



QUEST IAS ACADEMY
Quest For Excellence

TOP 50 MCQs PT - 2019

**IAS PRELIMS 2019
CURRENT AFFAIRS
BASED MCQs**

ECONOMICS



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1. Society for Worldwide Interbank Financial Telecommunication (SWIFT) is world's largest electronic payment messaging system. Which of the following is/are **true** regarding this?

- (1) SWIFT is a cooperative society under Belgian law being founded in 1995 by its member financial institutions with offices around the world in post liberalization phase.
- (2) SWIFT temporarily hold funds or manage accounts on behalf of customers or carry out any of the funds transfers itself. Rather, it is just a bank-to-bank messaging system.
- (3) It provides a network that enables financial institutions worldwide to send and receive information about financial transactions in a secure, standardized and reliable environment.

Select the correct answer using the code given below.

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

2. Indian Farmers Fertiliser Cooperative Limited (IFFCO) has recently launched a social e-commerce app and web portal, "IFFCO iMandi", to serve and connect the farmers digitally. What are the **benefits** of IFFCO iMandi?

- (1) iMandi's e-commerce platform is a "One Stop Shop" for fertilizer only.
- (2) iMandi shall be India's largest rural social e-commerce reliable high quality agricultural platform that would utilize exclusive access to IFFCO's more inputs and services.

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

3. Union Cabinet has approved the extension of **Concessional Financing Scheme (CFS)** for another 5 years, from 2018 to 2023. What is main aim of the scheme?

- (a) Potential to bring about a large scale social transformation through digital inclusive technology.
- (b) To support Indian Entities bidding for strategically important infrastructure projects abroad Through Export-Import (EXIM) Bank of India.
- (c) It is another initiative that leverages Aadhaar database to quickly disburse/allot a government service.
- (d) It provides wide range of information required to undertake international trade.

4. What is true regarding **Niryat Bandhu** announced in Oct 2011

- (1) It is part of Foreign Trade Policy (2009-14).
- (2) Objective is to reach out to new & potential exporters and mentor them through orientation programmes, counselling sessions, individual facilitation, etc.
- (3) It is major initiative by Ministry Of External Affairs and Exim bank jointly

Select the correct answer using the code given below.

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

5. Which of the following is true regarding Public Credit Registry (PCR)

- (1) It is an information repository that collects all loan information of individuals and corporate borrowers.
- (2) The move is based on the recommendations of a committee, headed by Y.M. Deosthalee.
- (3) NITI-aayog has shortlisted six major IT companies, including TCS, Wipro and IBM India, to set up a wide-based digital Public Credit Registry (PCR) to capture details of all borrowers and wilful defaulters.

Select the correct answer using the code given below.

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

6. What is true regarding **Public Financial Management System (PFMS)**?

- (1) It is an electronic fund tracking mechanism that compiles collates and makes available, in real-time, information regarding all government schemes (Central sector, centrally sponsored & other expenditures)
- (2) It would help in monitoring the funds transfer to the implementing agencies.

(3) Administered by National Informatics Centre of India.

(4) It is also integrated with core banking solution of banks handling government funds.

Which of the statements given above are correct?

- (a) 1 and 3 only
- (b) 2 and 4 only
- (c) 1, 2 and 4 only
- (d) 2, 3 and 4 only

7. Which of the following is/are true regarding Invest India?

- (1) It is the National Investment Promotion and Facilitation Agency of India
- (2) Set up in 2009 as a non-profit venture it acts as the first point of reference for investors.
- (3) Nodal Ministry - Department for Promotion of Industry & Internal Trade, Ministry of Commerce and Industry.

Select the correct answer using the code given below.

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

8. The Law Ministry approved Cabinet's proposal on the creation of the **Financial Data Management** What would be true regarding this?

- (1) Centre (FDMC) that would now collect raw data directly from various financial regulators. About FDMC:
- (2) FDMC was initially recommended by Ajay Tyagi committee, to be established under the aegis of Financial Stability and Development

Council (FSDC).

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

9. Which of the following is **incorrect** regarding chit fund?

- (a) Chit fund is a type of saving scheme where a specified number of subscribers contribute payments in instalment over a defined period.
- (b) Chit funds saving scheme is created by Chit Funds Act, 1982 and do not find any constitutional provision.
- (c) The Prize Chits and Money Circulation Schemes (Banning) Act, 1978 defines and prohibits any illegal chit fund schemes (e.g. schemes where auction winners are not liable to future payments).
- (d) The RBI is the regulator for banks and other non-banking financial companies (NBFCs) but does not regulate the chit fund business.

10 Consider the following about BENAMI TRANSACTIONS (PROHIBITION) AMENDMENT ACT, 2016

- (1) Amends the definition of Benami transactions to widen the scope for legal action.
- (2) Revival of Appellate Mechanism & establish adjudicating authorities and Appellate Tribunal to deal with Benami transactions.

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

11 GLOBAL INNOVATION INDEX is jointly released by

- (1) World Intellectual Property Organization (WIPO).
- (2) Cornell University and INSEAD
- (3) Confederation of Indian Industries.
- (4) International Monetary Fund.

Select the correct answer using the code given below:

- (a) 1 and 2
- (b) 1 and 4
- (c) 2 and 3
- (d) 3 and 4

12 In India, Public Debt/Liabilities constitutes the following categories?

- (1) Internal Debt
- (2) External Debt
- (3) Public Account Liabilities.

Select the correct answer using the code given below.

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

13 Government has launched National Mission on Government e Marketplace (GeM). What are its aim?

- (1) To accelerate the adoption and use of GeM by major central Ministries, State Governments and their agencies.
- (2) To promote inclusiveness, transparency and efficiency in public procurement and achieve cashless, contactless and paperless transaction.

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

14 Consider the following feature of GST . Which of the following is/are **correct**

1. Single, nation-wide indirect tax.
2. Tax on final stage of both goods and services.
3. The intermediate consumer of the goods and services finally bears the tax burden.
4. GST is a destination based consumption tax i.e. the tax revenues accrue to the destination place where consumption of the goods or services takes place.

Select the correct codes

- (a) 1 , 2 ,3 only
- (b) 1 and 4 only
- (c) 2 and 3 only
- (d) 1, 3 and 4 only

15 What are the features of Payment Banks?

- (1) They are banks that provide financial inclusion by providing small saving and current accounts payments and remittances
- (2) Target group such as migrant labour workforce, low income households, other unorganized sector entities.

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

16 What is true regarding money market instrument?

- (1) It is an investment mechanism that allows banks, businesses, and the government to meet large, but short-term capital needs at a low cost. They serve the dual purpose of allowing borrowers meet their short-term requirements and providing easy liquidity to lenders.
- (2) Examples of money market instrument are Banker's Acceptance ,Treasury Bills, Repurchase Agreements ,Certificate of Deposits , Commercial Papers

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

17 The 'Index of Economic Freedom' that measures the degree of economic freedom in the world's nations, is released by which of the following?

- (a) World Economic Forum
- (b) The Heritage Foundation and The Wall Street Journal
- (c) International Monetary Fund
- (d) Organisation for Economic Co-operation and Development

18 Consider the following statements

- (1) When the import duty on raw materials is high, it will be more difficult to produce the concerned good domestically at a competitive price.
- (2) Inverted duty structure make industries at home more protected as the tariff on the imported

finished commodities are low.

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

19 With reference to the Innovators Growth Platform (IGP), sometimes seen in the news, which of the following statement(s) is/are correct?

