial instrument which is issued to investors.
- This enables the firm to raise capital and thus enhances liquidity in the market.

- Securitization involves repackaging of less liquid assets into saleable securities.

**Q.7) Consider the following statements related to FDI guidelines in India related to E-Commerce –**

1. 100% FDI in Marketplace Model of e-commerce under automatic route is allowed.
2. FDI is prohibited in Inventory based model of e-commerce.

**Select the correct answer using the code given below:**

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

**Q.7) Solution (c)**

**Statement Analysis:**

Statement 1	Statement 2
Correct	Correct
As per the guidelines on FDI in e-commerce, 100% FDI under automatic route is permitted in marketplace model of e-commerce.	FDI is not permitted in inventory-based model of e-commerce.

**Q.8) What do you understand by the term 'transfer payment'?**

- a) Payment given to the importers by a domestic firm for the goods supplied.
- b) It is a part of profit which is not distributed among the factors of production.
- c) It is a one-way payment to a person who has given or exchanged no money, good, or service for it.
- d) Payment made by the parent company to subsidiary companies for use of goods or services.

**Q.8) Solution (c)**

**Basic Information:**

A transfer payment is a one-way payment to a person who has given or exchanged no money,



good, or service for it. It is a process used by governments as a way to redistribute money through programs such as old age or disability pensions, student grants, scholarships, prizes, unemployment compensation, etc.

**Q.9) Financial Inclusion has been the priority of the policy makers for quite some time. Which of the following are the benefits of financial inclusion:**

1. Inculcates the habit of saving.
2. Provides formal credit avenues.
3. Helps in plugging leakages in welfare schemes.
4. Decreases credit capacity of banks.

**Select the correct code from the following:**

- a) 1 and 2
- b) 1, 2 and 3
- c) 2, 3 and 4
- d) All of the above

**Q.9) Solution (b)**

The policy makers have been focusing on financial inclusion of Indian rural and semi-rural areas primarily for three most important pressing needs:

**Creating a platform for inculcating the habit to save money** – The lower income category has been living under the constant shadow of financial duress mainly because of the absence of savings. The absence of savings makes them a vulnerable lot. Presence of banking services and products aims to provide a critical tool to inculcate the habit to save. Capital formation in the country is also expected to be boosted once financial inclusion measures materialize, as people move away from traditional modes of parking their savings in land, buildings, bullion, etc.

**Providing formal credit avenues** – So far the unbanked population has been vulnerably dependent of informal channels of credit like family, friends and moneylenders. Availability of adequate and transparent credit from formal banking channels shall allow the entrepreneurial spirit of the masses to increase outputs and prosperity in the countryside. A classic example of what easy and affordable availability of credit can do for the poor is the micro-finance sector.

**Plug gaps and leaks in public subsidies and welfare programmes** – A considerable sum of money that is meant for the poorest of poor does not actually reach them. While this money

meanders through large system of government bureaucracy much of it is widely believed to leak and is unable to reach the intended parties. Government is therefore, pushing for direct cash transfers to beneficiaries through their bank accounts rather than subsidizing products and making cash payments. This laudable effort is expected to reduce government's subsidy bill (as it shall save that part of the subsidy that is leaked) and provide relief only to the real beneficiaries. All these efforts require an efficient and affordable banking system that can reach out to all. Therefore, there has been a push for financial inclusion.

**Q.10) Which of the following statements are correct about National Bank for Agriculture and Rural Development?**

1. It was formed by an executive decision on the recommendation of a committee of RBI.
2. The agricultural credit functions of RBI and refinance functions of the then Agricultural Refinance and Development Corporation (ARDC) were transferred to NABARD.
3. The aim of NABARD is to Promote sustainable and equitable agriculture and rural prosperity through effective credit support, related services, institution development and other innovative initiatives.

