Q.1) Which of the following is not a Money Market instrument?

a) Treasury Bills
b) Repurchase Agreements
c) Certificate of Deposit
d) Shares of a Company

Q.1) Solution (d)

Money Market is a place for short term lending and Borrowing normally within a year but terms of upto three years are not uncommon. It deals in short term debt financing and investments. Investment in money market is done throughout money market instruments. Money market instrument meets short term necessities of the borrowers and provides liquidity to the lenders. Money Market Instruments are as follows:

1) Treasury Bills (T-Bills)
2) Repurchase Agreements
3) Commercial Papers
4) Certificate of Deposit
5) Banker's Acceptance

Shares of a company are bought and sold in the capital markets which are instruments of long term capital.

Q.2) Which of the following is incorrect with reference to capital market?

a) It is wider than the securities market and embraces all forms of lending and borrowing.
b) Capital market tries to create a balance between investors and capital seekers.
c) There are two types of instruments that are traded in the capital market that is Bonds and Stocks.
d) It is a market, where business enterprises and governments can raise short-term funds.

Q.2) Solution (d)

Capital Market is a market for financial investments that are direct or indirect claims to capital. It is wider than the securities market and embraces all forms of lending and borrowing. It is a market, where business enterprises and governments can raise long-term funds. Capital market is wider term and includes security market.

Q.3) Consider the following statements in regard to Foreign Investment Promotion Board (FIPB) and FDI regulations in India:

1. It is an inter-ministerial body, responsible for processing of FDI proposals and making recommendations for Government approval.
2. It is an important approval body and it considers FDI below Rs 5000 crore.
3. For FDI above Rs 5000 crore, the Cabinet Committee on Economic Affairs is the approval authority.

Which of the statements given above is/are correct?

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

Q.3) Solution (d)

The Union Cabinet recently approved the phasing out of the 25-year-old Foreign Investment Promotion Board (FIPB).

- We know that, in the case of entry regulations, FDI entry is made under two categories – automatic route and approval route.
- Approval from the government is mandatory for some type of investment. For this, approval institutions/bodies are created. The Foreign Investment Promotion Board is the most important approval body as it can consider FDI below Rs 5000 crore. Above this amount, the Cabinet Committee on Economic Affairs is the approval authority.
- The FIPB (Foreign Investment Promotion Board) is an inter-ministerial body — or a single window clearance mechanism responsible for processing of FDI proposals and making recommendations for Government approval. It also grants composite approvals involving foreign investment/ foreign technology.
- FIPB is located in the Department of Economic Affairs, Ministry of Finance and the Finance Minister is in charge of the FIPB.

Q.4) Consider the following statements with reference to Initial Public Offering (IPO)

1. IPO is the process through which the shares are sold to the public for the first time
2. Once the shares are purchased by the general public they can be sold in the Stock Exchanges

Which of the following statements is/are correct?

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

Q.4) Solution (c)

An initial public offering, or IPO, is the very first sale of stock issued by a company to the public. Prior to an IPO the company is considered private, with a relatively small number of shareholders made up primarily of early investors. The public, on the other hand, consists of everybody else – any individual or institutional investor who wasn't involved in the early days of the company and who is interested in buying shares of the company.

After the conclusion of IPO, the stocks are listed on the stock exchanges and the people can buy and sell the shares that they are holding.

Q.5) Consider the below statements about debt markets in India:

1. A bond is a debt instrument with which an entity raises money from investors.
2. The issuer of a green bond publicly states that capital is being raised to fund 'green' projects.
3. Government and non-government securities and bonds are regulated by SEBI.

Which of the above given statement(s) is/are correct?