(1) The IGP helps investors in start-ups divest their holdings without making a public offer.

(2) IGP is an initiative of NITI Aayog.

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

20 Which of the following organization /department imposes/levies 'Anti-dumping' duty in India?

- (a) Directorate General of Trade Remedies
- (b) Department of Revenue
- (c) Central Board of Indirect Taxes and Customs (CBIC)
- (d) Export-Import Bank of India

21 With reference to the 'Tax Inspectors Without Borders Programme (TIWB)', Which of the following statements is/are correct?

(1) It facilitates the transfer of tax audit knowledge and skills to developing country tax administrations using a practical, "learning by doing" approach.

(2) It enables the tax authorities

around the world to work together to prosecute the tax law violations by the trans-national entities.

(3) It is a joint initiative of OECD and UNDP.

Select the correct answer using the code given below.

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

22 In the context of 'Trend and Progress of Banking in India 2017-18' report, consider the following statements.

(1) As per the report, the proportion of persons joining the formal financial system in terms of a bank account has more than doubled since 2011.

(2) In 2017-18, the number of branches in business correspondent (BCs) mode declined in rural areas, whereas the number of BCs in urban areas increased.

(3) The report was published by the Department of Financial Services (DFS), Government of India.

Which of the statements given above are correct?

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

23 With reference to the 'Small Farmers Agribusiness Consortium (SFAC)', which of the following statement is **NOT** correct?

(a) SFAC is an exclusive organization focused on increasing incomes of small as well as marginal farmers, through aggregation and development of agribusiness.

(b) It is a company established by the Ministry of Agriculture and Farmers Welfare, under the Companies Act, 2013.

(c) SFAC is mandated to mobilize farmers into 'Farmers Producers Organizations' (FPOs) and link these institutions to the market.

(d) SFAC is responsible for the implementation of the National Agriculture Market Electronic Trading (e-NAM) platform.

24 India has introduced taxation based on the 'Significant Economic Process (SEP)'. In this context consider the following statements.

(1) It seeks to widen the tax base by establishing a business connection and charging tax on income earned by non-resident digital businesses.

(2) Currently, it is effective only in jurisdictions with which India has not entered into a double taxation avoidance agreement (DTAA).

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

25 With reference to the term 'Fugitive Economic Offender (FEO)', consider the following statement.

(1) A person can be declared as FEO, if an arrest warrant has been issued against the individual and the value of offences exceeds Rs. 100 crore.

(2) Only the Union government has the power to declare a person FEO under the Fugitive Economic

Offenders Act.

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

26 The Cabinet Committee of Economic Affairs recently approved the creation of 'Agri-Market Infrastructure Fund'. In this context consider the following statements.

1. The fund will be used for development and up-gradation of agricultural marketing infrastructure in Gramin Agricultural Markets and Regulated Wholesale Markets.
2. AMIF will provide the States and UTs Governments subsidized loan for their proposal for developing agricultural marketing infrastructure.
3. The Agri-Market Infrastructure Fund is created with a corpus of Rs. 2000 crore and is managed by the NABARD.

Which of the statements given above is/are correct?

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

27 The Union Cabinet recently gave its approval to the 'National Policy on Electronics 2019'. In this context consider the following statements.

- (1) The policy aims to promote domestic manufacturing and export in the entire value-chain of Electronics System Design and Manufacturing

(ESDM).

- (2) It aims to provide incentives and support for enhancing the availability of skilled manpower, including re-skilling.
- (3) It creates a Sovereign Patent Fund (SPF) to promote the development and acquisition of Intellectual Properties in the ESDM sector.

Which of the statements given above is/are correct?

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

28 Women's Livelihood Bonds (WLBs), a new social impact bond exclusively for women, was launched recently. In this context consider the following statements.

- (1) It will enable individual women entrepreneurs with small units to borrow around Rs 50,000 to Rs 3 lakh.
- (2) These bonds are unsecured and unlisted and have a tenure of five years.
- (3) The Bonds were launched by State Bank of India with the support of UN Women.

Which of the statements given above is/are correct?

- (a) 3 only
 (b) 1 and 2 only
 (c) 1, 2 and 3
 (d) None

29 Consider the following statements about 'National Health Authority (NHA)'.

- (1) National Health Authority is an

attached office under the Ministry of Health and Family Welfare.

- (2) National Health Authority is headed by Prime Minister.
- (3) NHA has the full accountability, authority and mandate to implement Pradhan Mantri Jan Arogya Yojana (PMJAY).

Which of the statements given above is/are correct?

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

30 Which of the following are prohibited under the recently promulgated 'Banning of Unregulated Deposit Ordinance, 2019'?

- (1) Chit funds
- (2) Taking loans by small businesses from unrelated parties
- (3) Contributions towards the capital by partners of any partnership firm
- (4) Receiving any amount by an individual by way of loan from his relatives

Select the correct answer using the code given below.

- (a) 1 only
 (b) 2 and 3 only
 (c) 1, 2, 3 and 4
 (d) None of the given activities is prohibited

31 Which of the following statement correctly describes the 'Rail Drishti', launched recently by the Indian Railways?

- (a) A platform to receive innovative

suggestions from the public, which are to be incorporated in the railway's vision document.

- (b) An electronic device which helps the loco pilots in improving the visibility of tracks and signals during fog.
- (c) A dashboard aimed at improving accountability and transparency in Railways by bringing information from various sources on a single platform.
- (d) None of the statements (A), (B) and (C) given above is correct in this context.

32 Recently, the Economist Intelligence Unit published the 'Democracy Index'. Which of the following parameters are used in computing this Index?

- (1) Electoral process and pluralism
 (2) Civil liberties
 (3) Functioning of the government
 (4) Political participation
 (5) Political culture.

Select the correct answer using the code given below.

- (a) 1, 3 and 4 only
 (b) 2 and 5 only
 (c) 1, 3, 4 and 5 only
 (d) 1, 2, 3, 4 and 5

33 Recently, India signed a bilateral currency swap arrangement with the government of Japan. Which of the following is/are the most likely benefits(s) of such arrangement?

- (1) It helps in containing the volatility in currency markets.
- (2) It brings down the cost of capital for Indian entities while accessing foreign capital markets.

(3) It reduces the need for dollars to trade between India and Japan.

Select the correct answer using the code given below.

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

34 Based on which of the following parameter(s), the Reserve Bank of India (RBI) brings the Commercial Banks under the 'Prompt Corrective Action (PCA) framework'?

- (1) Capital to risk-weighted assets ratio
 (2) Net non-performing assets (NPA)
 (3) Return on assets (RoA)

Select the correct answer using the code given below.

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

35 In the context of Non-resident Indian (NRI) deposits, which of the following statements is/are correct?

- (1) Non-Resident (External) Rupee Account deposits are freely repatriable and tax-free.
- (2) Net NRI deposits into India have been steadily increased between FY14 and FY18.
- (3) The United Arab Emirates (UAE) is the top source of inward remittances into India.

Select the correct answer using the code given below.

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

36 In the context of the term 'Instrument for supporting Trade Exchanges (INSTEX)', seen in the news recently, consider the following statements.

- (1) INSTEX enables the non-dollar trade between Europe and Iran.
- (2) INSTEX was established by France, Germany and the United Kingdom.

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

37 Consider the following statements.

- (1) Finance Commission has the powers to make recommendations in relation to the sharing of taxes from inter-State trade.
- (2) The taxes levied under the GST laws will be shared between the centre and the States in the manner prescribed by the GST Council.