**Which of the above statements is/are correct?**

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

**Q.10) Solution (b)**

At the instance of Government of India Reserve Bank of India (RBI), constituted a committee to review the arrangements for institutional credit for agriculture and rural development (CRAFICARD) on 30 March 1979, under the Chairmanship of Shri B.Sivaraman, former member of Planning Commission, Government of India to review the arrangements for institutional credit for agriculture and rural development. The Committee, in its interim report, submitted on 28 November 1979, felt the need for a new organisational device for providing undivided attention, forceful direction and pointed focus to the credit problems arising out of integrated rural development and recommended the formation of National Bank for Agriculture and Rural Development(NABARD). The Parliament, through Act,61 of 1981, approved the setting up of NABARD. The bank came into existence on 12 July 1982 by transferring the agricultural credit functions of RBI and refinance functions of the then Agricultural Refinance and Development

Corporation (ARDC). NABARD was dedicated to the service of the nation by the late Prime Minister Smt. Indira Gandhi on 05 November 1982.

NABARD was set up with an initial capital of ₹100 crore. Consequent to the revision in the composition of share capital between Government of India and RBI, the paid up capital as on 31 March 2015, stood at ₹5000 crore with Government of India holding ₹4,980 crore (99.60%) and Reserve Bank of India 20.00 crore (0.40%).

### **Mission**

Promote sustainable and equitable agriculture and rural prosperity through effective credit support, related services, institution development and other innovative initiatives.

### **Q.11) Consider the following statements:**

1. Liquidity Adjustment Facility (LAF) is used by RBI to control money supply in the economy.
2. CRR and SLR are part of LAF of RBI.

### **Which of the above statements is/are correct?**

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

### **Q.11) Solution (a)**

Liquidity Adjustment Facility (LAF) is a tool used by RBI to control the short term money supply in the economy. It is done through Repo and Reverse Repo.

CRR and SLR are used to control money supply in the long run and not the part of LAF.

Liquidity Adjustment Facility (LAF) is the primary instrument of Reserve Bank of India for modulating liquidity and transmitting interest rate signals to the market. It refers to the difference between the two key rates viz. repo rate and reverse repo rate. Informally, Liquidity Adjustment Facility is also known as Liquidity Corridor.

As mentioned above, the two components of LAF are repo rate and reverse repo rate. Under Repo, the banks borrow money from RBI to meet short term needs by putting government securities (G-secs) as collateral. Under Reverse Repo, RBI borrows money from banks by lending



securities. While repo injects liquidity into the system, the Reverse repo absorbs the liquidity from the system. RBI only announces Repo Rate. The Reverse Repo Rate is linked to Repo Rate and is 100 basis points (1%) below repo rate. RBI makes decision regarding Repo Rate on the basis of prevalent market conditions and relevant factors.

**Q.12) Which of the following is not an asset held by the commercial bank?**

- a) Bills of exchange
- b) Current Account deposits
- c) Money lent
- d) Credit balances with the reserve bank

**Q.12) Solution (b)**

**Note:** Current account deposits are liabilities not assets for the banks.

Bank assets are the physical and financial "property" of a bank, what a bank owns. While a bank commonly owns physical property (buildings, land, furniture, equipment), the bulk of a bank's assets are financial--legal claims on the property or the wealth of others. The two most notable asset categories are loans (which generate interest revenue) and reserves (which keep deposits safe).

**There are four main categories of Assets:**

1. **Physical Assets:** This includes the buildings, land, furniture, and equipment owned by the bank. While this is what most people probably think of as assets, it is relatively minor for most banks.
2. **Loans:** The second asset category, the most important one for all banks, is loans. Loans are the primary source of interest revenue. While a loan is a liability for the borrower, it is an asset for the bank, for the lender. This asset includes loans to consumers (home loans, personal loans, automobile loans, credit card loans) and businesses (real estate development loans, capital investment loans).
3. **Reserves:** The third asset category is reserves. While this is small in amount, it is extremely important. Reserves are what banks use for daily transactions, such as processing checks or satisfying cash withdrawals. Banks use reserves to ensure the security of deposits. Two varieties of reserves worth noting are vault cash (the actual paper currency and coins that is kept in the bank, that is, in the vault) and Federal Reserve deposits (deposits that banks keep with the Federal Reserve System to clear checks and assist in other banking activities).

4. **Investment Securities:** The fourth asset category is investment securities. These act as a buffer between loans and reserves. They are safer than loans, but not as safe as reserves. They pay more interest than reserves, but not as much as loans. If a bank has a few extra reserves, but is not ready to lock in loans for the long term, then investment securities are the answer. Two important items in this category are U.S. Treasury securities (the securities that the federal government issues to borrow the funds used to finance the federal deficit) and Federal funds (loans made to other banks).

