

ANSWERS & EXPLANATIONS

GENERAL STUDIES (P) TEST – 2984 (2020)

Q 1.B

- Recently, Blackstone Group along with Embassy Office Parks has filed India's first and Asia's largest prospectus for Real Estate Investment Trust (REIT).
- **Statement 1 is correct:** A REIT works very much like a mutual fund. It pools funds from investors and invests them in rent-generating properties. REITs are investment vehicles that own, operate and manage a portfolio of income-generating properties for regular returns. These are usually commercial properties (offices, shopping centers, hotels etc.) that generate rental income.
- **Statement 2 is correct:** REITs are regulated by the securities market regulator in India- Securities and Exchange Board of India (SEBI). In September 2014, SEBI notified the SEBI (Real Estate Investment trusts) Regulations, 2014 for providing a framework for registration and regulation of REITs in India.
- **Statement 3 is not correct:** Markets regulator Securities and Exchange Board of India (SEBI) has been easing rules to make REITs more attractive to investors. In January 2017, the markets regulator permitted mutual funds to invest in REITs. The Reserve Bank of India (RBI) further allowed banks to invest in such investment trusts following a request from the markets regulator. Another such trust for investment is InvITs (infrastructure investment trusts). InvITs are trusts that manage income-generating infrastructure assets, typically offering investors regular yield and a liquid method of investing in infrastructure projects.

Q 2.A

- Central Issue Price (CIP) is the price at which central government issues food grains to state governments and governments of Union territories for distribution under Targeted Public Distribution System (TPDS) to serve families of Below Poverty Line (BPL), Above Poverty Line (APL) and Antyodaya Anna Yojana (AAY) at rates fixed by the Government of India. **Hence statement 1 is correct.**
- **Ministry of Consumer Affairs, Food & Public Distribution Government of India, fixes the Central Issue Prices (CIP) of wheat and rice which is uniform throughout the country.**
- CIP is less than the economic cost incurred by the Central Government by way of procurement, storage, transport and distribution. The difference between the economic cost and the CIP, called the consumer subsidy, is borne by the Central Government. **Hence statement 2 is not correct.**

Q 3.C

- An Advance Pricing Agreement (APA) is an **agreement between a taxpayer and the tax authority** determining the Transfer Pricing methodology for pricing the tax payer's international transactions for future years. APA provisions were introduced in the Income-tax Act, 1961. An APA can be unilateral, bilateral, or multilateral.
- Key **benefits** of APA:
 - The certainty with respect to tax outcome of the tax payer's international transactions, by agreeing in advance the arm's length pricing or pricing methodology (ies) to be applied to the tax payer's international transactions covered by the APA. **Hence, statement 1 is correct.**
 - Reduction in the audit threat (minimize rigors of audit), and deliverance of a particular tax outcome based on the terms of the agreement. The APA process is legally binding on both the parties for a period of five consecutive years or less as agreed between the taxpayer and the CBDT. The regular transfer pricing audit is carried on a year on year basis. APA provides certainty and reduces litigation. Transparency and open-minded approach during negotiation, both by tax authorities and taxpayers is the key to a successful APA. Non-negotiation process is involved in the regular transfer pricing assessment. **Hence, statement 2 is correct.**
 - Substantial reduction of compliance costs over the term of the APA.
 - For tax authorities, an APA reduces the cost of administration and also frees scarce resources.
- Consequently, APAs provide a win-win situation for all the stakeholders involved.

Q 4.A

- Accelerating Growth of New India's Innovations or AGNIi is a national initiative under the guidance and support of the Principal Scientific Adviser to the Government of India. It is being handled by Invest in India.
- Invest India is the first port of call for potential investors. It is the official investment promotion and facilitation agency of the Government of India, mandated to facilitate investments into India.
- **It aims to support the ongoing efforts to boost the innovation ecosystem in the country by connecting innovators across industry, individuals and the grassroots to the market and helping commercialize their innovative solutions thereby helping propel India into a new era of inclusive economic growth. Hence statement (a) is the correct answer.**
- AGNIi provides a platform for innovators to scale up their market-ready products by creating pathways for licensing, technology transfer and market access. Further, AGNIi collaborates closely with other stakeholders in the innovation ecosystem to support and augment their innovation and technology commercialization initiatives. However, AGNIi is not a funding agency and does not provide direct financial support to innovators.

Q 5.C

- In March 2019, the Indian government has come up with a new National Mineral Policy (NMP) that replaced the earlier 2008 Policy. The latest mineral policy, which **pertains to non-coal and non-fuel minerals**, says that a major outcome expected from the policy proposals is to "increase the production of major minerals by 200 per cent in 7 years". The target is tied to the Government's Make in India initiative and to boost India's economic growth.
- **It introduces the concept of Exclusive Mining Zones which will come with in-principle statutory clearances for grant of mining lease.**
- The policy intends to incentivise exploration to attract private investments as well as state-of-the-art technology, within the ambit of auction regime, **through Right of First Refusal at the time of auction or seamless transition from Reconnaissance permit to Prospecting Licence to Mining Leases** or auctioning of composite Reconnaissance permit cum Prospecting License cum Mining Lease in virgin areas on revenue sharing basis or any other appropriate incentive as per international practice.
- Some of its other proposals include:
 - Proposes to identify critically fragile ecosystems and declare such areas as "no-go areas"/ "inviolable areas".
 - Encourages merger and acquisition of mining entities, and transfer of mining leases that have been granted in a transparent manner to ensure seamless supply of ores and scaling up of business.
 - Focuses on a long term export-import policy for the mineral sector to provide stability for investing in large scale commercial mining activity.
 - Proposes harmonising royalty and all other levies and taxes with mining jurisdiction across the world.
 - Emphasises on ensuring welfare of mining-affected people / communities and ensuring rehabilitation and resettlement, by suitable implementation of all relevant Acts / Rules.
 - Introduces the concept of Inter-Generational Equity in mineral resource exploitation.

Q 6.D

- A Patent is a statutory right for an invention granted for a limited period of time to the patentee by the Government, in exchange of full disclosure of his invention for excluding others, from making, using, selling, importing the patented product or process for producing that product for those purposes without his consent. The term of every patent granted is 20 years from the date of filing of an application. The patent system in India is governed by the Patents Act, 1970 as amended by the Patents (Amendment) Act, 2005. Patent protection is a territorial right and therefore it is effective only within the territory of India. There is no concept of global patent.
- An invention relating either to a product or process that is new, involving an inventive step and capable of industrial application can be patented. However, it must not fall into the categories of inventions that are not- patentable under sections 3 and 4 of the Act.
- An invention is a patentable subject matter if it meets the following criteria:
 - It should be novel.
 - It should have an inventive step or it must be non-obvious
 - It should be capable of Industrial application.
 - It should not attract the provisions of sections 3 and 4 of the Patents Act 1970.
- An invention may satisfy the condition of novelty, inventiveness, and usefulness but it may not qualify for a patent under the following situations:

- An invention which is frivolous or which claims anything obviously contrary to well established natural laws.
- An invention the primary or intended use or commercial exploitation of which could be contrary to public order or morality or which causes serious prejudice to human, animal or plant life or health or to the environment.
- The mere discovery of scientific principle or the formulation of an abstract theory or discovery of any living thing or non-living substance occurring in nature.
- **A novel method of agriculture or horticulture - Only products and process qualifying for novelty are patentable).**
- **Any process for medicinal, surgical, curative, prophylactic (diagnostic, therapeutic) or other treatment of human beings or any process for a similar treatment of animals to render them free of disease or to increase their economic value or that of their products.**
- Plants and animals in whole or any part thereof other than microorganisms but including seeds, varieties, and species and essentially biological processes for production or propagation of plants and animals.
- **Inventions relating to atomic energy.**
- An invention which, in effect, is traditional knowledge or which is an aggregation or duplication of known properties of a traditionally known component or components.
- **A literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever including cinematographic works and television products.** (comes under the Copyrights Act protection and therefore is left out of the purview of Patents Act.)
- A mere scheme or rule or method of performing mental act or method of playing a game.
- A presentation of information.
- A mathematical or business method or a computer program per se or algorithms.