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

Q.5) Solution (b)

Statement Analysis:

Statement 1 and 2	**Statement 3**
Correct	**Incorrect**
A bond is a debt instrument with which an entity raises money from investors. The bond issuer gets capital while the investors receive fixed income in the form of interest. When the	Government securities and bonds, instruments issued by banks and financial institutions are regulated by RBI while issues of non-government securities (i.e. issue by

bond matures, the money is repaid. A green bond is very similar. The only difference is that the issuer of a green bond publicly states that capital is being raised to fund 'green' projects, which typically include those relating to renewable energy, emission reductions and so on.	corporates) are regulated by SEBI.

Q.6) Consider the following statements with reference to Indian Depository Receipts (IDRs)

1. A foreign company can access Indian securities market for raising funds through issue of Indian Depository Receipts
2. It is a derivative instrument with the shares of the issuing company as the underlying asset

Which of the following statements is/are correct?

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

Q.6) Solution (c)

Statement Analysis:

Statement 1	**Statement 2**
Correct	**Correct**
A foreign company can access Indian securities market for raising funds through issue of Indian Depository Receipts (IDRs).	An IDR is an instrument denominated in Indian Rupees in the form of a depository receipt created by a Domestic Depository (custodian of securities registered with the Securities and Exchange Board of India) against the underlying equity of issuing company to enable foreign companies to raise funds from the Indian securities Markets.

Q.7) India follows which of the following Exchange Rate Regimes (ERR)

a) Pegged ERR
b) Free floating ERR
c) Managed floating ERR
d) None of the above

Q.7) Solution (c)

Managed Floating Exchange Rate Regime

It is also called hybrid exchange rate system. In this, the exchange rate is basically determined in the foreign exchange market through the operation of market forces i.e., it is determined by the demand and supply of Indian rupee by individuals and institutions. This part is similar to the free-floating exchange rate regime.

However, in times of extreme currency fluctuations, the central bank i.e. RBI intervenes by buying and selling the foreign currencies. Primary objective is to stabilize the currency and reduce fluctuations.

Since both aspects i.e. market determination and Central Bank's intervention are present, this system is called Managed Floating Exchange Rate Regime.

Q.8) Under the flexible exchange rate system, the exchange rate is determined

a) By the Central Bank
b) By the World Trade Organisation
c) Predominantly by market mechanism
d) As a weighted index of a group of currencies

Q.8) Solution (c)

Flexible exchange rate

Flexible exchange rates can be defined as exchange rates determined by global supply and demand of currency. In other words, they are prices of foreign exchange determined by the market, that can rapidly change due to supply and demand, and are not pegged nor controlled by central banks. The opposite scenario, where central banks intervene in the market with purchases and sales of foreign and domestic currency in order to keep the exchange rate within limits, also known as bands, is called fixed exchange rate.

Q.9) Managed currency is said to be

a) the currency, where the exchange rate of which can be managed easily.
b) the currency that can have its exchange rate affected by the intervention of a central bank or the government.
c) the currency, where the intrinsic value of which can be managed by increasing or decreasing its supply.
d) quota of currency to be managed by the Central Bank at times of deflation.

Q.9) Solution (b)

Explanation:

Any currency that can have its exchange rate affected by the intervention of a central bank or the government of that country is termed as Managed currency. This is opposed to a currency that is determined solely by the forces of supply and demand in the world market. Virtually no currencies truly fall into this latter category.

Q.10) Consider the following statements with reference to the Foreign Direct Investment

1. FDI inflows are more stable and less volatile in nature, in contrast to the Foreign Portfolio Investments which are highly volatile in nature.
2. FDI is preferable over debt financing as it does not create interest obligations.

Which of the following statements is/are correct?

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

Q.10) Solution (c)

FDI is more stable and less volatile in nature, in contrast the Foreign Portfolio Investments are highly volatile in nature. They are also called the Hot Money, as they can leave India overnight to invest in other markets.

FDI being more stable in nature involves investments with long term profits in mind. They generate profits by locally producing the goods and services, as such are more preferable over the Debt financing as it creates interest obligations even when the business is not running well.