**Q.13) Decline in interest rates:**

- a) Will lead to large outflow of foreign portfolio investment
- b) Will lead to large inflow of foreign portfolio investment
- c) Will not affect foreign portfolio investment
- d) May affect or not affect portfolio investment

**Q.13) Solution (a)**

Macroeconomic factors play a pivotal role in attracting foreign investment in the country.

Capital flow, which has reached the important level at the present day, is very important for underdeveloped and developing countries to attain the development level by using them in their investments. Portfolio flows to developing countries are extremely sensitive to interest differentials. Money tends to flow to countries with high interest rates.

According to the theory of portfolio investment by Hymer (1976), foreign portfolio investors are attracted by the high interest rate because it reduces the borrowing cost; foreign portfolio investor will invest until the interest rate gets equal all over the world therefore it might be said that foreign portfolio investment is affected by domestic interest.

In other words, when interest rate goes down, we have more people with increased purchasing power in their pockets. The same people then invest in equity markets which in turn helps markets to grow in volume. Thus, companies have more capital to spend which in turn create jobs and generates a growth in the economy.

When interest rate goes down, the foreign investors, on the other hand, do not get the required interest on their investments and thus try to exit from the markets. This is the sole reason that they mostly target developing markets with higher interest rates.

**Q.14) Which of the following services is not offered by National Payments Corporation of**

**India (NPCI)?**

- a) Unified Payment Interface (UPI)
- b) Cheque Truncation System (CTS)
- c) Aadhar Payment Bridge System (APBS)
- d) National Electronic Fund Transfer (NEFT)

**Q.14) Solution (d)**

National Electronic Funds Transfer (NEFT) is an electronic funds transfer system maintained by the Reserve Bank of India (RBI). Started in November 2005, the setup was established and maintained by Institute for Development and Research in Banking Technology (IDRBT). It is not a service offered by NPCI.

National Payments Corporation of India (NPCI) is an umbrella organization for all retail payments system in India.

It was set up in December, 2008 with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks' Association (IBA).

Product and Services of NPCI include –

- Rupay and Rupay Contactless
- National Financial Switch (NFS)
- Immediate Payment Service (IMPS)
- Unified Payment Interface (UPI) and BHIM
- National Automated Clearing House (NACH)
- Cheque truncation system (CTS)
- Aadhaar Enabled Payment System (AEPS)
- BharatQR

**Q.15) Which of the following correctly explains 'On – Us' transaction?**

- a) If payment is made through a credit card and actually money is not paid by the customer.
- b) A transaction carried out at an ATM of the card issuing bank.
- c) If transaction is made by a customer in cash.
- d) A transaction carried out with merchant through a UPI.

**Q.15) Solution (b)**

A transaction carried out at an ATM of the card issuing bank is called as On-Us transaction. A transaction carried at an ATM of the bank which is different from the card issuing bank or a transaction at a WLA is called an Off-Us transaction. For instance, if a card issued by bank A is used at an ATM of bank A then it is an On-Us transaction; if the card issued by bank A is used at a WLA or at an ATM of bank B, it is an Off-Us transaction.

**Q.16) Which of the following best describes the term letter of credit?**

- a) It is a bank guarantee under which a bank allows its customer to raise money from another Indian bank's foreign branch in the form of short-term credit
- b) It is a letter from a bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount
- c) It is a state guarantee under which it allows its citizens to raise money from foreign share markets in the form of short term credit
- d) It is a letter from a RBI guaranteeing that a debtor's outstanding loan to creditor will be recovered on time

**Q.16) Solution (b)**

A letter of credit is a letter from a bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. In the event that the buyer is unable to make payment on the purchase, the bank will be required to cover the full or remaining amount of the purchase. Due to the nature of international dealings, including factors such as distance, differing laws in each country, and difficulty in knowing each party personally, the use of letters of credit has become a very important aspect of international trade.

Letter of Undertaking (LoU) is a bank guarantee under which a bank allows its customer to raise money from another Indian bank's foreign branch in the form of short-term credit.

The loan is used to make payment to the customer's offshore suppliers in foreign currency.

The overseas bank usually lends to the importer based on the LoU issued by the importer's bank.

The messages are sent through SWIFT — an inter-bank messaging network for securely transmitting instructions for financial transactions.