Q 7.A

- **Government think-tank NITI Aayog will develop a National Data and Analytics Platform to make all government data accessible to stakeholders in a user-friendly manner.** The vision of the project is to 'Democratize access to public Government data through a world-class user experience'. **It aims to Standardize data across multiple Government sources, provide flexible analytics and make it easily accessible in formats conducive for research, innovation, policy making and public consumption.** Sources of data will include:
 - Websites of over 50 Ministries and Departments of the Central Government and data.gov.in
 - Websites of all Departments and Ministries of the State Government, not exceeding 250.
- A high powered inter-ministerial steering committee under the chairmanship of Vice Chairman, NITI Aayog will be set up to provide direction, oversee progress, guide on data sources, and address various inter-ministerial issues on collating data.

Q 8.D

- The General Agreement on Trade in Services (GATS) is a treaty of the World Trade Organization (WTO) that entered into force in January 1995 as a result of the Uruguay Round negotiations. The treaty was created to extend the multilateral trading system to service sector, in the same way the General Agreement on Tariffs and Trade (GATT) provides such a system for merchandise trade.
- According to GATS, services are supplied by four modes of supply
 - **Cross-border trade in services (Mode 1)** - A mode of service supply or trade where services are supplied from the territory of one member of a trade agreement into the territory of another. An example is architectural design services, supplied, by an architect in one country by post or electronic mail to consumers in another country.
 - **Consumption abroad (Mode 2)**-A mode of service supply or trade where services are supplied in the territory of one member of a trade agreement to the consumers of another. This mode of supply requires that the consumer of services move abroad. An example is the traveling abroad to receive: medical treatment or to enroll in an education program.
 - **Commercial presence (Mode 3)**-A mode of service supply or trade where services are supplied through any type of business or professional establishment, i.e. foreign direct investment, of one member of the agreement in the territory of another. An example is the establishment of a branch of a foreign bank or of a franchising outlet in a foreign location.
 - **Temporary movement of natural persons (Mode 4)**- A mode of service supply or trade where services are supplied by nationals of one member of a trade agreement in the territory of another, requiring the physical presence of the service provider in the host country. This mode includes both

independent service providers as well as employees of the service providers of another member. Examples include consultants, teachers and actors of one country supplying services through their physical presence in a member country, or the managers of a multinational enterprise.

- **Hence all the pairs are correctly matched.**

Q 9.D

- The market size of medical tourism in India is estimated at `195 billion (US\$ 3 billion) in 2017. The value of medical tourism is forecasted to reach US\$ 9 billion by 2020. **India currently has around 18 percent of the global medical tourism market.** In an estimate, it can be a US\$ 9 billion-worth medical tourism destination by having 20 percent global market share by 2020. **Hence statement 1 is correct.**
- Ministry of Tourism has recognised Medical and Wellness Tourism as Niche Tourism Products for promotion. The Ministry offers financial support as Marketing Development Assistance, for Publicity, and for organising Wellness and Medical Tourism Promotion shows as well as workshop/events/seminars to accredited Medical and Wellness Tourism Service Providers and Chambers of Commerce, etc. A film on Medical Tourism has been produced in association with BBC and is used at various fora for promotional purposes.
- Medical and Medical attendant visa has been introduced to ease the travel process of Medical Tourists. **The e-tourist visa regime has been expanded to include medical visits as well.** It has also been decided to set up facilitation counters at the major airports of Delhi, Mumbai, Chennai, Kolkata, Hyderabad and Bengaluru for tourists arriving on Medical Visas. **Hence statement 2 is correct.**
- **A National Medical and Wellness Tourism Board has been constituted, by the Ministry of Tourism,** to provide a dedicated institutional framework to take forward the cause of promotion of Medical and Wellness Tourism including Ayurveda and any other format of Indian system of medicine covered by Ayurveda, Yoga, Unani, Siddha and Homeopathy (AYUSH). **Hence statement 3 is correct.**

Q 10.B

- **Rashtriya Gokul Mission" (RGM)**
 - It is a part of Centrally Sponsored Scheme "National Programme for Bovine Breeding and Dairy Development".
 - It is aimed at conservation and development of indigenous bovine breeds.
 - It seeks to undertake breed improvement programme for indigenous breeds so as to improve the genetic makeup and increase the stock. It does not seek cross breeding with foreign breeds. **Hence statement 1 is not correct.**
 - It is implemented through the "State Implementing Agency (SIA viz Livestock Development Boards)
- Rashtriya Gokul Mission has the following components:
 - Establishment of Village level Integrated Indigenous Cattle Centres viz "Gokul Gram": i) in the breeding tracts and ii) near metropolitan cities for housing the urban cattle.
 - "Gopalan Sangh": to establishment Breeder"s Societies
 - Award to Farmers ("Gopal Ratna") and Breeders" Societies ("Kamadhenu")
- **Dairy Entrepreneurship Development Scheme**
 - This is a credit-linked subsidy scheme of government to promote the setting up of modern dairy farms. **Hence statement 2 is correct.**
 - The applicant/entrepreneur has to make arrangements for a minimum 10% of the total money needed for setting up a modern dairy farm. For rest, the government provides 25% capital subsidy (33.33% for SC/ST) and the remaining amount is provided as a loan (minimum 40%) by the Commercial Banks, Cooperative Banks, Regional Rural Banks and Urban Banks. The nodal implementation agency for this scheme is NABARD.

Q 11.C

- Recently, **Fertiliser Minister unveiled the logo and brand 'Apna Urea Sona Ugle' of Hindustan Urvarak and Rasayan Ltd (HURL), which is in the process of reviving three sick urea units. Hence statements 1 and 2 are correct.**
- Hindustan Urvarak & Rasayan Limited (HURL) was incorporated on 15th June 2016 as a **joint venture company by Coal India Limited (CIL), NTPC Limited (NTPC) and Indian Oil Corporation Limited (IOCL)** as the lead promoters with Fertilizer Corporation of India Limited (FCIL) and Hindustan Fertilizer Corporation Limited (HFCL) as other two partners. These three companies hold a total of 89% equity share with equal partnership, while FCIL and HFCL together have the balance 11% share against their usable assets, opportunity cost and use of land on lease basis at the three plant locations.

- The HURL is being looked as a major emerging player in the urea market due to revival of the three closed units in 2021 having total installed production capacity of 38.1 LMT of neem coated urea per annum. **The company will establish and operate state-of-the-art environment-friendly and energy-efficient natural gas-based new fertiliser complexes with the annual installed capacity of 1.27 MMTPA urea at each of the three locations which are expected to be commissioned in February 2021 (Gorakhpur, UP) and May 2021 (Barauni and Sindri).**
- The other two urea units being revived are Ramagundam unit by Ramagundam Fertilizers & Chemicals Limited (RFCL), a joint venture of National Fertilizers Limited (NFL), Engineers India (EIL) and Fertilizer Corporation of India (FCIL), and Talcher unit by Talcher Fertilizers Limited (TFL), a joint venture of Rashtriya Chemicals & Fertilizers (RCF), CIL, GAIL & FCIL.