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

38 RBI recently decided to set up an expert committee to examine the Economic Capital Framework (ECF). What is/are the aim(s) of ECF?

- (1) Govern the capital requirements of the RBI
- (2) Align the capital norms of the commercial Banks to Basel levels

(3) Determine the terms for the transfer of reserves of RBI to the government

Select the correct answer using the code given below.

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

39 Consider the following statements about 'Common Service Center' (CSC) scheme.

- (1) The scheme is one of the mission mode projects under the Digital India Programme.
- (2) Common Service Centres can work as 'Banking Correspondent' to further the goal of financial inclusion.
- (3) The scheme is implemented by Ministry of Electronics and Information Technology.

Which of the statements given above is/are correct?

- (a) 1 and 3 only
- (b) 2 only
- (c) 1, 2 and 3
- (d) None

40 Assertion (A) : Devaluation of money promotes export

Reason (R): Price of the country products in the International market may fall due to devaluation.

Choose correct option

- (a) Both A and R true and R is the correct explanation of A.
- (b) A is false but R is True
- (c) A is true but R is False

(d) A and R both are true but R is the not correct explanation of A

41 Consider the following statements.

- (1) As per the latest data (January 2019) released by RBI, the gross non-performing assets (GNPA) ratio of public sector banks is more than that of private banks.
- (2) Under the Basel III norms, the Indian scheduled commercial banks are required to maintain a capital to risk-weighted assets ratio (CRAR) of 9%.
- (3) Financial Stability Report (FSR) is a biannual document released by the Department of Economic Affairs.

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

42 Consider the following statements:

- (1) Performance in Health Outcomes Index is released by NITI Aayog and Ministry of Women and Child Development
- (2) States have been ranked in three categories larger States, smaller States and Union Territories to allow for better comparability.
- (3) Among the larger States, Maharashtra, Bihar and Karnataka have emerged as the top performers.

Choose the correct answer from the following code:

- (a) 1 and 3 only
- (b) 2 and 3 only

- (c) 2 only
- (d) 1 and 2 only

43 Which of the following publishes the '**FDI Confidence Index**'?

- (a) UN Conference on Trade and Development (UNCTAD)
- (b) Organisation for Economic Co-operation and Development (OECD)
- (c) World Economic Forum (WEF)
- (d) None of the above

44 What is true about Financial Action Task Force (FATF)

- (1) FATF is responsible for setting global standard on anti-money laundering and combating financing of terrorism.
- (2) FATF is an organization under the aegis of UNSC.

Choose the correct answer from the following code:

- (a) Only 1
- (b) Only 2
- (c) Both 1 and 2
- (d) None of the above

45 Which of following is **not included** in role of ASHA Facilitators?

- (a) Conduct village visits (comprising of accompanying ASHA on household visits, conducting community/VHSNC meetings. Attending Village Health and Nutrition Days).
- (b) Conduct cluster meetings of all ASHAs in the area once a month.
- (c) Enable ASHAs in reaching the most marginalized households. Facilitate grievance redress & ensure the incentives reach ASHA.

(d) Conduct institutional delivery.

46 Consider the following statements

- (1) The Fiscal Responsibility and Budget Management (FRBM) Review Committee Report has recommended a debt to GDP ratio of 60% for the general (combined) government by 2023, comprising 40% for the Central Government and 20% for the State Governments.
- (2) The Central Government has domestic liabilities of 21% of GDP as compared to that of 49% of GDP of the State Governments.
- (3) As per the Constitution of India, it is mandatory for a State to take the Central Government's consent for raising any loan if the former owes any outstanding liabilities to the latter.

Which of the statements given above is/are correct?

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

47 A tax is said to be buoyant if

- (1) The tax revenues increase more than proportionately in response to a rise in national income or output.
- (2) Tax indicates efficiency and responsiveness of revenue mobilization in response to growth in the Gross Domestic Product or National Income.

Choose the correct answer from the following code:

- (a) Only 1
- (b) Only 2
- (c) Both 1 and 2
- (d) None of the above

48 Features of Input Tax Credit :

- (1) It is the tax that a business pays on a purchase and that it can use to reduce its tax Liability when it makes a sale. In other words, businesses can reduce their tax liability by claiming credit to the extent of GST paid on purchases.
- (2) ITC can be claimed only for business purposes. ITC will not be available for goods or services exclusively used for: Personal use; Exempt supplies; Supplies for which ITC is specifically not available.

Choose the correct answer from the following code:

- (a) Only 1
- (b) Only 2
- (c) Both 1 and 2
- (d) None of the above

49 The significance of Advance Pricing Agreements is

- (1) to help taxpayers voluntarily resolve actual or potential transfer pricing disputes in a proactive, cooperative manner
- (2) APAs gives certainty to taxpayers, reduce disputes, enhance tax revenues and make the country an attractive destination for foreign investments

Choose the correct answer from the following code:

- (a) Only 1
- (b) Only 2
- (c) Both 1 and 2
- (d) None of the above

50 MCA-21 is a major initiative taken up by the government of India in which one of the following areas?

- (a) FDI in India
- (b) Attracting international tourists
- (c) Modernization of airports
- (d) E-Government

ANSWERS


1. c	11. a	21. b	31. c	41. a
2. b	12. b	22. a	32. d	42. c
3. b	13. c	23. b	33. d	43. d
4. b	14. b	24. c	34. d	44. a
5. d	15. c	25. a	35. c	45. d
6. c	16. c	26. d	36. c	46. c
7. b	17. b	27. c	37. d	47. c
8. c	18. a	28. b	38. b	48. c
9. b	19. a	29. b	39. b	49. d
10. c	20. b	30. d	40. a	50. d

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| 1. POLITY | 4. Sci. &Tech and Art & Culture. |
| 2. ECONOMICS | 5. GOVERNMENT SCHEMES. |
| 3. GEOGRAPHY & ENVIRONMENT | 6. INTERNATIONAL RELATIONS |

EXPLANATION

<p>1.</p>	<p>c</p>	<ul style="list-style-type: none"> • Society for Worldwide Interbank Financial Telecommunication. Being founded in 1973, it is world's largest electronic payment messaging system. • SWIFT is a cooperative society under Belgian law owned by its member financial institutions with offices around the world. • SWIFT does not hold funds or manage accounts on behalf of customers or carry out any of the funds transfers itself. Rather, it is just a bank-to-bank messaging system. <p>It provides a network that enables financial institutions worldwide to send and receive information about financial transactions in a secure, standardized and reliable environment.</p> <ul style="list-style-type: none"> • It supplies a standardized language that institutions use to communicate payment instructions and other information to each other. • It uses a system of codes to detail where a transfer is coming from, where it's going, and how it'll to get there. • It supplies a standardized language that institutions use to communicate payment instructions and other information to each other. • It uses a system of codes to detail where a transfer is coming from, where it's going, and how it'll to get there. <div data-bbox="869 560 1468 963" style="text-align: center;"> </div>
<p>2.</p>	<p>b</p>	<p>Niryat Bandhu Announced in Oct 2011 is announced by Indian Farmers Fertiliser Cooperative Limited (IFFCO) has recently launched a social e-commerce app and web portal, "IFFCO iMandi", to serve and connect the farmers digitally.</p> <p>Going forward, all e-commerce and digital initiatives of IFFCO shall be available on the IFFCO iMandi platform</p> <ol style="list-style-type: none"> (1) iMandi's e-commerce platform is a "One Stop Shop" for fertilizer, cooperative Wholly Owned agriculture inputs and produce, FMCG, electronics, loans, by Indian Co-operative insurance' etc' (2) iMandi shall be India's largest rural social e-commerce reliable high quality agricultural platform that would utilize exclusive access to IFFCO's more inputs and Services in an than 55,000 Point of Sales, 36,000 Cooperative Societies, more environmentally Sustainable Than 30,000 warehouses and having access to 250 million rural manner and to undertake other consumers, covering over a third of India.
<p>3.</p>	<p>b</p>	<ul style="list-style-type: none"> • Union Cabinet has approved the extension of Concessional Financing Scheme (CFS) for another 5 years, from 2018 to 2023. • About Concessional Financing Scheme Introduced in 2015-16 • Objective - To support Indian Entities bidding for strategically important infrastructure projects abroad. • Operationalization of scheme - Through Export-Import (EXIM) Bank of India.