The LoU is akin to a letter of credit or a guarantee.

An LoU involves four parties — an issuing bank, a receiving bank, an importer and a beneficiary entity overseas.

**Q.17) Which of the following processes would help in fiscal consolidation?**

1. Improving tax-to-GDP ratio
2. Ways and Means Advances
3. Diminishing non-capital expenditures
4. Performance budgeting

**Choose the correct answer using the codes given below**

- a) 1, 2 and 3 only
- b) 2, 3 and 4 only
- c) 1, 3 and 4 only
- d) All of the above

**Q.17) Solution (d)**

**Explanation**

Fiscal consolidation is a process where government's fiscal health is getting improved and is indicated by reduced fiscal deficit. Improved tax revenue realization and better aligned expenditure are the components of fiscal consolidation as the fiscal deficit reaches at a manageable level.

According to Financial time's lexicon, "Fiscal consolidation is a reduction in the underlying fiscal deficit. It is not aimed at eliminating fiscal debt."

Following measures from the expenditure side and revenue side are envisaged by the government to achieve fiscal consolidation.

**Improved tax revenue realization:** For this, increasing efficiency of tax administration by reducing tax avoidance, eliminating tax evasion, enhancing tax compliance etc. are to be made.

Enhancing tax GDP ratio by widening the tax base and minimizing tax concessions and exemptions also improves tax revenues.



Better targeting of government subsidies and extending Direct Benefit Transfer scheme for more subsidies.

**Q.18) Recently White Label ATMs (WLAs) is in news, in this context, consider the following:**

1. WLA are setup by Non-bank entities.
2. WLA provide the banking services to the customers of banks in India, based on the cards (debit/credit/prepaid) issued by banks

**Which of the above statement is/are correct?**

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

**Q.18) Solution (c)**

Automated Teller Machines (ATMs) set up, owned and operated by non-bank entities are called WLAs. They provide the banking services to the customers of banks in India, based on the cards (debit/credit/prepaid) issued by banks.

**Q.19) Consider the following statements with reference to NBFCs:**

1. They are registered under the Companies Act, 1956
2. NBFC cannot accept demand deposits.
3. NBFCs form part of the payment and settlement system

**Which of the statements is/are incorrect?**

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

**Q.19) Solution (c)**

A Non-Banking Financial Company (NBFC) is a company registered under the Companies Act, 1956.

- NBFC cannot accept demand deposits.
- NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on itself.
- Deposit insurance facility of Deposit Insurance and Credit Guarantee Corporation is not available to depositors of NBFCs.

**Q.20) With reference to Regional Rural Banks (RRBs), consider the following pairs:**

1. Regional Rural Banks were set up on the basis of the recommendations of the Narasimham Working Group (1975).
2. The equity of a regional rural bank is held by the Central Government, concerned State Government and the Sponsor Bank in the proportion of 50:15:35.
3. The RRBs are required to provide 65% of their total credit as priority sector lending.

**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

**Q.20) Solution (a)**

Regional Rural Banks were set up on the basis of the recommendations of the Narasimham Working Group (1975), and after the legislation of the Regional Rural Banks Act, 1976. The equity of a regional rural bank is held by the Central Government, concerned State Government and the Sponsor Bank in the proportion of 50:15:35.

The RRBs combine the characteristics of a cooperative in terms of the familiarity of the rural problems and a commercial bank in terms of its professionalism and ability to mobilise financial resources. The RRBs are required to provide 75% of their total credit as priority sector lending.

**Q.21) Consider the following pairs:**

<i>Indus valley site</i>	<i>State</i>
1. Baror	Punjab

2. Kotada Bhadli	Rajasthan
3. Rakhigarhi	Haryana

Which of the pairs given above are *incorrectly* matched?

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

**Q.21) Solution (b)**

- Recently, a study by Indian and Canadian archaeologists has found that dairy products were being produced by the Harappans as far back as 2500 BCE. The finding reveals the earliest evidence of dairy production.
- The results are based on molecular chemical analysis of residue of pottery found at **Kotada Bhadli, in Gujarat**. The researchers were able to identify that cattles were used for dairy through a process called stable isotope analysis.
- **Rakhigarhi** is a village in Hisar District in the state of **Haryana** in India.
- **Baror** is an archeological site belongs to ancient Indus Valley Civilization in Sri Ganganagar district of **Rajasthan**, India.