Q 12.B

- **Minimum Wage:** It is the wage that is paid by an employer/industry to its workers irrespective of its ability to pay. It must provide not only for the bare sustenance of life but for the preservation of the efficiency of the workers. It is fixed by the government in consultation with business organizations and trade unions.
- **Living Wage:** It should enable the earner to provide for himself and his family not only the bare essentials of food, clothing, and shelter but a measure of frugal comfort including education for his children, protection against ill-health, requirements of essential social needs and a measure of insurance against the more important misfortunes including old age.
- **Fair Wage:** It is linked with the capacity of the industry to pay. Factors such as labor productivity, prevailing wage rates, the level of national income and its distribution, etc. are variables in determining fair wage. It is above the minimum wage but below the living wage

Q 13.C

- Foreign Investment means any investment made by a person resident outside India on a repatriable basis in capital instruments of an Indian company or to the capital of an LLP.
- **Foreign Direct Investment (FDI)** is the investment through capital instruments by a person resident outside India
 - in an unlisted Indian company; or
 - **in 10 percent or more** of the post issue paid-up equity capital on a fully diluted basis of a listed Indian company.
- Foreign Portfolio Investment is any investment made by a person resident outside India in capital instruments where such investment is
 - less than 10 percent of the post issue paid-up equity capital on a fully diluted basis of a listed Indian company or
 - less than 10 percent of the paid up value of each series of capital instruments of a listed Indian company
- Once the investment is classified as FDI (basis total holding), if the FDI holding comes back to <10%, even then the holdings be classified as FDI i.e. **once an FDI always an FDI.**

Q 14.C

- Prime Minister's Employment Generation Programme (PMEGP) is a credit-linked subsidy program administered by the Ministry of Micro, Small and Medium Enterprises, Government of India.
- **Objectives:**
 - **To generate employment opportunities in rural as well as urban areas through setting up of self-employment ventures. Hence statement 1 is correct.**
 - To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and unemployed youth, to help arrest migration of rural youth to urban areas.
- The scheme is applicable to all viable (technically as well as economically) projects in rural as well as urban areas, under the Micro-enterprises sector.
- **Khadi & Village Industries Commission (KVIC), is the nodal agency at the national level for implementation of the scheme.** At the state level, the scheme is implemented through KVIC, KVIB and District Industries center. **Hence statement 2 is correct.**

Q 15.D

- IFC was founded in 1956 as a sister organization of the World Bank and a member of the World Bank Group. It is the largest global development institution focused exclusively on the private sector in developing countries. With the founding of the International Finance Corporation, the institution became

able to lend to private companies and financial institutions in developing countries. The World Bank Group has set two goals for the world to achieve by 2030: end extreme poverty and promote shared prosperity in every country. **Hence statement 1 is correct.**

- The International Development Association (IDA) helps the world's poorest countries by providing loans and grants for programs that boost economic growth, reduce inequalities and improve people's living conditions. IDA is one of the largest source of assistance for the world's 76 poorest countries and is the single largest source of donor funds for basic social services in these countries. IDA lends money on concessional terms. IDA's work covers primary education, basic health services, clean water and sanitation, agriculture, business climate improvements, infrastructure, and institutional reforms. **Hence statement 2 is correct.**
- To become a member of the Bank, under the IBRD Articles of Agreement, a country must first join the International Monetary Fund (IMF). Membership in IDA, IFC, and MIGA are conditional on membership in IBRD. **Hence statement 3 is correct.**
- **About the World Bank Group:** The World Bank Group is one of the world's largest sources of funding and knowledge for developing countries. Its five institutions share a commitment to reducing poverty, increasing shared prosperity, and promoting sustainable development.
 - The International Bank for Reconstruction and Development (IBRD)
 - International Development Association
 - International Financial Corporation
 - Multilateral Investment Guarantee Agency
 - The International Centre for Settlement of Investment Disputes

Q 16.C

- **Financial Support to MSMEs in ZED Certification Scheme:**
 - It seeks to inculcate Zero Defect & Zero Effect practices in manufacturing processes, ensure continuous improvement and supporting the Make in India initiative. The scheme is an extensive drive of the Government of India to enhance the global competitiveness of MSMEs **by providing them financial support in assessment, rating & handholding of its manufacturing processes on quality and environment aspects.**
 - **It seeks to promote the adaptation of Quality tools/systems and Energy Efficient manufacturing. Hence statement 1 is correct.**
 - It is under the purview of Ministry of Micro, Small & Medium Enterprises, Govt. of India
 - The ZED Scheme will be implemented nationwide through Implementing Agencies such as QCI, NPC, Industry Chambers like CII, FICCI & ASSOCHAM, MSME-Development Institutes, MSME Technology Centres, Industry Associations, BEE, etc.
 - ZED Certification is not mandatory by the Government; it is a voluntary scheme which will provide the MSMEs a road map to global competitiveness.
 - **The ZED Certification Scheme covers only, the MSME sectors belonging to the manufacturing sector. Hence statement 2 is correct.**

Q 17.D

- The balance of payments (BoP) records the transactions in goods, services, and assets between residents of a country with the rest of the world. It consists of Current and Capital accounts. The current account records exports and imports in goods and services and transfer payments. The capital account records all international purchases and sales of assets such as money, stocks, bonds, etc. A country that has a deficit in its current account (spending more abroad than it receives from sales to the rest of the world) must finance it by selling assets or by borrowing abroad. Thus, any current account deficit is of necessity financed by a net capital inflow.
- Forex reserves can increase even in case of current account deficit if the capital inflows during that period are greater than the current account deficit. For example, in April-September 2005-06, the current account deficit of US\$13 billion was financed by a capital inflow of US\$19.5 billion, the extra capital inflow of US\$ 6.5 billion being added to our stock of foreign exchange. Reserves of foreign exchange are accumulated when a country has an overall balance of payments surplus. **Hence statement 2 is not correct.**
- Alternatively, the country could engage in official reserve transactions, running down its reserves of foreign exchange, in the case of a deficit by selling foreign currency in the foreign exchange market. The decrease in official reserves is called the overall balance of payments deficit.

- India's forex reserves comprise foreign currency assets (FCAs), gold reserves, special drawing rights (SDRs) and India's reserve position with the International Monetary Fund (IMF). **Hence statement 1 is not correct.**

Q 18.A

- The current account records exports and imports in goods and services and transfer payments. Trade-in services denoted as invisible trade includes both factor income (payment for inputs-investment income, that is, the interest, profits and dividends on our assets abroad minus the income foreigners earn on assets they own in India) and non-factor income (shipping, banking, insurance, tourism, software services, etc.). Transfer payments are receipts which the residents of a country receive for free, without having to make any present or future payments in return. They consist of remittances, gifts, and grants.
- CAD rises/widens when the value of goods and services a country imports exceeds the value of goods and services it exports.
- Reducing export subsidy can hamper the growth of exports and thus widen the current account deficit. **Hence, statement 2 is correct.**
One of the objectives of enforcing import quota is to reduce the balance of payments deficit by restricting imports. That portion of national income going into imports can be utilised for investment in the import-substitution or export industries. The expansion in exports, coupled with the restriction of imports is likely to bring about improvement in the balance of payments position of the country. **Hence, statement 3 is not correct.**
- India is one of the biggest importers of crude oil. A rise in crude oil prices indicates rising imports and thus CAD widens. **Hence, statement 1 is correct.**
- ECBs are borrowings raised by permitted resident entities from recognized non-resident entities. Therefore, ECBs would lead to capital inflow which would in turn reduce CAD. **Hence statement 4 is not correct.**

Q 19.D

- The Department of Industrial Policy and Promotion (DIPP) has been renamed as the Department for Promotion of Industry and Internal Trade (DPIIT) with a mandate to deal with matters related to start-ups, facilitating ease of doing business among others
- DIPP (under the Ministry of Commerce and Industry) was established in 1995 and reconstituted in the year 2000 with the merger of the Department of Industrial Development.
- Functions of this body include:
 - Formulation of industrial policy and strategies
 - Monitoring of industrial growth**
 - Formulation of FDI policy and its regulation**
 - Formulation of policies relating to various Intellectual Property Rights (IPRs)**
 - Coordinates with UN Industrial Development Organization
 - Administers Laws: The Explosives Act, 1884; The Salt Cess Act, 1953; The Patent Act, 1970; The Boilers Act, 1923 etc.