		<ul style="list-style-type: none"> • CFS envisages Gol to provide counter guarantee and interest equalization support of 2% to EXIM Bank to offer concessional finance to any foreign govt. or foreign govt. owned/controlled entity, if any Indian entity succeeds in getting contract for the execution of a project. • Repayment of loan is guaranteed by foreign govt. if • Borrower is foreign govt. owned/controlled entity. • Under the Scheme, EXIM Bank extends credit at a rate not exceeding LIBOR (avg. of 6 months) + 100 bps.
4.	b	<p>Niryat Bandhu Announced in Oct 2011 Federation of Indian Export Organisations (FIEO) Setup in 1965 by Ministry of Commerce.</p>  <p style="text-align: right; font-size: small;"> FEDERATION OF INDIAN EXPORT ORGANISATIONS Set up by Ministry of Commerce, Government of India </p> <ol style="list-style-type: none"> 1. An apex body of export promotion councils, commodity boards & export development authorities in India. 2. Provides interface between international trading community of India & the Central/ State Govts., financial institutions, ports, railways, surface transport and other agencies involved in export facilitation. 3. FIEO's direct members contribute more than 70% of India's exports. 4. Facilitates redressal of exporters' problems by taking them up and following up with concerned authorities. 5. FIEO has developed and maintains the Indian Trade Portal www.indiantradeportal.in) 6. Confers 'Niryat Shree' and 'Niryat Bandhu' awards to exporters and export facilitators respectively for their outstanding performance in exports.
5.	d	<p>the Reserve Bank of India (RBI) has shortlisted six major It companies, including Tata Consultancy Services Ltd (TCS), Wipro Ltd and IBM India, to set up a wide based digital Public Credit Registry for capturing details of all borrowers and wilful defaulter's. Public Credit registry (PCR)</p> <ol style="list-style-type: none"> (1) It is an information repository that collates all loan information of individuals and corporate borrowers. (2) A credit repository helps banks distinguish between a bad and a good borrower and Accordingly offer attractive interest rates to good borrowers and higher interest rates to bad borrowers. (3) The move is based on the recommendations of a committee, headed by Y.M.Deosthalee. (4) PCR will address issues such as information asymmetry, improve access to credit and strengthen the credit culture among consumers. It can also address the bad loan problem (5) Staring at banks, as corporate debtors will not be able to borrow across banks without disclosing existing debt. (6) Setting up the PCR will help improve India's rankings in the World Bank's ease of doing business index
6.	c	<p>The Ministry of Road Transport & Highways (MoRTH) recently launched Bidder Information Management System (BIMS) & Bhoomi Rashi, with Public Financial Management System (PFMS) linkage, aimed at expediting pre construction processes relating to bidding and land acquisition respectively</p>

		<p>Public Financial Management System (PFMS)</p> <p>About PFMS:</p> <ol style="list-style-type: none"> 1. It is an electronic fund tracking mechanism that compiles collates and makes available, in real-time, information regarding all government schemes (Central sector, centrally sponsored & other expenditures) 2. It would help in monitoring the funds transfer to the implementing agencies. 3. The Government has made the use of Public Finance Management System (PFMS) mandatory to monitor all Central Sector Schemes. 4. PFMS web-based software application is developed and implemented by the Office of Controller General of Accounts (CGA) 5. Administered by Department of Expenditure, Ministry of Finance. 6. It is also integrated with core banking solution of banks handling government funds.
7.	b	<p>NITI Aayog recently launched 'Pitch to Move', a mobility pitch competition for the Start-ups. About "Pitch To Move"</p> <ol style="list-style-type: none"> (1) Aim - To provide Indian Start-ups, working in the various fields of mobility, an opportunity to pitch their business ideas to industry leaders and Venture Capitalists for raising investments. (2) Organised by - NITI Aayog in collaboration with Invest India and Society of Indian Automobile Manufacturers (SIAM) (3) It is a part of the main event - First 'MOVE: Global Mobility Summit', that was held in New Delhi in September 2018. (4) The Start-ups can be from the domain of Public Mobility, (5) Electric Vehicles, Shared Transport, Battery Technology, Automotive IoT, Freight & Logistics, etc.
8.	c	<p>o Purpose of FDMC — To assist the FSDC in conducting research on systemic risk and system-wide trends, and facilitate a discussion about policy alternatives.</p> <ol style="list-style-type: none"> (1) The FDMC will set up as a statutory body because: new proposal provides for FDMC and the regulators to "enter into agreement" for flow of data Stringent confidentiality norms" to ensure the same level of protection as provided by various acts applicable to the regulator
9.	b	<p>The Union Cabinet recently approved the Promulgation of Unregulated Deposit Schemes Ordinance, 2019.</p> <p>In a major policy initiative to protect the savings of the investors, the Union Govt. had introduced the following bills in the Parliament, in July 2018.</p> <ol style="list-style-type: none"> 1. Banning of Unregulated Deposit Schemes Bill, 2018 Chit Funds (Amendment) Bill, 2018 2. This was in line with the Finance Minister's Budget 2016-17 announcement that a comprehensive central legislation would be brought in to deal with the menace of illicit deposit taking schemes. 3. Chit funds fall under the Concurrent List of the Indian Constitution, hence, both the centre and state can frame legislation on it
10.	c	<p>BENAMI TRANSACTIONS (PROHIBITION) AMENDMENT ACT, 2016 KEY PROVISIONS</p>

		<p>Key Objective: Effectively plug loopholes in 1988 act to prohibit Benami transactions and consequently prevent circumvention of law through unfair practices</p> <p>(1) Definition of Benami Transactions: Amends the definition of Benami transactions to widen the scope for legal action.</p> <p>(2) Types of Benami property: will cover movable, immovable, tangible and intangible properties. In case of joint ownership of property, the tax payer will have to show financing sources Confiscation of Property: empowers the specified authorities to provisionally attach benami properties which can eventually be confiscated without payment of compensation.</p> <p>(3) Appellate Mechanism: Establish adjudicating authorities and Appellate Tribunal to deal with Benami transactions</p> <p>(4) Initiating Officer may pass an order to continue holding property and may then refer case to Adjudicating Authority which will then examine evidence and pass an order.</p> <p>(5) Appellate Tribunal will hear appeals against orders of Adjudicating Authority</p>
11.	a	<p>1. GII is jointly released by World Intellectual Property Organization (WIPO), Cornell University and INSEAD, with CII as one of the Knowledge Partners.</p> <p>2. It ranks 126 world economies, since 2007, according to their innovation capabilities and outcomes.</p> <p>3. It is based on 80 indicators, ranging from intellectual property filing rates to mobile-application creation, education spending and scientific .</p>
12.	b	<p>In 2016, the Finance Ministry set up a Public Debt Management Cell (PDMC) as an interim arrangement before a full-fledged, independent, and statutory debt management body, Public Debt Management Agency (PDMA), is set up in 2 years' time.</p> <p>1. The aim is to Separate the debt management function of the RBI (from its monetary functions) and allot it to an independent debt management agency.</p> <p>2. Ensure the transition in a gradual and seamless manner, without causing market disruptions Achieve Debt Management Policy objective of meeting government's finances at low cost, low risk, and development of a well-functioning and vibrant domestic bond market</p> <p>3. The PDMC is set up within the Budget Division of the Finance Ministry, but housed in the Delhi office of RBI. The Middle office of Budget Division will be subsumed within PDMC with immediate effect.</p> <p>In India, total Central Government Debt/Liabilities constitutes the following 3 categories;</p> <ol style="list-style-type: none"> 1. Internal Debt 2. External Debt 3. Public Account Liabilities