**Q.22) The Tigray region of Ethiopia borders with which of the following country?**

- a) South Sudan
- b) Eritrea
- c) Somalia
- d) Djibouti

**Q.22) Solution (b)**

- The Tigray Region is the northernmost of the nine regions (kililat) of Ethiopia. It is the homeland of the Tigrayan, Irob and Kunama peoples.
- It is also known as Region 1 according to the federal constitution. Its capital and largest city is Mekelle.

- It is bordered by **Eritrea to the north**, Sudan to the west, the Amhara Region to the south and the Afar Region to the east and south east.



**Q.23) Consider the following statements about KALA-AZAR:**

- It is a neglected tropical disease.
- It is caused by a Leishmania bacterium.
- It is endemic to southern States of India.

**Which of the statements given above is/are correct?**

- 1 only
- 1 and 2 only
- 2 and 3 only
- 1, 2 and 3

**Q.23) Solution (a)**

Statement 1	Statement 2	Statement 3
Correct	Incorrect	Incorrect
<b>KALA-AZAR or Visceral Leishmaniasis (VL) is a neglected tropical disease</b>	<b>It is caused by a protozoan Leishmania parasite and is transmitted to humans by</b>	According to WHO, globally, about 7 to 10 lakh new cases occur annually. India accounts for

characterised by irregular fever, weight loss, anaemia and swelling of the spleen and liver.	the bite of infected female sandflies. Kala Azar is the 2nd largest parasitic killer in the world after Malaria.	about two-thirds of the total global cases, and the <b>disease is endemic to Bihar, Jharkhand, Uttar Pradesh and West Bengal.</b>
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**Q.24) India's first green energy Convergence Project will be implemented in which of the following State?**

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

**Q.24) Solution (c)**

- Energy Efficiency Services Limited (EESL), a joint venture of PSUs under the Ministry of Power and Department of New & Renewable Energy (DNRE), **Goa**, have signed a MOU to implement **India's first Convergence Project in the State.**
- Under the MoU, EESL and DNRE will carry-out the feasibility studies and subsequent implementation of decentralized solar energy projects.

**Q.25) With reference to WHO Emergency Use Listing (EUL), consider the following statements:**

1. It is a risk based procedure to assess and list unlicensed vaccines during public health emergencies.
2. It was introduced during the COVID-19 outbreak.
3. The ChAdOx 1 nCoV19 (Covishield) vaccine is the first ever vaccine to be listed in WHO EUL.

**Which of the statements given above is/are INCORRECT?**

- a) 1 and 2 only
- b) 2 and 3 only
- c) 3 only
- d) None of the above



**Q.25) Solution (b)**

Statement 1	Statement 2	Statement 3
Correct	Incorrect	Incorrect
<b>WHO Emergency Use Listing (EUL) is a risk based procedure to assess and list unlicensed vaccines during public health emergencies</b> , such as polio and COVID. Its objective is to make these medicines, vaccines and diagnostics available faster to address the emergency.	It was introduced during the West Africa Ebola outbreak of 2014-2016.	The novel oral polio vaccine type 2 (nOPV2), vaccine that has proven useful in treatment of Vaccine derived polio virus (VDPV) strain has become the first ever vaccine to be listed in WHO's EUL.

**Q.26) Consider the following statements:**

1. CPI represents consumer baskets better than the other measures
2. CPI provides information on price movements in services sector also
3. CPI excludes food inflation which is a critical part of price stability

**Which of the above statements is/are the correct reasons for choosing Consumer price Index (CPI) as measure of Inflation?**

- a) 1 and 2 only
- b) 1 and 3 only
- c) 2 and 3 only
- d) 1, 2 and 3

**Q.26) Solution (a)**

- CPI measures the inflation levels at the level of the consumer expenditure. By virtue of its construction, it has following advantages:
  - i. **CPI represents consumer baskets better than the other measures** like WPI.
  - ii. **CPI provides information on price movements in services sector also.**
  - iii. **CPI includes Food Inflation which is a critical part of price stability** objective in emerging markets like India. (Statement 3 is incorrect)

**Q.27) With reference to 'Sahakar Pragya', consider the following statements:**

1. It aims to impart training to artisans, cottage industry workers in rural areas.
2. It is fully funded by National Cooperative Development Corporation (NCDC).