Q 20.D

- The SDR is an international reserve asset, created by the IMF in 1969 to supplement its member countries' official reserves. The value of the SDR is not directly determined by supply and demand in the market, but is set daily by the IMF on the basis of market exchange rates between the currencies included in the SDR basket.
- The value of the SDR is based on a basket of five currencies—the U.S. dollar, the euro, the Chinese renminbi, the Japanese yen, and the British pound sterling. **Hence, statement 2 is not correct.**
- The SDR serves as the unit of account of the IMF and some other international organizations. The SDR is neither a currency nor a claim on the IMF. **Hence, statement 1 is not correct.** Rather, it is a potential claim on the freely usable currencies of IMF members. SDRs can be exchanged for these currencies. The SDR basket is reviewed every five years, or earlier if warranted, to ensure that the SDR reflects the relative importance of currencies in the world's trading and financial systems.
- Criteria for inclusion in the SDR basket include:
 - Export criterion:** Issuer of currency is an IMF member or a monetary union, that includes IMF members, who are one of the top five exporters of the world.
 - Determined to be "freely usable" currency by the IMF: Currency is widely used to make payments for international transactions and widely traded in the principal exchange markets.
 - Hence, statement 3 is not correct.**

Q 21.B

- The Thirty Meter Telescope (TMT) is a unique project to build one of the most advanced large telescopes in the world. The project is a result of an **international partnership between India, Canada, China, Japan and institutes from the USA**.
- With its 30 m prime mirror diameter, TMT will be three times as wide, with nine times more area, than the largest currently existing visible-light telescope in the world. This will provide unparalleled resolution with TMT images **more than 12 times sharper than those from the Hubble Space Telescope**. When operational, TMT will provide new observational opportunities in essentially every field of astronomy and astrophysics.
- The \$2 billion project, a joint venture involving five countries, has been marred by protests for over a decade, as the proposed site **at Mauna Kea (Hawaii)** is considered sacred to the island's indigenous people. India wants it to be shifted out of proposed site.
- The next best site to locate the telescope is the Observatorio del Roque de los Muchachos (ORM) on La Palma in the Canary Islands, Spain.
- Hanle, in Ladakh, was also in the running to host the TMT, but lost out to Mauna Kea, which is considered a superior site due to the imaging possibilities it offers, its stable weather, and also because it has the necessary infrastructure to manage telescopes, already being host to several telescopes.
- **Hence, only statements 1 and 2 are correct.**

Q 22.B

- **The World Bank classifies the world's economies into four income groups — high, upper-middle, lower-middle, and low.** This assignment is **based on Gross National Income (GNI) per capita (current US\$)**. The classification is updated each year on July 1st.
- The classification of countries is determined by two factors:
 - A country's GNI per capita, which can change with economic growth, inflation, exchange rates, and population. Revisions to national accounts methods and data can also influence GNI per capita.
 - **Classification threshold:** The thresholds are adjusted for inflation annually using the SDR deflator.

Threshold	July 2019/\$ (new)	July 2018/\$ (old)
Low income		
Lower-middle income	1,026 - 3,995	996 - 3,895
Upper-middle income	3,996 - 12,375	3,896 - 12,055
High income	> 12,375	> 12,055

- **India and China have both transitioned from low-income countries to middle-income countries. India currently falls in the World Bank's lower-middle income category while China currently falls in the upper-middle income category.**

Q 23.C

- **NASSCOM and the government have earlier jointly launched** the Future Skills portal for member companies in the IT-ITeS industry to reskill across nine emerging technologies. Of the 4.5 million people employed in the industry today, 1.5 - 2 million are expected to require reskilling in the next 4-5 years.
- Future Skills PRIME is its next phase and is open to professionals from outside the IT industry as well, who want **to skill themselves in ten emerging technologies**. Among the other beneficiaries of the platform are 10,000 government officials and 2,000 trainers.
- Future Skills PRIME is a joint venture between the government and National Association of Software and Services Companies (NASSCOM)
- PRIME stands for Programme for Reskilling/ Upskilling of IT Manpower for Employability.
- The program aims to reskill 2 million professionals and potential employees & students in the industry over a period of 5 years.
- FutureSkills portal uses the technology of the future, to create a space where a learner can access content on all the skills of the future. A learner can seamlessly access free and paid content, assessments, virtual labs and get certified on the skills of their choice.
- The courses are a mix of material developed by industry and academia. Several course materials are free, while more advanced courses are available for between Rs 6,000-70,000, depending on the kind of technology.
- The program seeks to provide skill in new technology such as artificial intelligence, virtual reality, Internet of Things, Big Data, cybersecurity, social and mobile and so on.

Q 24.A

The Companies Act 2013 is an Act that regulates the incorporation of a company, responsibilities of a company, directors, dissolution of a company. It provides for the establishment of various government agencies for better implementation of its provisions.

- **National Financial Reporting Authority** is an Indian body proposed in Companies Act 2013 for:
 - the establishment and enforcement of accounting and auditing standards and oversight of the work of auditors.
 - monitoring and enforcing compliance with accounting standards and auditing standards in a prescribed manner.
- According to the Act, The National Financial Reporting Authority shall consist of a chairperson, who shall be a person of eminence and having expertise in accountancy, auditing, finance or law to be appointed by the Central Government and such other members not exceeding fifteen consisting of part-time and full-time members as may be prescribed.
- **Serious Fraud Investigation Office** is a corporate fraud investigating agency to be established under Companies Act 2013. However, the act provided that, till such a body is established, the earlier established Serious Fraud Investigation Office set-up by the Central Government by an executive resolution, shall be deemed to be the Serious Fraud Investigation Office for this section.
- **National Company Law Tribunal** is a quasi-judicial body in India that adjudicates issues relating to Indian companies established under the Companies Act 2013. Tribunal is headed by President and have such a number of Judicial and Technical members, as decided by the Central Government.
- **The Debts Recovery Tribunals** have been established by the Government of India under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993. It provides for expeditious adjudication and recovery of debts due to banks and financial institutions.
- It provides speedy redressal to lenders and borrowers through filing of Original Applications (OAs) in Debts Recovery Tribunals (DRTs) and appeals in Debts Recovery Appellate Tribunals (DRATs).
- The SARFAESI Act, 2002 provides access to banks and financial institutions covered under the Act for recovery of secured debts from the borrowers without the intervention of the Courts at the first stage. Securitisation Appeals (SAs) can be filed with the DRTs by those aggrieved against action taken by secured creditors under the SARFAESI Act.