Q.11) What is the term used in the foreign exchange market which denotes the currency in which the highest faith is shown and is needed by every economy?

a) Hard currency
b) Hot currency
c) Soft currency
d) Cheap currency

Q.11) Solution (a)

Hard Currency:

- It is the international currency in which the highest faith is shown and is needed by every economy.
- The strongest currency of the world is one which has a high level of liquidity.
- Basically, the economy with the highest as well as highly diversified exports that are compulsive imports for other countries (as of high-level technology, defence products, lifesaving medicines and petroleum products) will also create high demand for its currency in the world and become the hard currency. It is always scarce.

Soft Currency:

- A term used in the foreign exchange market which denotes the currency that is easily available in any economy in its forex market. For example, rupee is a soft currency in the Indian forex market. It is basically the opposite term for the hard currency.

Hot currency:

- A term of the forex market and is a temporary name for any hard currency. Due to certain reasons, if a hard currency is exiting an economy at a fast pace for the time, the hard currency is known to be hot. As in the case of the SE Asian crisis, the US dollar had become hot.

Cheap currency:

- A term first used by the economist J. M. Keynes (1930s). If a government starts re-purchasing its bonds before their maturities (at full-maturity prices) the money which flows into the economy is known as the cheap currency, also called cheap money.

- In banking industry, it means a period of comparatively lower/softer interest rates regime.

Q.12) Consider the following statements about Fixed-Exchange-Rate Regime:

1. Fixed currency regime is a method of regulating exchange rates of world currencies brought by the IMF.
2. Under a pure fixed-exchange-rate regime authorities do not intervene in the market for foreign exchange and there is minimal need for international reserves.

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.12) Solution (a)

Basic information:

Fixed currency regime is a method of regulating exchange rates of world currencies brought by the IMF. In this system exchange rate of a particular currency was fixed by the IMF keeping the currency in front of a basket of importanft world currencies (they were UK£, US $, Japanese ¥, German Mark DM and the French Franc FFr).

Different economies were supposed to maintain that particular exchange rate in future. Exchange rates of currencies were modified by the IMF from time to time.

There are 2 types of exchange rate regime – fixed and floating exchange-rate regime.

A method of regulating exchange rates of world currencies based on the market mechanism (i.e., demand and supply).

Fixed-exchange-rate regime	Freely floating exchange-rate regime
Under a pure fixed-exchange-rate regime, authorities intervene so that the value of the domestic currency vis-a-vis the currency of another country, say the US Dollar, is	Under a freely floating exchange-rate regime, authorities do not intervene in the market for foreign exchange and there is minimal need for international reserves. **Hence, statement**

maintained at a constant rate.	**(2) is wrong.**

Q.13) The term "Graded Surveillance Measure" was recently in news. It was related to which among the following?

a) Share market
b) Government budget
c) Twin balance sheet problem
d) Education sector

Q.13) Solution (a)

SEBI and stock exchanges had introduced the **graded surveillance measure** framework which came into force from March, 2017.

SEBI introduced the measure to keep a tab on securities that witness an abnormal price rise that is not commensurate with financial health and fundamentals of the company such as earnings, book value, price to earnings ratio among others.

The underlying principle behind the graded surveillance framework is to alert and protect investors trading in a security, which is seeing abnormal price movements. SEBI may put shares of companies under the measure for suspected price rigging or under the ambit of 'shell companies'. The measure would provide a heads up to market participants that they need to be extra cautious and diligent while dealing in such securities put under surveillance.

Q.14) Which of the following is/are treated as artificial currency?

a) SDR
b) ADR
c) GDR
d) Both ADR and SDR

Q.14) Solution (a)

Special Drawing Rights - SDR: An international type of monetary reserve currency created by the International Monetary Fund (IMF) in 1969, which operates as a supplement to the existing reserves of member countries. Created in response to concerns about the limitations of gold and dollars as the sole means of settling international accounts, SDRs are designed to augment international liquidity by supplementing the standard reserve currencies.