**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

**Q.27) Solution (b)**

Statement 1	Statement 2
Incorrect	Correct
'Sahakar Pragya' was recently launched by the Ministry of Agriculture. Its objective is to impart training to primary cooperative societies in rural areas. It will address the need for training of Primary cooperatives, FPO-Cooperatives and Self Help Groups federating.	There will be 45 new training modules of Sahakar Pragya. Training is imparted by National Cooperative Development Corporation (NCDC) and Lakshmanrao Inamdar National Cooperative Research and Development Academy (LINAC). Sahakar Pragya shall enhance NCDC's training capacity by 18-fold through an elaborate network of 18 Regional Training Centres across the country by the dedicated LINAC set up and fully funded by NCDC.

**Q.28) The Reciprocal Access Agreement (RAA) was recently signed between which of the following two QUAD countries?**

- a) Japan and USA
- b) India and Australia
- c) India and USA
- d) Japan and Australia

**Q.28) Solution (d)**

- **Japan and Australia have signed Reciprocal Access Agreement (RAA)**, a landmark defence deal in a bid to counter China's growing influence in the South China Sea and over the Pacific island nations.
- The pact allows Japanese and Australian troops to visit each other's countries and conduct training and joint operations.
- The two sides also agreed on the need for a framework to allow Japanese military to protect Australian forces if needed.

**Q.29) With reference to Lonar lake consider the following statements:**

1. It is an endorheic basin on the Deccan Plateau.
2. It is a wetland of international importance.
3. It is a notified National Geo-heritage Monument.

**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

**Q.29) Solution (d)**

Statement 1	Statement 2	Statement 3
Correct	Correct	Correct
Lonar lake wetland on the Deccan Plateau is an endorheic or closed basin, almost circular in shape, formed by a meteorite impact onto the basalt bedrock.	Recently Lonar lake and the Soor Sarovar at Agra have been declared Ramsar sites. Lonar lake is the second Ramsar site in Maharashtra after Nandur Madhmeshwar Bird Sanctuary. The lake is part of Lonar Wildlife Sanctuary which falls under the unified control of the Melghat Tiger Reserve (MTR).	It is also known as Lonar crater and is a notified National Geo-heritage Monument. Geo-heritage refers to the geological features which are inherently or culturally significant offering insight to earth's evolution or history to earth science or that can be utilized for education.

**Q.30) Recently seen in news, the Athena SWAN Charter aims at**

- a) Enhancing gender equity in science and technology
- b) Reduce socio-economic vulnerabilities to disasters
- c) Climate change mitigation and adaptation
- d) Sustainable restoration of swamp ecosystems on Earth

**Q.30) Solution (a)**

- Department of Science and Technology, under new Science, Technology and Innovation Policy, is incorporating a system of grading institutes depending on the enrolment of women and advancement of careers of women faculty and scientists.
- This concept is borrowed from Athena SWAN (Scientific Women's Academic Network) program of UK.
- **Athena SWAN Charter** is an evaluation and accreditation programme in the UK enhancing gender equity in science, technology, engineering, mathematics and medicine (STEMM).

**Direction for the following 2 (two) items:**

**Study the following passages and answer the questions that follow. Your answers to these questions should be based on the passage only.**

**Passage 1**

Both Socrates and Bacon were very good at asking useful questions. Socrates is largely credited with coming up with a way of asking questions, 'the Socratic method,' which itself is at the core of the 'scientific method,' popularised by Bacon. The Socratic Method disproves arguments by finding exceptions to them, and can, therefore, lead your opponent to a point where they admit something that contradicts their original position. In common with Socrates, Bacon stressed it was as important to disprove a theory as it was to prove one — and real-world observation and experimentation were key to achieving both aims. Bacon also saw science as a collaborative affair, with scientists working together, challenging each other.

**Q.31) Which of the following is the most logical corollary that can be drawn from the passage?**

- a) Both Socrates and Bacon advocated clever questioning of the opponents to disprove their arguments and theories.
- b) Both Socrates and Bacon advocated challenging arguments and theories through observation and experimentation.
- c) Both Socrates and Bacon advocated confirming arguments and theories by finding exceptions.
- d) Both Socrates and Bacon advocated examining arguments and theories from both sides to prove them.