Q 25.C

- The gain or profit from the sale of assets is classified as a capital gain. Short Term Capital Gains Tax (STCG) is the tax levied on profits generated from the sale of an asset which is held for a government-defined short period is called short-term capital gains tax. **The short term period differs for various items - for example it is 24 months or less in the case of immovable property such as land and building and 12 months or less for equity, bonds, government securities etc. Hence, statement 1 is not correct.**
- The Securities Transaction Tax (STT) is a type of direct tax which is levied at the time of purchase and sale of securities listed on stock exchanges in India. Securities are tradable investment instruments such as shares, bonds, debentures, equity-oriented mutual funds (MFs) and so on and are issued either by companies or by the Indian government. This tax was introduced in the Union Budget of 2004. The Securities Transaction Tax (STT) was introduced in India in the Budget of 2004 to curb tax avoidance on capital gains. On the other hand, Capital gains for securities is levied on the gains made from the sale of securities and not on the transaction as in the case of STT. However, both of them fall under the category of direct taxes. **Hence, statement 2 is not correct.**
- **Recently, the government announced the withdrawal of surcharge on long and short term capital gains arising from transfer of equity shares.**

Q 26.B

- **About PRADHAN MANTRI KRISHI SINCHAYEE YOJANA**
- To achieve convergence of investments in irrigation at the field level,
- To enhance the recharge of aquifers and introduce sustainable water conservation practices.
- To explore the feasibility of reusing treated municipal wastewater for periurban agriculture
- PMKSY is to be **implemented in an area development approach, adopting decentralized state-level planning and project execution, allowing the states to draw their irrigation development plans** based on district/blocks plans with a horizon of 5 to 7 years. States can take up projects based on the District/State Irrigation Plan.
- All the States and Union Territories including North Eastern States are covered under the programme.

- The National Steering Committee (NSC) of PMKSY under the chairmanship of Hon'ble Prime Minister, will provide policy direction to programme framework and a National Executive Committee (NEC) under the chairmanship of Vice Chairman of NITI Aayog will oversee the programme implementation at national level.
- PMKSY has been formulated amalgamating ongoing schemes viz. Accelerated Irrigation Benefit Programme (AIBP) of Ministry of Water Resources, River Development & Ganga Rejuvenation; Integrated Watershed Management Programme (IWMP) of Department of Land Resources; and On Farm Water Management (OFWM) component of National Mission on Sustainable Agriculture (NMSA) of Department of Agriculture and Cooperation.

Q 27.C

- In flexible exchange rates (also known as floating exchange rates), the exchange rate is determined by the forces of market demand and supply. If the demand for foreign exchange goes up, the domestic currency (rupee) depreciates since it has become less expensive in terms of foreign currency. By contrast, the currency appreciates when it becomes more expensive in terms of foreign currency.
- Interest rate differential is important in determining exchange rate movements. There are huge funds owned by banks, multinational corporations and wealthy individuals who move around the world in search of the highest interest rates. If we assume that government bonds in country A pay 8 percent rate of interest whereas equally safe bonds in country B yield 10 percent, the interest rate differential is 2 percent. Investors from country A will be attracted by the high-interest rates in country B and will buy the currency of country B selling their own currency. At the same time, investors in country B will also find investing in their own country more attractive and will, therefore, demand less of country A's currency. This means that the demand for country A's currency will decrease while that of country B's currency will increase. Therefore, country A's currency depreciates whereas that of country B's currency appreciates. Thus, a rise in the interest rates at home often leads to an appreciation of the domestic currency which will increase in the exchange rate of the domestic currency. **Hence, statement 1 is correct.**
- If a country's imports grow faster than exports, the capital inflows from exports will not be sufficient to pay for the imports. This will lead to an increase in demand for foreign currency. Therefore the domestic currency depreciates. **Hence statement 2 is correct.**

Q 28.B

PM - AASHA (Pradhan Mantri Annadata Aay SanraksHan Abhiyan)

- The Scheme is aimed at ensuring remunerative prices to the farmers for their produce. The AASHA scheme tries to address the gaps in the MSP system and give better returns to farmers. These three components will complement the existing schemes of the Department of Food and Public Distribution. They relate to paddy, wheat, and other cereals and coarse grains where procurement is at MSP now.
- The three components outlined under the scheme is thus aimed towards enhancing agricultural productivity, reducing the cost of cultivation which will enable boosting and securing farmer's income in the long run.
 - Price Support Scheme (PSS) - Here, physical procurement of pulses, oilseeds and copra will be done by Central Nodal Agencies. Besides NAFED, Food Cooperation of India will also take up procurement of crops under PSS. The expenditure and losses due to procurement will be borne by the Centre.
 - Price Deficiency Payment Scheme (PDPS) - Under this, the Centre proposes to cover all oilseeds and pay the farmer directly into his bank account the difference between the MSP and his actual selling/modal price. Farmers who sell their crops in recognised mandis within the notified period can benefit from it.
 - Pilot of Private Procurement & Stockist Scheme (PPPS)- In the case of oilseeds, States will have the option to roll out PPSSs in select districts. A private player can procure crops at MSP when market prices drop below MSP. The private player will then be compensated through a service charge that will be up to a maximum of 15 per cent of the MSP of the crop. **Hence statement 2 is correct.**
- **Pradhan Mantri Kisan Samman Nidhi** is another initiative by the government of India in which all small and marginal farmers will get up to ₹6,000 per year as minimum income support. **Hence statement 1 is not correct.**

Q 29.A

- **National Investment & Manufacturing Zones (NIMZs)**
 - The Government of India has announced a National Manufacturing Policy with the objective of enhancing the share of manufacturing in GDP to 25% within a decade and creating 100 million jobs. The National Investment & Manufacturing Zones (NIMZs) are an important instrumentality of the manufacturing policy. NIMZs are envisaged as large areas of developed land with the requisite eco-system **for promoting world-class manufacturing activity. Hence statement 1 is correct.**
 - NIMZs are based on the principle of industrial development in partnership with states and focuses on manufacturing growth and employment generation.
- **Special Economic Zones (SEZs)**
 - SEZs are established **mainly for the promotion of exports under the Special Economic Zones Act, 2005. National Investment and Manufacturing Zones (NIMZ) is a self-governing body declared/ notified/sanctioned in official gazette by Central Government (DIPP) as “Industrial Township” under Article 243Q(c) of the constitution. No separate legislation / law is needed to be passed to establish an NIMZ. Hence, statement 2 is correct.**
 - SEZs and NIMZs enjoy tax-related benefits. The SEZs enjoy 100% income tax exemption on export income for the first five years, 50% for the next five years thereafter and 50% of the ploughed back export profit for the next five years. Besides, NIMZ, under the National Manufacturing Policy, has provisions of tax incentives to small and medium enterprises (SMEs)
 - NIMZs are different from SEZs in terms of size, level of infrastructure planning, governance structures related to regulatory procedures, and exit policies.
 - **Both the NIMZ & SEZ are approved by the Union Government.**
 - The developer submits the proposal for the establishment of SEZ to the concerned State Government. The State Government has to forward the proposal with its recommendation within 45 days from the date of receipt of such proposal to the Board of Approval. The applicant also has the option to submit the proposal directly to the Board of Approval. **Hence, statement 3 is not correct.**
 - The Board of Approval has been constituted by the Central Government in the exercise of the powers conferred under the SEZ Act. It is chaired by Secretary, Department of Commerce. All the decisions are taken in the Board of Approval by consensus.
 - The approval of NIMZs is granted at the level of the Ministry of Commerce & Industry.

Q 30.A

- Recently, the commerce minister announced that India will not allow imports without HSN codes. In trade parlance, every product is categorized under an HSN code (Harmonised System of Nomenclature). **The Harmonised System, or simply ‘HS’, is a six-digit identification code developed by the World Customs Organization (WCO). Called the “universal economic language” for goods, it is a multipurpose international product nomenclature.** Over 200 countries use the system as a basis for their customs tariffs, gathering international trade statistics, making trade policies, and for monitoring goods. The system helps in harmonizing customs and trade procedures, thus reducing costs in international trade. It helps in the **systematic classification of goods across the globe. Hence statement 1 is correct and statement 2 is not correct.**
- It comprises about 5,000 commodity groups; each identified by a six-digit code, arranged in a legal and logical structure and is supported by well-defined rules to achieve uniform classification. **India, currently, maintains eight-digit HSN Codes for goods. At present, traders need to mention HS Codes in the Bill of Entry (BoE) while importing goods into the country.** The development assumes significance as imports had a surge in the category of "Others", and goods falling under this category do not have an HSN code. Out of over \$500 billion worth of imports in 2018-19, the 'others' category accounted for over \$100 billion. **Hence statement 3 is not correct.**
- Under GST, the HSN codes are meant for most of the business entities. They need to mention two-, four-, or eight-digit HSN codes for their products, by their turnover for the previous year and the nature of the transaction (as in Import/Export).