You can think of SDRs as an artificial currency used by the IMF and defined as a "basket of national currencies". The IMF uses SDRs for internal accounting purposes. SDRs are allocated by the IMF to its member countries and are backed by the full faith and credit of the mhember countries' governments."

An American depositary receipt (ADR) is a negotiable certificate issued by a U.S. bank representing a specified number of shares (or one share) in a foreign stock traded on a U.S. exchange. ADRs are denominated in U.S. dollars, with the underlying security held by a U.S. financial institution overseas, and holders of ADRs realize any dividends and capital gains in U.S. dollars, but dividend payments in euros are converted to U.S. dollars, net of conversion expenses and foreign taxes. ADRs are listed on either the NYSE, AMEX or Nasdaq but they are also sold OTC.

"An American Depositary Receipt (abbreviated ADR) represents ownership in the shares of a non U.S. company that trades in U.S. financial markets. The stock of many non-US companies trade on US stock exchanges through the use of ADRs. ADRs enable U.S. investors to buy shares in foreign companies without the hazards or inconveniences of cross-border & cross-currency transactions.

ADRs carry prices in US dollars, pay dividends in US dollars, and can be traded like the shares of US- based companies.

Global Depositary Receipt: A bank certificate issued in more than one country for shares in a foreign company. The shares are held by a foreign branch of an international bank. The shares trade as domestic shares, but are offered for sale globally through the various bank branches.

It is a financial instrument used by private markets to raise capital denominated in either U.S. dollars or Euros.

A GDR is very similar to an American Depositary Receipt. These instruments are called EDRs when private markets are attempting to obtain Euros.

Q.15) Equity market instruments help in financing a firm. Which of these is/are equity market instruments?

1. Bonds
2. Shares
3. Debentures

Select the correct answer using the codes given below.

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

Q.15) Solution (b)

Shares are equity instruments, while bonds and debentures are debt instruments. Debt instruments are assets that require a fixed payment to the holder, usually with interest. Examples of debt instruments include bonds (government or corporate), debentures and mortgages. Equity financing allows a company to acquire funds (often for investment) without incurring debt, e.g. shares.

Q.16) Alternative Investment Fund or AIF does not include –

a) Venture capital funds
b) Infrastructure funds
c) Mutual Funds
d) Debt funds

Q.16) Solution (c)

Basic information:

Alternative Investment Fund or AIF means any fund established or incorporated in India which is a privately pooled investment vehicle which collects funds from sophisticated investors, whether Indian or foreign, for investing it in accordance with a defined investment policy for the benefit of its investors.

In India, alternative investment funds (AIFs) are defined under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.

Categories of Alternative Investment Funds (AIFs) defined by SEBI –

- **Category I:** Mainly invests in start- ups, SME's or any other sector which Govt. considers economically and socially viable.
- **Category II:** These include Alternative Investment Funds such as private equity funds or debt funds for which no specific incentives or concessions are given by the government or any other Regulator.

- **Category III:** Alternative Investment Funds such as hedge funds or funds which trade with a view to make short term returns or such other funds which are open ended and for which no specific incentives or concessions are given by the government or any other Regulator.

AIF does not include funds covered under the SEBI (Mutual Funds) Regulations, 1996, SEBI (Collective Investment Schemes) Regulations, 1999 or any other regulations of the Board to regulate fund management activities.

Q.17) With reference to SENSEX in India, consider the statements:

1. Sensex uses weighted average method for price movement calculation
2. Sensex is a figure indicating the relative prices of shares on the Mumbai (Bombay) Stock Exchange

Which of the following statements is/are correct?

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

Q.17) Solution (c)

Sensex is a figure indicating the relative prices of shares on the Bombay Stock Exchange. Sensex uses weighted average method for price movement calculation. That means each shares price has a weightage proportional to its market capitalization.