**Q.31) Solution (d)**

According to the paragraph, Socrates and Bacon were good at asking questions. The Socratic Method works in a way by finding exceptions to the arguments of the opponent, which makes the opponent agree on something that contradicts their original position. Similarly, Bacon stressed that it was important to disprove theory as it is to prove it. Thus both Socrates and Bacon stressed on examining arguments from both ends - to prove as well as disprove.

Option a, which speaks only about disproving of arguments, can be eliminated.

Option b talks only about examining and observation. Hence, it can be eliminated.

Option c talks about only confirming of arguments but not the other way. Hence, it can be eliminated.

Option d captures the main points which we discussed earlier.

Hence, option d is the correct answer.

**Passage 2**

A serious critic has to comprehend the particular content, unique structure, and special meaning of a work of art. And here she faces a dilemma. The critic must recognize the artistic element of uniqueness that requires subjective reaction; yet she must not be unduly prejudiced by such reactions. Her likes and dislikes are less important than what the work itself communicates, and her preferences may blind her to certain qualities of the work and thereby prevent an adequate understanding of it. Hence, it is necessary that a critic develop a sensibility informed by familiarity with the history of art and aesthetic theory. On the other hand, it is insufficient to treat the artwork solely historically, in relation to a fixed set of ideas or values. The critic's knowledge and training are, rather, preparation of the cognitive and emotional abilities needed for an adequate personal response to an artwork's own particular qualities.



**Q.32) The passage suggests that the author would be most likely to agree with which of the following statements?**

- a) Art speaks to the passions as well as to the intellect
- b) Most works of art express unconscious wishes or desires
- c) The best art is accessible to the greatest number of people
- d) The meaning of art is a function of the social conditions in which it was produced

**Q.32) Solution (a)**

The author talks about the various dimensions of art such as aesthetic, uniqueness, historic and all these dimensions reflect the passion.

While looking at other options they sound unrealistic and not related closely.

**Q.33) Find the number of bricks, each measuring 25 cm × 12.5 cm × 7.5 cm, required to construct a wall 12 m long, 5 m high and 0.25 m thick, while the sand and cement mixture occupy 5 % of the total volume of wall?**

- a) 6080
- b) 3040
- c) 1520
- d) 12160

**Q.33) Solution (a)**

Total volume of the wall =  $(12 \times 5 \times 0.25 \times 100 \times 100 \times 100) \text{ cm}^3$

Sand and cement mixture occupies 5% of the total volume of the wall

So, Volume of wall occupied by brick = 95% of total volume

$(95 \times 12 \times 5 \times 0.25 \times 100 \times 100 \times 100) / 100 \text{ cm}^3$

Volume of each brick =  $(25 \times 12.5 \times 7.5) \text{ cm}^3$

Hence, the number of bricks required =  $(95 \times 12 \times 5 \times 0.25 \times 100 \times 100 \times 100) / (100 \times 25 \times 12.5 \times 7.5) = 6080$

**Q.34) Rahul answered 40% of the first 75 questions correctly in an examination consisting of**

150 questions. Find the percentage of the remaining 75 questions that he needs to answer correctly in order to answer 60% of the total number of questions correctly?

- a) 60%
- b) 80%
- c) 100%
- d) 120%

**Q.34) Solution (b)**

60% of total number of questions = 60% of 150 = 90 questions

Number of questions that Rahul answered correctly in the first 75 questions =  $40 \times 75 / 100 = 30$

Number of questions from the remaining 75 questions that he should answer correctly is

$$90 - 30 = 60$$

$$\text{Required percentage} = (60/75) \times 100 = 80\%$$

**Q.35) The odds that 'A' agrees with the truth are 3:2 and the odds that 'B' agrees with the truth are 5:3. In what percent of cases are they likely to agree with each other on an identical point?**

- a) 47.5%
- b) 37.5%
- c) 63.5%
- d) 52.5%

**Q.35) Solution (d)**

Probability that A speaks the truth =  $3/5$

Probability that A does not speak the truth =  $2/5$

Probability that B speaks the truth =  $5/8$

Probability that B does not speak the truth =  $3/8$

Cases that are likely to agree each other on identical point =  $3/5 \times 5/8 + 2/5 \times 3/8 = 21/40 = 52.5\%$