Q 31.D

- Scientists in the United States have created the world’s first “living machines” — **tiny robots built from the cells of the African clawed frog, that can move around on their own.**
- They have named the **millimeter-wide robots “xenobots”** — after the species of aquatic frog found across sub-Saharan Africa from Nigeria and Sudan to South Africa, *Xenopus laevis*.
- The new creatures were designed on a supercomputer at the university and then assembled and tested by biologists at Tufts University.

- It can have many useful applications like searching out nasty compounds or radioactive contamination, gathering microplastic in the oceans, traveling in arteries to scrape out plaque, etc.

Q 32.A

- **SFURTI is a Scheme of Fund for up-gradation and Regeneration of Tradition Industries" (SFURTI) that aims to set up more Common Facility Centres (CFCs) to facilitate cluster-based development to support traditional industries. Hence option (a) is the correct answer.**
- The objective of the scheme is to -
 - organize the traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability, sustained employment,
 - enhance the marketability of products of such clusters,
 - equip traditional artisans of the associated clusters with improved skills,
 - make provision for common facilities and improved tools and equipment for artisans,
 - strengthen the cluster governance systems with the active participation of the stakeholders, and
 - build up innovated and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster-based regenerated traditional industries
- The focused sectors are Bamboo, Honey, and Khadi clusters.
- SFURTI envisions setting up 100 new clusters during 2019-20 which should enable 50,000 artisans to join the economic value chain.

Q 33.B

- **The Global Financial Stability Report is published twice in a year by the IMF.** The October 2019 Global Financial Stability Report (GFSR) identifies the current key vulnerabilities in the global financial system as the rise in corporate debt burdens, increasing holdings of riskier and more illiquid assets by institutional investors, and growing reliance on external borrowing by emerging and frontier market economies.
- **World Investment Report is published by The United Nations Conference on Trade and Development (UNCTAD).** It focuses on trends in foreign direct investment (FDI) worldwide, at the regional and country levels and emerging measures to improve its contribution to development.
- **Global Financial Development Report is published by the World Bank.** The Global Financial Development Report 2019/2020 provides new data and evidence on the regulatory remedies adopted to prevent future financial instability and sheds light on ongoing policy debates.

Q 34.A

- Foreign Direct Investment is an investment that a parent company makes in a foreign nation. Foreign Direct Investment simply targets an exact enterprise. Whereas, Foreign Institutional Investor is an investment prepared by an investor in the stock markets of a foreign country. In FII, the companies just require to get registered in the stock exchange to make investments. **Hence, statement 1 is correct.**
- FDI is more favored to the FII as FDI is considered to be more stable than FII. FDI not just brings in the capital but also assists in high-quality governance practices and improved management skills and even technology transfer. **Hence, statement 2 is not correct.**
- RBI via the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 (FEMA 20) has allowed startups to issue convertible notes to foreign investors apart from FDI in startups by foreign venture capital investors through subscribing to equity or equity-linked instruments or debt instruments. **Hence, statement 3 is not correct.**

Q 35.D

- **A Scheme For Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE) has been launched by the Ministry of Micro, Small & Medium Enterprises with an objective to set up a network of technology centers, incubation centers to accelerate entrepreneurship and also to promote start-ups for innovation and entrepreneurship in the rural and agriculture-based industry.** In order to promote innovation, rural entrepreneurship and agricultural industry, SIDBI launched a Rs 60 crore ASPIRE fund. Through this SIDBI would contribute to various angel/ venture capital funds for investing in start-ups/ early-stage enterprises focusing on value addition in the rural economy and job creation.
- **Hence, option (d) is the correct answer.**

Q 36.B

- **National Agricultural Cooperative Marketing Federation of India Ltd.(NAFED)**
 - It is registered under the Multi-State Co-operative Societies Act.
 - It was set up with the objective to promote the Co-operative marketing of Agricultural Produce to benefit the farmers. Agricultural farmers are the main members of Nafed, who have the authority to say in the form of members of the General Body in the working of Nafed.
 - The Department of Agriculture and Cooperation is implementing a Price Support Scheme (PSS) for the procurement of oilseeds and pulses at the Minimum Support Price (MSP) declared by the Government, through NAFED, which is the central nodal agency for this purpose.
 - Minimum Support Prices are recommended by the Commission for Agricultural Costs and Prices (CACP) and approved by Cabinet Committee on Economic Affairs (CCEA). **Hence statement 1 is not correct.**
 - NAFED is one of the Central Nodal Agencies for the procurement of 16 notified agricultural commodities of Oilseeds, Pulses, and Cotton under Price Support Scheme (PSS) and continues to be the sole Central Nodal Agency for procurement of Milling Copra, Ball Copra and De-husk Coconut under Price Support Scheme.
 - Under the scheme, procurement is to be undertaken, if the market price of stocks rule at or below the declared MSPs and procurement is to be continued till the market price stabilize above the declared MSP or harvesting period of 90 days as declared by respective State Governments, whichever is earlier, NAFED is procuring stocks under PSS directly from the farmers through its Cooperative network at State level and Primary level. The payment to the farmers is made only through digital mode like RTGS/NEFT. Losses, if any, incurred is PSS Operations of Oilseeds, Pulses and Cotton are fully reimbursed by the Government of India Profit, if any, on disposal of the commodities procured under PSS is transferred to Government of India. NAFED has been implementing the Scheme on behalf of the Government of India for more than four decades.
 - Govt. of India has entrusted NAFED for the supply of various agri-commodities / household items to different countries as humanitarian AID/ emergency relief material. **Hence statement 2 is correct.**
 - Nafed at the behest of Govt. of India also serves the consumers' interests through the supply of various essential items such as Onions, Potatoes, Eggs, etc. during scarce marketing situations or when the prices of such commodities rise abnormally. **Hence statement 3 is correct.**

Q 37.B

- Every “Combination” above a certain threshold, seeking to be sanctioned has to necessarily pass by the Competition Commission of India (CCI) scanner in order to be approved.
- In a bid to facilitate mergers and acquisitions (“Combination”) in the country, CCI has taken inspiration from the customs department and established a ‘green channel’.
- Under this process, the combination is deemed to have been approved upon filing the notice in the prescribed format. This system would significantly reduce the time and cost of transactions.
- **The CCI characterizes the ‘green channel’ as an automatic system of approval for Combinations** wherein the Combination is deemed to be approved upon filing the notice in the format prescribed
- The green channel mechanism was given effect by the insertion of a new Regulation 5A to the CCI (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (“Combination Regulations”) vide an amendment dated 13 August 2019 (“Amendment”)

Q 38.B

- In a Rapid Communication published on January 14, the World Health Organization (WHO) had mentioned that the **India-made Truenat MTB, a molecular diagnostic test for pulmonary and extrapulmonary Tuberculosis (TB) and rifampicin-resistant TB, has high accuracy.**
- Truenat MTB has high diagnostic accuracy as an initial test to diagnose TB and to sequentially detect rifampicin resistance. It will be used as an initial test thus replacing sputum smear microscopy.
- Truenat is developed by the Goa-based Molbio Diagnostics. The company was provided with technical assistance and resources by the Foundation for Innovative New Diagnostics (FIND) to help commercialize Truenat. ICMR had assessed and validated the diagnostic tool.