Penalty Benami Transactions (Prohibition) Amendment Act, 2016		
Penalty: offences are non-cognisable non-bailable.		
Offence	Fine	Imprisonment
For guilty of offence of a benami transaction	Upto 25% of the Fair Market Value	Minimum 1 year upto 7 years
For providing false information	Upto 10% of the Fair Market Value	Minimum 6 months upto 5 years

		4. Public Debt in India includes only Internal and External Debt incurred by the Central Government
13.	c	<p>GeM is a state-of-the-art online marketplace for procurement of common use goods & services by government departments. Founded in 2016, as a Section 8 company. Objective - to ensure that public procurement of goods and services in India, worth more than Rs. 5 lakh crore annually, is carried out through the online platform for transparency and to eliminate corruption.</p> <p>Available for</p> <ul style="list-style-type: none"> - Central and State Govt Ministries and departments, Central & State Public Sector Undertakings (CPSUs & SPSUs), autonomous institutions and local bodies. - It is mandatory for central government departments to procure through GeM. - Developed by — Directorate General of Supplies and Disposals (DGS&D) with technical support of NeGD (MeitY)
14.	b	<ul style="list-style-type: none"> • Definition - GST is a single, nation-wide, indirect tax on supply of both goods and services. Multi-stage Tax- GST is collected at every stage of the value chain -ie. Production, distribution, and consumption- However, the final consumer of the goods and services finally bears the tax burden. • Value added Tax - GST is a tax only on value addition created at each stage of supply chain, thus, removing cascading effect of taxes. The supplier can a claim input tax credit. • Consumption based Tax — GST is a destination based consumption tax ie. the tax revenues accrue to the destination place where consumption of the goods or services takes place. <div align="center"> <p>Standard-Rated GST</p> <pre> graph LR A[Raw Material Supplier Sale = RM100 Collect = RM106] -- "6% GST RM6" --> B[Manufacturer Sale = RM150 Collect = RM159] B -- "6% GST RM9" --> C[Retailer Sale = RM300 Collect = RM318] C -- "6% GST RM18" --> D[Final Consumer] A --- A1[Collected GST = RM6 Paid to Govt = RM6] B --- B1[Collected GST = RM9 Claim back = RM6 Paid to Govt = RM3] C --- C1[Collected GST = RM18 Claim back = RM9 Paid to Govt = RM9] D --- D1[Bears entire tax burden from GST = RM18] </pre> </div>
15.	c	<ol style="list-style-type: none"> 1. A type of differentiated bank, devised to address the need to specific segment of India. 2. Introduced in 2015 on recommendations of Nachiket Mor committee <p>The Government formally launched India Post Payments Bank (IPPB) in September 2018. About India Post Payments Bank (IPPB)</p> <ol style="list-style-type: none"> 1. Established as a public sector company under the Department of Posts, Ministry of Communication, with 100% equity owned by Gol.

		<p>2. Regulated by - Reserve Bank of India (RBI) Objective -To provide every household in India an access to efficient banking services, enable them to become financially secure and empowered, and to utilise full-fledged digital banking services.</p> <p>3. Target segment — It will provide the banking services to both urban and rural areas, but it's primary focus would be on rural segment.</p> <p>4. Services offered — Deposits (saving & current account), Money transfer, Direct benefits transfers, loans, insurance, investments, bill & utility payments, enterprise and merchant payments etc.</p> <p>5. Coverage - IPPB will leverage the vast India Post's network of nearly 1.55 lakh post offices and 3 lakh postal employees in every district, town and village.</p> <p>6. Access points — Counter services, micro-ATM, mobile banking app, SMS etc. IPPB will have 650 Branches spread across the country. Two pilot branches opened in Jaipur & Ranchi. Approachability - Last mile delivery of services through the postman & Grameen Dak Sewaks — a son of the soil and a friend, philosopher and financial guide to the people.</p> <p>7. Debit Card - Instead of Debit Card, IPPB will provide a QR Code-based biometric card, which will have the customer's account number embedded so that they don't have to remember their account numbers.</p>
16.	c	<p>Commercial papers have become one of the popular routes for corporates to raise funds when compared with loans from banks in recent times.</p> <p>Commercial paper: Commercial papers have become one of the popular routes for corporates to raise funds when compared with loans from banks in recent times. Commercial Paper (CP) is an unsecured loan raised by firms in money markets through instruments issued in the form of a promissory note. CPs can be issued for maturities between a minimum of 7 days and a maximum of up to one year from the date of issue. Why is CPs popular?</p> <p>(1) Surplus liquidity (2) Short-term borrowing rates in money markets have significantly declined post demonetisation and are much lower than the lowest benchmark lending rates of the banks banks cannot lend below the benchmark lending rates, firms with good ratings have preferred (3) To meet short-term working capital requirements.</p>
17.	b	<ul style="list-style-type: none"> • The Index of Economic Freedom is an annual index and ranking created in 1995 by The Heritage Foundation and The Wall Street • Journal to measure the degree of economic freedom in the world's nations. <p>Why is this question important?</p> <ul style="list-style-type: none"> • The index for the year 2019 was released recently. 2019 marks the 25th • Anniversary of the annual Index of Economic Freedom.
18.	a	<p>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</p>

		<p>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. Inverted duty structure make industries at home less protected as the tariff on the imported finished commodities are low.</p>
19.	a	<p>The Innovators Growth Platform (IGP) helps investors in startups divest their holdings without making a public offer. Profitability and other disclosure requirements are less stringent here, compared to the SME platform or the main board of exchanges. It is an initiative of SEBI, started in 2013 as the Institutional Trading Platform (ITP).</p> <p>Why is this question important?</p> <p>SEBI recently renamed the Institutional Trading Platform (ITP) as Innovators Growth Platform (IGP). Following a review in 2018, the rules governing ITP were tweaked. In its new avatar as the Innovators Growth Platform, the participant base has been considerably widened and some of the difficulties being faced by companies have been ironed out.</p>
20.	b	<p>Directorate General of Trade Remedies conducts the antidumping investigation and recommends to the Government about the imposition of anti-dumping duties. Such duties are finally imposed/ levied by the Department of Revenue.</p> <p>Why is this question important?</p> <p>India is likely to impose anti-dumping duty on a certain type of sheet used in the solar cell making from China, Malaysia, Saudi Arabia and Thailand for five years in order to safeguard domestic players from cheap imports from these</p>
21.	b	<ul style="list-style-type: none"> • Tax Inspectors Without Borders (TIWB) is a joint initiative of the Organisation for Economic Co-operation and Development (OECD) and the United Nations Development Programme (UNDP) sup • The TIWB initiative facilitates the transfer of tax audit knowledge and skills to developing country tax administrations using a practical, "learning by doing" approach. • TIWB Programmes complement the broader efforts of the international community to strengthen co-operation on tax matters and contribute to the domestic resource mobilization efforts of developing countries. Why is this question important • The Union Cabinet has recently approved the Signing of Terms of Reference (TOR) governing the engagement of the designated Indian Expert to provide tax assistance to Swaziland (now known as Eswatini) under the Tax Inspectors Without Borders Programme between India and Eswatini. porting countries in building tax audit capacity.
22.	a	<ul style="list-style-type: none"> • As per the Reserve Bank of India's (RBI) Report on "Trend and Progress of Banking in India 2017-18", the proportion of persons joining the formal financial system in terms of an account at financial institutions has more than doubled since 2011 and by 2017 it had reached 80 per cent of the Indian population. • As per the report, the number of brick-and-mortar branches and branches in business correspondent (BC) mode declined in rural areas partly due to the rationalisation of branches by banks through closing down of branches which were either unviable or located in close proximity to each other. Furthermore,