Q.18) Which of the following is not the type of securities release by companies in Primary Market securities?

a) Initial public offer
b) Rights issue
c) Offer to public
d) Repurchase Agreements

Q.18) Solution (d)

The issue of Primary Market securities by companies can take place in any of the following methods:

1. Initial public offer
2. Further issue of capital
3. Rights issue
4. Firm allotment
5. Offer to public
6. Bonus issue

Repurchase Agreements are a formal agreement between two parties, where one party sells a security to another, with the promise of buying it back at a later date from the buyer is money market instrument.

Q.19) Consider the following with reference to Angel investors and Venture capitalists:

1. Both venture capitalist and angel investor firms are usually a group of financial specialists or organizations, who usually resource into high-potential organizations in return for a fair stake.
2. Both angels and venture capitalist firms cater to innovative startup businesses.

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.19) Solution (b)

Basic information:

Both venture capitalist and angel investor firms take into account resourceful startup businesses, and both are liable in general to incline toward organizations identified with science and technology.

Statement Analysis:

Statement 1	**Statement 2**
Incorrect	**Correct**

Angel investor work on their own whereas venture capitalists are a division of an organization. Angel investors, also known as business angels, are successful business people who put their own funds in a startup. They usually resource into high-potential organizations in return for a fair stake.	Venture capitalists are usually a group of financial specialists or organizations rather than an individual. Their investment will drive from people, partnerships, annuity funds, and establishments. However, both angels and venture capitalist firms cater to innovative startup businesses.

Q.20) The weighted average of bilateral nominal exchange rates of the home currency in terms of foreign currencies is defined by the "term" –

a) Nominal Effective Exchange Rate (NEER)
b) Purchasing power parity (PPP)
c) Real Effective Exchange Rate (REER)
d) Managed-Exchange-Rate System

Q.20) Solution (a)

Basic Information:

Nominal Effective Exchange Rate (NEER)	Real Effective Exchange Rate (REER)
Nominal Effective Exchange Rate (NEER) is the weighted average of bilateral nominal exchange rates of the home currency in terms of foreign currencies.	Real Effective Exchange Rate (REER) is the weighted average of nominal exchange rates adjusted for effects of inflation. REER captures inflation differentials between India and its major trading partners and it also reflects the degree of external competitiveness of Indian products RBI calculates two REER indices: REER-6 (Indian rupee is measured against 6 big currencies) and REER-36 (Indian rupee is measured against 36 currencies).

Q.21) The Digital Payments Index is constructed by which of the following?

a) National Payments Corporation of India (NPCI)
b) Payment Council of India
c) Reserve Bank of India (RBI)
d) Digital Economy & Digital Payment Division of Ministry of Electronics and Information Technology (MeitY)

Q.21) Solution (c)

The Reserve Bank of India (RBI) has constructed a composite Digital Payments Index (DPI) to capture the extent of digitisation of payments across the country.

- The RBI-DPI has been constructed with March 2018 as the base period.
- The DPI for March 2019 and March 2020 work out to 153.47 and 207.84 respectively, indicating appreciable growth.
- The RBI-DPI comprises five broad parameters: Payment Enablers, Payment Infrastructure –Demand-side factors and Supply-side factors, Payment Performance and Consumer Centricity.

Q.22) The Desert Knight-21 is a bilateral exercise between India and which of the following country?

a) France
b) Australia
c) United Arab Emirates (UAE)
d) Saudi Arabia

Q.22) Solution (a)

Desert Knight-21 is a bilateral Air exercise between **Indian** Air Force and **French** Air and Space Force.