Q 39.A

- A new ‘Super-Earth’ planet orbiting Proxima Centauri, which is the Sun’s nearest neighboring star, has been discovered by scientists, who published the results in the journal Science Advances. The Proxima c is the second possibly habitable planet, though it is believed to be far beyond the snow line or the boundary where water exists only in frozen form. Back in 2016, Proxima b was discovered by scientists, though that planet is much bigger and closer to the Proxima Centauri star.

- The new Proxima c planet is being seen as a prime candidate for a ‘super-Earth’, though it is believed to be much smaller than Proxima b. The new planet takes 5.2 Earth years to complete one orbit around the Proxima Centauri star and is further away from its sun, so it is likely frozen.
- It has a minimum mass is half of that of Neptune, which still puts it in the ‘super-Earth’ category, though it is still among the low mass ones. However, the planet is believed to have a surface temperature of minus 234 degrees Celsius.
- **Super-Earths are rocky planets that bigger than Earth, without a huge gas envelope surrounding them. According to NASA, these Super Earth’s are planets, which are 10 times more massive than Earth with a rocky surface.** But scientists do not yet know for a certainty is when the planets lose their rocky surface. Nor is it clear if these planets could support life in the future. An earlier NASA research said Proxima b is unlikely to host alien life, though it is believed to be in the habitable zone, where liquid water will stay in its stable form.
- Proxima b is also orbiting the Proxima Centauri star. According to NASA, its mass is believed to be 1.27 Earths and it takes 11.2 days to complete one orbit of its star.

Q 40.D

- Licensing is done under the Industries (Development & Regulation) Act 1951. Post-1991 de-licensing, presently only five industries are under compulsory licensing:
 - Electronic Aerospace and defense equipment
 - Industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches
 - Cigars and cigarettes of tobacco and manufactured tobacco substitutes
 - Specified hazardous chemicals
 - Distillation and brewing of alcoholic drinks
- **Pair 1 is not correctly matched:** Manufacture of items for “Civil Aerospace” is under compulsory licensing. An industrial license for manufacture of such items is issued on the recommendations of the Department of Defence Production, Ministry of Defence.
- **Pair 2 is not correctly matched:** The work related to the issuance of a license for manufacture of small arms was transferred to the Ministry of Home Affairs since 2011 as MHA is the appropriate authority for grant of licenses for the manufacture of Small Arms and Ammunitions under Arms Act 1959 and Arms Rules, 1962.
- **Pair 3 is not correctly matched:** Manufacture of Potable Alcohol containing less than 80% alcohol, is covered under compulsory licensing. However, the grant of license for this comes under the exclusive domain of the State Government. For setting up of distillery and fermentation unit for manufacturing denatured spirit, rectified spirit, and other alcohol, containing more than 80% alcohol, Industrial License is not required.

Q 41.C

- **Fixed-term employment**
 - **FTE is a contract in which a company hires an employee for a specific period of time.**
 - The employee is not on the payroll of the company.
 - **Their payment is fixed in advance and is not altered until the term expires.** Such contracts are given out for temporary jobs and not for routine jobs.
 - **Such workers are entitled to all statutory benefits (work hours, wages, etc.) available to a permanent worker in the same establishment.**
 - However, other benefits such as Provident Fund is not available to them. The employers can terminate the contract on certain grounds (fraud, non-performance, etc.) even before the due date.
 - The temporary worker having completed 3 months in service shall get 2 weeks’ notice before termination.

Q 42.C

- Recently, the Ministry of Health and Family Welfare has launched NetSCoFAN (Network for Scientific Co-operation for Food Safety and Applied Nutrition).
- It is a network of research & academic institutions working in the area of food & nutrition. **Hence option (c) is the correct answer.**
- It would comprise of eight groups of institutions working in different areas. These areas are biological, chemical, nutrition & labeling, food of animal origin, food of plant origin, water & beverages, food testing, and safer & sustainable packaging.
- It aims to identify research gaps in respective areas and collect, collate and develop a database on food safety issues for risk assessment activities.

Q 43.A

- The National Skill Development Corporation, (NSDC) is one of its kind, Public-Private Partnership in India, under the Ministry of Skill Development & Entrepreneurship. **Hence statement 2 is correct and statement 3 is not correct.** It aims to promote skill development by catalyzing the creation of large, quality, for-profit vocational institutions.
- NSDC acts as a catalyst in skill development by providing funding to enterprises, companies, and organizations that provide skill training. **Hence statement 1 is correct.**
- NSDC is a not-for-profit company set up under Section 25 of the Companies Act. It has an equity base of Rs. 10 crore, of which the Government of India holds for 49%, while the private sector has the balance 51%.
- **Mission:**
 - Upgrade skills to international standards through significant industry involvement and develop necessary frameworks for standards, curriculum and quality assurance
 - Enhance, support and coordinate private sector initiatives for skill development through appropriate Public-Private Partnership (PPP) models; strive for significant operational and financial involvement from the private sector
 - Play the role of a "market-maker" by bringing financing, particularly in sectors where market mechanisms are ineffective or missing
 - Prioritize initiatives that can have a multiplier or catalytic effect as opposed to a one-off impact.
- **Objective:**
 - To contribute significantly (30 percent) to the overall target of skilling/up-skilling 500 million people in India by 2022, mainly by fostering private sector initiatives in skill development programs and to provide funding.

Q 44.C

- In view of the importance of agriculture, the basic data on structure and characteristics of agricultural holdings, Government of India has been conducting comprehensive Agriculture Census as a part of the World Agriculture Census Programme of the FAO. The first comprehensive Agriculture Census was carried out with Agriculture year 1970-71 as the reference.
- **It is conducted by the Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture every five years.**
- Some findings:
 - **The total number of operational holdings in the country has increased from 138.35 million in 2010-11 to 146.45 million in 2015-16 showing an increase of 5.86%.**
 - **The total operated area in the country has decreased from 159.59 million ha. in 2010-11 to 157.82 million ha. in 2015-16 showing a decrease of 1.11%.**
 - 14 out of 36 States/UTs in the country accounted for about 91.01% of the total number of operational holdings and about 88.19% of the total area operated in the country. These states were Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh and West Bengal.
 - The average size of operational holding has declined to 1.08 ha. in 2015-16 as compared to 1.15 in 2010-11.
 - The percentage share of female operational holders has increased from 12.79% in 2010-11 to 13.96% in 2015-16 with the corresponding figures of 10.36% and 11.72% in the operated area. This shows that more and more females are participating in the management and operation of agricultural lands.
 - The small and marginal holdings taken together (0.00-2.00 ha.) constituted 86.08% of the total holdings in 2015-16 against 85.01% in 2010-11 while their share in the operated area stood at 46.94% in the current census as against 44.58% in 2010-11.