		<p>some banks disengaged with corporate BCs due to non-performance.</p> <ul style="list-style-type: none"> At the same time, the number of BCs in urban areas increased partly attributable to absorption of erstwhile pre-paid payment instruments (PPIs) providers into the BC fold. The report “Trend and Progress of Banking in India 2017-18” was recently released by the Reserve Bank of India’s (RBI).
23.	b	<ul style="list-style-type: none"> Small Farmers Agribusiness Consortium (SFAC) is an exclusive Society focused on increasing incomes of small and marginal farmers through aggregation and development of agribusiness. SFAC is a registered society set up under the Societies Registration Act XXI of 1860 under the administrative control of Department of Agriculture Cooperation and Farmers Welfare, Ministry of Agriculture & Farmers Welfare, Government of India. Its mandate is to link farmers to investment, technology and markets. SFAC is mandated to mobilize farmers into groups, called Farmers Producers Organizations (FPOs) and link these institutions to the market, for better returns. SFAC is also implementing the National Agriculture Market Electronic Trading (e-NAM) platform. The purpose is to provide for a single unified market for agricultural products with much higher price discovery for farmers. The Union Cabinet recently approved the proposal for leasing out 1.61 acres of land at Alipur Delhi to SFAC for setting up of Kisan Mandi. SFAC proposes to establish a Kisan Mandi, as an additional marketing channel/platform to link FPOs and farmers Growers Association to wholesale and retail consumers for the direct sale of fruits & vegetables for the benefits of farmers and consumers in Delhi & NCR.
24.	c	<p>Taxation based on Significant Economic Process (SEP) will seek to widen the tax base in India by establishing a business connection and charging to tax income earned by digital businesses which operate out of jurisdictions with which India has not entered into a double taxation avoidance Agreement (DTAA).</p> <p>However, where India has already entered into a DTAA, the SEP will only be effective after a renegotiation of such DTAA which will be based on International consensus.</p> <p>In 2018, India introduced a nexus-based taxation approach in the domestic tax law, deeming a SEP for non-residents in certain scenarios.</p>
25.	a	<ul style="list-style-type: none"> The Fugitive Economic Offenders Act (FEOA), which became a law on July 31, 2018, allows for declaring a person as an offender after an arrest warrant has been issued against the individual and the value of offences exceeds Rs. 100 crore. Another condition for declaring a person a fugitive economic offender (FEO) is when the individual refuses to return to the country to face prosecution in the Specified cases.

26.	d	<p>Agri-Market Infrastructure Fund (AMIF) is created with NABARD, with a corpus of Rs. 2000 crore, for development and up-gradation of agricultural marketing infrastructure in Gramin Agricultural Markets and Regulated Wholesale Markets. AMIF will provide the State/UT Governments subsidized loan for their proposal for developing marketing infrastructure in 585 Agriculture Produce Market Committees (APMCs) and 10,000 Grameen Agricultural Markets (GrAMs). Recently, the Cabinet Committee of Economic Affairs gave its approval for the creation of a corpus of Rs. 2000 crore for Agri-Market Infrastructure Fund (AMIF).</p>
27.	c	<p>Salient Features of National Policy on Electronics 2019:</p> <ol style="list-style-type: none"> 1. Create eco-system for globally competitive ESDM sector: Promoting domestic manufacturing and export in the entire value-chain of ESDM. 2. Provide incentives and support for manufacturing of core electronic components. 3. Provide a special package of incentives for mega projects which are extremely high-tech and entail huge investments, such as semiconductor facilities display fabrication, etc. 4. Formulate suitable schemes and incentive mechanisms to encourage new units and expansion of existing units. 5. Promote Industry-led R&D and innovation in all sub-sectors of electronics, including grass root level innovations and early stage Startups in emerging technology areas such as 5G, IoT/ Sensors, Artificial 6. Intelligence (AI), Machine Learning, Virtual Reality (VR), Drones, Robotics, Additive Manufacturing, Photonics, Nano-based devices, etc. 7. Provide incentives and support for significantly enhancing the availability of skilled manpower, including re-skilling. 8. Special thrust on Fabless Chip Design Industry, Medical Electronic Devices Industry, and Automotive Electronics Industry and Power 9. Electronics for Mobility and Strategic Electronics Industry. 10. Create a Sovereign Patent Fund (SPF) to promote the development and acquisition of IPs in the ESDM sector. 11. Promote trusted electronics value chain initiatives to improve national cyber security profile.
28.	b	<ul style="list-style-type: none"> • The Women's Livelihood Bonds will enable individual women entrepreneurs in sectors like food processing, agriculture, services and small units to borrow around Rs 50,000 to Rs 3 lakh at an annual interest rate of around 13-14 per cent or less. • The bonds, which will have tenure of five years, were launched by SIDBI with the support of World Bank and UN Women. SIDBI will act as the financial intermediary and channel funds raised to women entrepreneurs through participating financial intermediaries like banks, NBFCs or microfinance institutions. • The WLBs will be unsecured, unlisted bonds and offer fixed coupon rate of 3 per cent per annum to bond investors. • World Bank, UN Women, and Small Industries Development Bank of India (SIDBI) have joined hands to launch a new social impact bond exclusively for women, called Women's Livelihood Bonds (WLBs), with an initial corpus of Rs 300 crore.
29.	b	<ul style="list-style-type: none"> • The government has restructured the existing National Health Agency as