Q.23) With reference to Arctic Council, consider the following statements:

1. It is an intergovernmental body set up in 1996 by the Ottawa declaration.

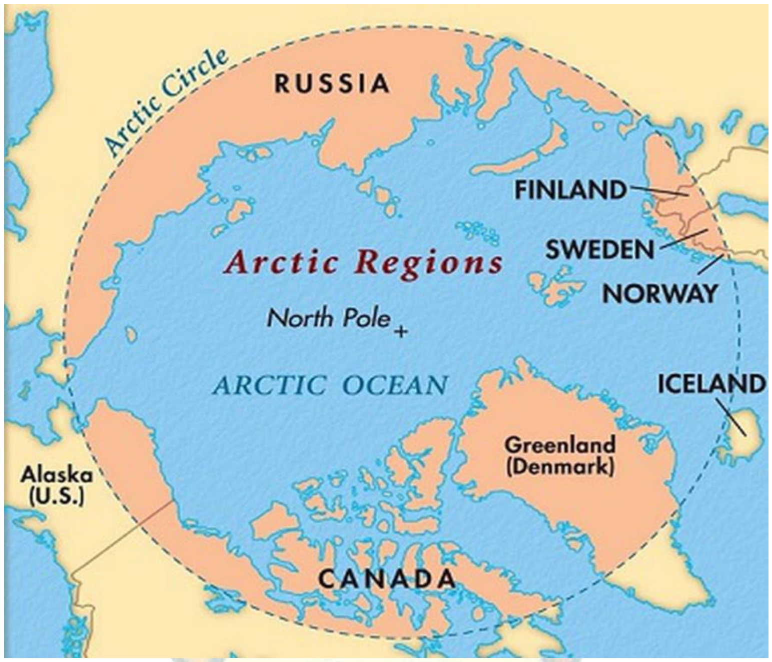
2. It addresses issues faced by indigenous people of the Arctic.
3. India is not a member of the Arctic Council.

Which of the statements given above is/are correct?

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

Q.23) Solution (d)

Statement 1	Statement 2	Statement 3
Correct	**Correct**	**Correct**
The Arctic Council is a high-level intergovernmental body set up in 1996 by the Ottawa declaration.	It is mandated to protect the Arctic environment and promote the economies and social and cultural **well-being of the indigenous people** whose organizations are permanent participants in the council.	It comprises **8 member states** - Canada, Denmark, Finland, Russia, USA, Iceland, Norway, Sweden are member states. **India is not a member** and became an Observer nation in 2013.



Q.24) The Tirthan wildlife sanctuary is located in which of the following States?

a) Uttar Pradesh
b) Madhya Pradesh
c) Himachal Pradesh
d) Maharashtra

Q.24) Solution (c)

Tirthan Wildlife Sanctuary and Great Himalayan National Park (GNHP) in **Himachal Pradesh** have performed the best among the 146 surveyed protected areas by the Ministry for Environment, Forest and Climate Change (MoEF&CC) under its Management Effectiveness Evaluation (MEE) of Protected Areas.

Q.25) The National Science Technology and Innovation Policy (STIP) is released by which of the following institutions?

a) NITI Aayog

b) Department of Science and Technology (DST)
c) Both (a) and (b)
d) Neither (a) nor (b)

Q.25) Solution (b)

Recently, the draft of 5th **National Science Technology and Innovation Policy (STIP)** was **released by the Department of Science and Technology (DST)**.

This Policy will replace the Science Technology and Innovation Policy of 2013.

Q.26) The "Not Many, But One", a translated book of poems of which of the following social reformers?

a) B. R. Ambedkar
b) Sree Narayana Guru
c) Keshab Chandra Sen
d) Atmaram Pandurang

Q.26) Solution (b)

- Vice President of India launched a book of poems, "**Not Many, But One"** (Two Volumes), an English translation of **poems of Sree Narayana Guru** by Prof G.K. Sasidharan.
- Narayana Guru (1855 – 1928) was a philosopher, spiritual leader and social reformer in India. He was born into a family that belonged to the Ezhava caste.
- He led a reform movement against the injustice in the caste-ridden society of Kerala in order to promote spiritual enlightenment and social equality.
- Shri Narayana Dharma Paripalana Yogam (also known as SNDP Yogam) is an Indian spiritual organization that was formally founded by Dr. Padmanabhan Palpu in 1903, with the guidance of Shri Narayana Guru.

Q.27) The Climate Adaptation Summit (CAS) 2021 was held recently. In this context consider the following statements:

1. The summit aims to accelerate, innovate, and scale up the world's efforts in adapting to the effects of climate change.
2. It was hosted online by the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat.

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 (a)

Statement 1	Statement 2
Correct	**Incorrect**
Climate Adaptation Summit (CAS) 2021 aims to accelerate, innovate, and scale up the world's efforts in adapting to the effects of climate change. CAS 2021 is set to deliver an Adaptation Action Agenda as a roadmap for a decade of transformation towards a climate-resilient future by 2030.	Climate Adaptation Summit (CAS) 2021 was **hosted online by Netherlands** and convened global leaders and local stakeholders.

Q.28) Recently formed G Kishan Reddy Committee is related to which of the following?

a) Personal Data Protection regime
b) Digital Lending platforms
c) Protect culture of a region
d) Review of three Farm Acts

Q.28) Solution (c)

Centre has decided to form a **committee to protect the language, culture and land of Ladakh** and ensuring citizen's participation in the Union Territory's development.

The Committee will be headed by the Minister of State for Home **G Kishan Reddy** and will include elected representatives from Ladakh, Ladakh Autonomous Hill Development Council, central government, and the Ladakh administration.

Q.29) The 'Great Reset Initiative' in the post Covid world was recently launched by which of the following organisation?

a) World Economic Forum's (WEF)
b) World Trade Organisation (WTO)
c) World Bank
d) World Health Organization (WHO)

Q.29) Solution (a)

The **World Economic Forum's (WEF**) annual meeting in Davos (Switzerland) i.e. the Davos Dialogues agenda 2021 marks the launch of the **WEF's Great Reset Initiative** in the post Covid world.

The 'Great Reset Initiative' aims to jointly and urgently build the foundations of global economic and social system for a more fair, sustainable and resilient future.

Q.30) Consider the following statements regarding Agricultural and Processed Food Products Export Development Authority (APEDA):

1. It is a statutory body.
2. It is an apex body under the Ministry of Commerce and Industry.

Which of the statements given above is/are *NOT* correct?

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

Q.30) Solution (d)

Statement 1	Statement 2
Correct	**Correct**
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** passed by the Parliament in December, 1985.	APEDA is an **apex body under the Ministry of Commerce and Industry**, Government of India, responsible for the export promotion of agricultural products.

Some of the functions of APEDA are as following:

i. Promotion of exports of agricultural and processed food products.
ii. Promotion of export oriented production and development of the Scheduled products.
iii. To make Improvement in numerous areas such as packaging, marketing for the Scheduled products outside India.
iv. Setting standards and specifications for the scheduled products for the purpose of exports.
v. Financial assistance, reliefs and subsidy to the relating industries.
vi. To provide training in the related areas

Read the following 2 (two) passages and answer the questions that follow each passage. Your answer to these questions should be based on passage only.

Passage 1

The dominant modern belief is that the soundest foundation of peace would be universal prosperity. One may look in vain for historical evidence that the rich have regularly been more peaceful than the poor, but then it can be argued that they have never felt secure against the poor; that their aggressiveness stemmed from fear; and that the situation would be quite different if everybody were rich.

Q.31) It can be inferred from the above passage

a) That a lot of aggression in the world stems from the desire of the haves to defend themselves against the have-nots.
b) Universal prosperity as a fool-proof measure of peace can no longer be accepted.
c) Both a and b
d) Neither a nor b

Q.31) Solution (a)

The option b is opposite to what the argument is conveying.

Option a can be inferred. According to the argument, a lot of aggression has stemmed because the rich want to defend themselves against the poor. In other words, the aggression has stemmed from the desire of the haves to defend themselves against the have-nots.