		<p>"National Health Authority" for better implementation of Pradhan</p> <ul style="list-style-type: none"> • Mantri - Jan Arogya Yojana (PM-JAY). • National Health Authority is an attached office under the Ministry of Health & Family Welfare. • The Governing Board of the NHA is chaired by the Minister of Health & Family Welfare, which will enable the decision making at a faster pace, required for smooth implementation of the scheme. • National Health Authority has the full accountability, authority and mandate to implement PM-JAY through an efficient, effective and transparent decision making process. • NHA was in news recently, due to its difference with the Health Ministry over the strategy for implementation of Ayushman Bharat.
30.	d	<p>The Banning of Unregulated Deposit Ordinance puts a check only on illicit deposit schemes that dupes gullible investors but it does not prohibit those regulated by law like chit funds. Chit fund is regulated by the Chit Fund Act, 1982 and is treated as Regulated Deposit as per Schedule 1 of Banning of Unregulated Deposit Ordinance, 2019.</p> <p>According to the Ordinance, the amounts received by way of contributions towards the capital by partners of any partnership firm or limited liability Partnerships, loans taken by small businesses from unrelated parties and enterprises are exempt.</p> <p>Besides, the amount received by an individual by way of loan from his relatives or amount received by any firm by way of loans from relatives of any of its Persons is exempt among other exemptions.</p>
31.	c	<ul style="list-style-type: none"> • Rail Drishti dashboard encompasses all the digitization efforts in Indian Railways and promotes transparency and accountability. • It brings information from various sources on a single platform and gives access to key statistics and parameters to every citizen of the country. • This dashboard can be accessed using a desktop/laptop or a mobile device such as a phone or tablet. • Railway Minister Piyush Goyal recently launched Rail Drishti Dashboard to Promote Transparency and Accountability.
32.	d	<p>The Democracy Index ranks 165 independent countries based on five parameters — namely, electoral process and pluralism, civil liberties, The functioning of the government, political participation and political culture. Based on a comprehensive survey containing 60 questions under five categories, the index classifies countries into four types — Full Democracies, Flawed Democracies, Hybrid Democracies and Authoritarian Regimes.</p> <p>The Economist Intelligence Unit recently published its 11th report on the “State of Democracy in the World in 2018” and the “Democracy Index”.</p>
33.	d	<p>India signed a bilateral currency swap arrangement worth \$75 billion with the government of Japan. Benefits: The agreement will be more effective in improving the sentiment towards the rupee. The swap agreement will allow both countries to borrow in US dollars or the currency of the other country, up to limits specified.</p> <ul style="list-style-type: none"> • This buffer ensures that the central bank will have enough resources to draw upon if there is unprecedented volatility in currency markets. • Since the exchange rate will be fixed in the swap deal, the foreign exchange risk is mitigated.

		<ul style="list-style-type: none"> The facility will not only make the agreed amount of capital to India on tap for use, it would also help bring down the cost of capital for Indian entities while accessing foreign capital markets. After this pact, India and Japan would not require dollars to trade between themselves. <p>The rupee's incessant slide against the US dollar since the beginning of 2018 had made it the worst performing Asian currency. The Centre's move to sign a bilateral currency swap arrangement with the government of Japan is seen as the most substantive step taken so far to support the rupee.</p>																				
34.	d	<p>The PCA framework kicks in when banks breach any of the three key regulatory trigger points — capital to risk-weighted assets ratio, net non-performing assets (NPA) and return on assets (RoA).</p> <p>Of the 21 state-owned banks, 11 are under the PCA framework. These are Allahabad Bank, United Bank of India, Corporation Bank, IDBI Bank, UCO Bank, Bank of India, Central Bank of India, Indian Overseas Bank, Oriental Bank of Commerce, Dena Bank and Bank of Maharashtra. The Prompt Corrective Action (PCA) framework has been one of the reasons for a recent tussle between Government and the RBI. The government wants the PCA diluted so that bank lending rises, thereby easing the liquidity crisis.</p> <div data-bbox="1015 591 1481 949" style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">PCA matrix – areas and risk thresholds</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="text-align: left;">Area</th> <th style="text-align: left;">Risk threshold 1</th> <th style="text-align: left;">Risk threshold 2</th> <th style="text-align: left;">Risk threshold 3</th> </tr> </thead> <tbody> <tr> <td>Capital (Breach of either CRAR or CET 1 ratio)</td> <td>up to 250 bps below Indicator <math>< -10.25\%</math> but <math>\geq -7.75\%</math> upto 162.50 bps below Indicator <math>< -6.75\%</math> but <math>\geq -5.125\%</math></td> <td>more than 250 bps but not exceeding 400 bps below Indicator <math>< -7.75\%</math> but <math>\geq -6.25\%</math> more than 162.50 bps below but not exceeding 312.50 bps below Indicator <math>< -5.125\%</math> but <math>\geq -3.625\%</math></td> <td>In excess of 312.50 bps below Indicator <math>< -3.625\%</math></td> </tr> <tr> <td>Asset Quality (Net non-performing advances ratio)</td> <td><math>\geq -6.0\%</math> but <math>< -9.0\%</math></td> <td><math>\geq -9.0\%</math> but <math>< 12.0\%</math></td> <td><math>\geq -12.0\%</math></td> </tr> <tr> <td>Profitability return on assets</td> <td>Negative ROA for two consecutive years</td> <td>Negative ROA for three consecutive years</td> <td>Negative ROA for four consecutive years</td> </tr> <tr> <td>Leverage Tier 1 Leverage ratio</td> <td><math>\leq -4.0\%</math> but <math>\geq -3.5\%</math> (leverage is over 25 times the Tier 1 capital)</td> <td><math>< -3.5\%</math> (leverage is over 28.6 times the Tier 1 capital)</td> <td></td> </tr> </tbody> </table> </div>	Area	Risk threshold 1	Risk threshold 2	Risk threshold 3	Capital (Breach of either CRAR or CET 1 ratio)	up to 250 bps below Indicator <math>< -10.25\%</math> but $\geq -7.75\%$ upto 162.50 bps below Indicator <math>< -6.75\%</math> but $\geq -5.125\%$	more than 250 bps but not exceeding 400 bps below Indicator <math>< -7.75\%</math> but $\geq -6.25\%$ more than 162.50 bps below but not exceeding 312.50 bps below Indicator <math>< -5.125\%</math> but $\geq -3.625\%$	In excess of 312.50 bps below Indicator <math>< -3.625\%</math>	Asset Quality (Net non-performing advances ratio)	$\geq -6.0\%$ but <math>< -9.0\%</math>	$\geq -9.0\%$ but <math>< 12.0\%</math>	$\geq -12.0\%$	Profitability return on assets	Negative ROA for two consecutive years	Negative ROA for three consecutive years	Negative ROA for four consecutive years	Leverage Tier 1 Leverage ratio	$\leq -4.0\%$ but $\geq -3.5\%$ (leverage is over 25 times the Tier 1 capital)	<math>< -3.5\%</math> (leverage is over 28.6 times the Tier 1 capital)	
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Leverage Tier 1 Leverage ratio	$\leq -4.0\%$ but $\geq -3.5\%$ (leverage is over 25 times the Tier 1 capital)	<math>< -3.5\%</math> (leverage is over 28.6 times the Tier 1 capital)																				
35.	c	<p>There are different components of NRI deposits. They are NonResident (External) Rupee Account, Foreign Currency Non-Resident (Bank) [FCNR (B)] and Non-Resident Ordinary (NRO).</p> <p>Non-Resident (External) Rupee Account deposits are freely repatriable and taxfree.</p> <p>According to the RBI's survey of inward remittances for 2016-17, the UAE is the top source of inward remittances into India, with Kerala receiving the maximum funds sent from abroad.</p> <p>Non-resident Indian (NRI) deposits jumped to \$5.7 billion in the first five months of this fiscal compared to \$0.5 billion in the same period last year.</p> <p>The rise is attributed to the sliding rupee, which makes deposits in the currency attractive for NRIs, and to higher oil prices which have prompted inflows from NRIs in the Middle-east to increase.</p>																				
36.	c	<p>France, Germany and the UK established INSTEX (Instrument for supporting Trade Exchanges) as a special purpose vehicle to allow them to bypass US sanctions on trade with Iran.</p> <p>The INSTEX has been set up to enable non-dollar trade between Europe and Iran, and as a mechanism, will deal with food and medicine (humanitarian non-sanctioned categories by the US).</p> <p>The first week of February saw three of the eight signatories to the Iran nuclear deal – France, Germany and the UK – formally establishing the INSTEX.</p>																				
37.	d	<p>Under Article 269A (1) the GST Council — and not the Finance Commission — has the powers to make recommendations in relation to the sharing of taxes from inter-State trade. Articles 270(1A) and 270(2) provide that taxes levied under the GST</p>																				