Passage 2

The effect produced on the mind by travelling depends entirely on the mind of the traveller and on the way he conducts himself. The chief idea of one very common type of traveller is to see as many objects of interest as he possibly can. If he can say after returning home that he has seen such and such temple, castle, picture gallery, or museum, he is perfectly satisfied. Far different is the effect of travels upon those who leave their country with a mind prepared by culture to feel intelligent admiration for all the beauties of nature and art to be found in foreign lands. When they visit a new place, instead of hurrying from temple to museum to picture gallery, they allow the spirit of the place to sink into their minds, and only visit such monuments as the time they have at their disposal allows them to contemplate without irreverent haste.

Q.32) It can be inferred from the above passage that

a) the writer prefers the second type of traveller
b) the first type of traveller is the lay traveller who does not understand the worth of any place he travels to
c) the objective of the second type of traveller is not to see much, but to see well
d) All of the above

Q.32) Solution (c)

According to the passage, the latter kind of travellers only visits such monuments as the time they have at their disposal allows them to contemplate without irreverent haste.

Option a is incorrect as the preference of the writer is not the main subject of focus.

Option b is way too harsh. This cannot be inferred from the passage.

Option c correctly describes the second kind of travellers.

Thus, option c is the correct

Q.33) From a container of milk, 5 litres of milk is replaced with 5 litres of water. This process is repeated. Thus in two attempts, the ratio of milk and water became 81:19. The initial amount of milk in the container was

a) 50 litres
b) 45 litres
c) 40 litres
d) 25 litres

Q.33) Solution (a)

Remaining milk = Initial concentration (1 - Quantity taken out/Total quantity)

Concentration of milk in the final mixture = 81/(81+19) = 81/100

Let initially, milk in the container = x litres

$81 = 100(1-5/x)^2$

$81/100 = (1-5/x)^2$

$(1-5/x)^2 = (9/10)^2$

1-5/x = 9/10

On solving, x = 50 litres

Therefore, the initial quantity of milk in the container was 50 litres.

Q.34) A mixture of 12 kg of wheat flour costing Rs 16 per kg and 4 kg of corn flour costing Rs 2 per kg is sold at Rs 16 per kg. What is the profit made in selling 40 kg of the mixture?

a) Rs 140
b) Rs 280
c) Rs 300
d) Rs 420

Q.34) Solution (a)

The cost price of the mixture per kg = [(12*16) + (4*2)]/12+4 = Rs 12.5

Selling price of the mixture per kg = Rs 16

Profit made on selling 1 kg of mixture = 16-12.5 = Rs 3.5

Profit made on selling 40 kg of mixture = 40*3.5 = Rs 140

Q.35) Sudarma went to buy three types of stationery products, each of them were priced at Rs 5, Rs 2, and Rs 1 respectively. He purchased all three types of products in more than one quantity and gave Rs 20 to the shopkeeper. Since the shopkeeper had no change with him; he gave Sudarma three more products of price Rs 1 each. Find out the number of products with Sudarma at the end of the transaction.

a) 8
b) 12
c) 11
d) 10

Q.35) Solution (d)

Let x, y, z be the number of items purchased by Sudarma of price Rs 5, Rs 2, and Rs 1 respectively.

So, $5x+2y+z = 20$

Since the shopkeeper had no change with him; he gave Sudarma three more products of price Rs 1 each. i.e. Sudarma purchased items worth Rs 17

$5x+2y+z =17$

He purchased all three types of products in more than one quantity,

If he purchases three items of Rs 5, he cannot purchase 2 items of Rs 2 and 1 item of Rs 1

So, he purchases 2 items worth Rs 5.

If Sudarma purchases 3 items worth Rs 2, then he cannot purchase more than 1 item of Rs 1.

Hence, he must have purchased 2 items of Rs 2 and 3 items of Rs 1.

The number of items Sudarma will have at the end of the transaction = 2+2+3+3 = 10 (due to no change)