		<p>laws will be shared in the manner ‘prescribed’ in Article 270(2) — which is related to the Finance Commission, and not the GST Council. Taxation powers and sharing of taxes are the contentious issues in the Centre State Relationship.</p> <div data-bbox="274 264 917 739" style="border: 1px solid black; padding: 10px; text-align: center;"> <p>Composition of GST Council</p> <pre> graph TD A[Union Finance Minister, Chairperson] --- B[To be Elected, Vice Chairperson] A --- C[Union Revenue Secretary, Ex-Officio Secretary] B --- D[Union Minister of State, Revenue/Finance, Member] B --- E[Finance/Taxation/Any Other Minister of Each State, Member] B --- F[Chairman, CBEC, Ex-Officio Permanent Invitee] </pre> </div>
38.		<p>Economic capital framework governs the RBI’s capital requirements and terms for the transfer of its reserves to the government. Currently, the overnment is seeking to transfer surplus reserves of the central bank to the government. The government had suggested that this surplus can be managed jointly by the RBI and the government. It feels that the existing ECF is based on a very “conservative” assessment of risk by the central bank. Why is this question important? So, the Reserve Bank of India decided to set up an expert committee to examine the central bank’s Economic Capital Framework (ECF), a key demand of the government.</p>
39.	b	<p>Common Service Centres (CSC) scheme is one of the mission mode projects under the Digital India Programme. The scheme is implemented by Ministry of Electronics and Information Technology. CSC Special Purpose Vehicle (SPV) as a Corporate Banking Correspondent has signed an agreement with 26 Banks (Public Sector Banks, Regional Rural and Private Sector Banks) for enabling CSCs to become Banking Correspondent Agents/Customer Service Points.</p>
40.	a	<p>Devaluation of a money promote export, because it reduces the price of the domestic product in the international market,, but it will be successful if there is elastic demand for the domestic product in the international market.</p>
41.	a	<p>Financial Stability Report (FSR) is a biannual document released by the Reserve Bank of India. As per the latest Financial Stability Report (January 2019), the gross nonperforming assets (GNPA) ratio of public sector banks is 14.8% in September 2018 under a baseline stress scenario, while for private banks the ratio is 3.8%. The Basel III norms stipulated a capital to risk weighted assets of 8%. However, as per RBI norms, Indian scheduled commercial banks are required to maintain a CAR of 9%. As per the report, as many as eight PSU banks under prompt corrective action framework (PCA PSBs) may have CRAR below the minimum regulatory level of 9 per cent by March 2019.</p>
42.	c	<ul style="list-style-type: none"> The NITI Aayog in collaboration with the ministry of health and family welfare (MoHFW) and World Bank released the Performance in Health Outcomes Index.

		<ul style="list-style-type: none"> • It uses 24 different indicators to rank the states. States have been ranked in three categories larger States, smaller States and Union Territories to allow for better comparability. The overall objective of the index is to highlight the top performers and States that are making significant improvements. • Among the larger States, Kerala, Punjab and Tamil Nadu have emerged as the top performers, whereas Jharkhand, Uttar Pradesh and Jammu & Kashmir have shown the maximum improvement in annual performance.
43.	d	<p>Learning zone: The Foreign Direct Investment Confidence (FDI) Index prepared by A.T. Kearney is an annual survey which tracks the impact of likely political, economic, and regulatory changes on the foreign direct investment intentions and preferences of CEOs, CFOs, and other top executives of Global 1000 companies. The report includes detailed commentary on the markets and the impact a variety of global trade issues have on their FDI attractiveness, as well as a ranking of the top 25 countries.</p> <p>As per the Ministry of Commerce and Industry, in the last four years, India has received FDI worth US\$ 263 billion. This is 45 per cent of the FDI received in the last 18 years. FDI in India is at a record high and India is among the top two emerging markets in the FDI Confidence Index.</p>
44.	a	<p>The Financial Action Task Force (FATF) is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system. The FATF is therefore a “policy-making body” which works to generate the necessary political will to bring about national legislative and regulatory reforms in these areas.</p> <p>The FATF has developed a series of Recommendations that are recognised as the international standard for combating of money laundering and the financing of terrorism and proliferation of weapons of mass destruction. They form the basis for a co-ordinated response to these threats to the integrity of the financial system and help ensure a level playing field. First issued in 1990, the FATF Recommendations were revised in 1996, 2001, 2003 and most recently in 2012 to ensure that they remain up to date and relevant, and they are intended to be of universal application.</p> <p>The FATF monitors the progress of its members in implementing necessary measures, reviews money laundering and terrorist financing techniques and counter-measures, and promotes the adoption and implementation of appropriate measures globally. In collaboration with other international stakeholders, the FATF works to identify national-level vulnerabilities with the aim of protecting the international financial system from misuse.</p>
45.	d	Self-explanatory
46.	c	<ul style="list-style-type: none"> • first statement is right, and since panel recommended government to reduce the debt to GDP, so, definitely central government’s present domestic liability couldn’t be 21% otherwise it’d negate statement • the domestic liability figures given in economic survey 2017-18’s they’ve been in the range of 54% to 47% of GDP each year during 2008 to 2017 for the union government

Target U.P.S.C PT 2019 ECONOMICS TOP MCQs

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		<ul style="list-style-type: none">Some people are engaged in hair-splitter that “budget-2018’s fiscal strategy statement committed to reduce central debt to 40% of GDP by FY 2024-25.
47.	c	<p>A simple example in the context of our economy indicates the power of this concept. In 2007-08, everything was fine for the economy. GDP growth rate was nearly 9 per cent. Now in the next year, in the wake of the global financial crisis impact, GDP growth came down to six percent. Tax revenue growth also fell steeply; to 18 per cent. This means tax buoyancy was 3 for the year. We can imagine that had the GDP growth came down further in the next year, to say 4 per cent, tax revenue growth would have fell to 8 per cent; indicating a tax buoyancy of 2.</p> <p>Hence, tax buoyancy shows the association between economy’s performance and the government’s ‘happiness’ (tax revenue). It indicates the high sensitiveness of tax revenue realisation to GDP growth.</p>
48.	c	<p>Goods and Services Tax (GST) is an integrated tax system where every purchase by a business should be matched with a sale by another business. This makes flow of credit across an entire supply chain a seamless process.</p>
49.	d	<p>The Central Board of Direct Taxes (CBDT) has signed a number of Advance Pricing Agreements with the taxpayers</p> <p>Advance Pricing Agreements (APA)</p> <ol style="list-style-type: none">(1) An APA is an ahead-of-time contract, usually for 5 years, between a taxpayer and at least one tax authority, specifying the pricing method that the taxpayer will apply to its related-company transactions(2) It was introduced in the Income-tax Act in 2012.(3) The taxpayer also has the option to roll back the APA for 4 preceding years, as a result of which, tax certainty for a total period of 9 years is provided. The "Rollback" provisions were introduced in 2014(4) A principle of arm’s-length price (ALP) is used to decide what price should be charged by related parties, that is, the price two unrelated parties would charge under similar circumstances
50.	d	<p>The National e-Governance plan was approved and 25 projects in mission mode, launched in 2006-2007. Among them is project for setting up common services and assigning unique ID to BPL families.</p>

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