Q 45.A

- **Vyommitra (Vyom Mitra; lit. Space friend) is a female spacefaring humanoid robot being developed by the Indian Space Research Organisation to function on-board the Gaganyaan, a crewed orbital spacecraft.** Before India's first human spaceflight, a half-humanoid will travel solo to help determine if the trip is safe enough.
- A humanoid is basically a robot with the appearance of a human being. ISRO's Vyommitra (vyoma = space, mitra = friend) is also being called a half-humanoid since she will only have a head, two hands, and a torso, and will not have lower limbs. Once flown into space, ISRO's half-humanoid will be able to test systems in the crew module meant for the survival and safe travel of the first Indian astronaut in 2022.
- The activities that Vyommitra will be able to perform, once fully developed for the unmanned flight, will include:

- procedures to use the equipment onboard the spacecraft's crew module such as safety mechanisms and switches, as well as receiving and acting on commands sent from ground stations.
- Generating warnings, replacing carbon dioxide canisters, operating switches, monitoring of the crew module, receiving voice commands, responding via speech (bilingual)
- Vyommित्रा will have lip movement synchronized to mimic speech.
- She can also double up as an artificial buddy to an astronaut — providing audio inputs on aspects like the health of the spacecraft during the launch, landing and orbital phases of the manned mission.
- Vyommित्रा will also report back to Earth on the changes occurring in the crew module during the spaceflight and return, such as heat radiation levels, to enable ISRO to understand the safety levels required in the crew module that will eventually fly a human being.
- Other Related Information:
 - A dummy astronaut was when a mannequin called **Ripley** was flown on the Dragon crew capsule, launched on a SpaceX Falcon rocket, and sent to the International Space Station.
 - An artificial intelligence robot ball called **CIMON** (Crew Interactive Mobile Companion) was deployed on the ISS by Airbus. Int-ball, a floating camera robot, was deployed on the ISS by JAXA space agency.
 - **Kirobo**, a humanoid robot astronaut built in Japan, was flown to the ISS along with the first Japanese commander of the ISS, Koichi Wakata, to serve as the astronaut's assistant in conducting experiments on the space station.
 - A Russian humanoid robot, **Fedor**, was sent to the ISS in 2019 to carry out mechanical functions on the space station.

Q 46.B

- **PM SHRAM-YOGI MAANDHAN YOJANA:** Its Objective: To provide a pension to the unorganized sector.
- **Intended Beneficiaries:**
 - **Unorganized workers whose monthly income is Rs 15,000/ per month or less and belong to the entry age group of 18-40 years are eligible for the scheme. Hence only statement (b) is not correct.**
 - They should not be covered under the New Pension Scheme (NPS), Employees' State Insurance Corporation (ESIC) scheme or Employees' Provident Fund Organisation (EPFO).
 - Further, he/she should not be an income taxpayer.
- **Salient Features:**
 - **Pension:** They shall receive a minimum assured pension of Rs 3000/- per month after the age of 60 years.
 - In case of death during the receipt of a pension, his/her spouse shall be entitled to receive 50% of the pension received by the beneficiary as a family pension
 - In case of death before 60 years of age, his/her spouse will be entitled to join and continue the scheme subsequently by payment of regular contribution or exit the scheme as per provisions of exit and withdrawal. Family pension is applicable only to a spouse.
 - **Contribution by the Subscriber:** He/she is required to contribute the prescribed contribution amount from the age of joining PM-SYM till the age of 60 years.
 - **Matching contribution by the Central Government:** PMSYM is a voluntary and contributory pension scheme on a 50:50 basis where prescribed age-specific contribution shall be made by the beneficiary and the matching contribution by the Central Government.
 - **The contributions from workers per month will change depending on the applicant's age.**

Q 47.A

- The Telecom Regulatory Authority of India (TRAI) recently said **telecom service providers will need to deposit all unclaimed money of consumers, including excess charges and security deposit, in the Telecommunication Consumers Education and Protection Fund (TCEPF).**
- The authority observed that there is a need to bring clarity among service providers in depositing money which they are unable to refund to the consumers. While some service providers were depositing money only on account of excess billing revealed in the audit, others were depositing unclaimed money such as security deposits and plan charges of failed activations.
- **Hence statement (a) is the correct answer.**

Q 48.B

- Centre seeks to revamp the ICDS scheme in urban areas. For this NITI Aayog will develop draft policy, which will be circulated to the Ministries for consultations.
- Integrated Child Development Services [ICDS] Scheme is a centrally sponsored scheme being implemented by the State Governments/UT Administrations.
- **The scheme aims at holistic development of children below 6 years of age, pregnant women and lactating mothers** by providing a package of six services comprising (hence, statements 1 and 2 are correct):
 - **Supplementary nutrition;**
 - **Immunization;**
 - **Health check-up;**
 - **Referral services;**
 - **Pre-school non-formal education; and**
 - **Nutrition & health education** are provided to the targeted beneficiaries i.e. all children below 6 years, Pregnant and Lactating Mothers.
- Three of the six services namely Immunisation, Health Check-up and Referral Services are delivered through Public Health Infrastructure under the Ministry of Health & Family Welfare. The Supplementary Nutrition (SNP) is given to the children (6 months – 6 years) and pregnant women & lactating mothers under the ICDS Scheme.
- Convergence is one of the key features of the ICDS Scheme. This convergence is in-built in the Scheme which provides a platform in the form of Anganwadi Centres (rural areas) for providing all services under the Scheme. **Hence statement 3 is not correct.**

Telegram Channel

<https://t.me/visionpt3652019>

Q 49.C

- The Asia Pacific Trade Agreement (APTA), previously the Bangkok Agreement, is a preferential tariff arrangement that aims at promoting intra-regional trade through the exchange of mutually agreed to concessions by member countries. Its current Members are **Bangladesh, China, India, Republic of Korea, Lao PDR and Sri Lanka.**
- **Mongolia has concluded bilateral negotiations on tariff concessions and is to become the seventh member.**
- APTA recognizes the special needs of Least Developing Countries (LDCs) and calls for concrete preferential measures in their favor. Participating States may grant special concessions to LDC members and commit to giving special consideration for requests from participating LDCs for technical assistance. In practice, in successive trade liberalization rounds, most members made special concessions to LDCs.

Q 50.B

- **Bank Nationalisation:**
 - First Phase (1969- Prime Minister Indira Gandhi): 14 major private banks were nationalized through Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1969. The stated purpose of nationalization was to promote rapid growth in agriculture, small industries, and export, to encourage new entrepreneurs and to develop all backward areas.
 - Second Phase (1980 - Prime Minister Charan Singh) - 6 more private banks were nationalized.
- **Priority sector lending (PSL):**
 - The policies towards priority sector lending (PSL) were **introduced in the 1970s** to accord significant priority to agriculture, exports and micro and small enterprises. The description of priority sectors and its advances was formalized in 1972 on the basis of the report submitted by the Informal Study Group on Statistics Relating to Priority Sectors, constituted by the Reserve Bank.
 - Over the years, the scope and extent of priority sector lending (PSL) have undergone changes with several new areas and sectors being brought within the purview. For instance, since the 1970s there have been several additions to the sectors covered under directed bank credit - infrastructure, retail traders, small businesses and education and weaker sections.
- **The Committee on Banking Sector Reforms (Narasimham Committee II) on the banking system was set up in 1997** under former RBI Governor M. Narasimham.
 - It suggested consolidation of the banking system, withdrawal of the government and a vibrant private sector banking operating in the market place.
 - It suggested that development finance institutions or DFIs should either convert themselves into banks or non-banking financial companies (NBFCs).
- **Narasimham Committee-I was setup in 1990 and submitted its report in 1991.**

Q 51.C

- **The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a free trade agreement (FTA) between Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, Peru, New Zealand, Singapore, and Vietnam.**
- The CPTPP was signed by the 11 countries on 8 March 2018 in Santiago, Chile.
- The CPTPP entered into force on 30 December 2018 for:
 - Australia
 - Canada
 - **Japan**
 - Mexico
 - New Zealand, and
 - Singapore;
- and on 14 January 2019 for Vietnam.
- The CPTPP will enter into force for Brunei Darussalam, Chile, Malaysia and Peru 60 days after they complete their respective ratification processes.
- The CPTPP incorporates, by reference, the provisions of the Trans-Pacific Partnership (TPP) agreement, with the exception of a number of provisions pertaining mainly to intellectual property and investor-state dispute settlement, whose application will be suspended once the CPTPP comes into force. These provisions will be suspended until all the parties decide otherwise.

Q 52.C

- **Statement 1 is correct:** TReDS refers to Trade Receivable Discounting System. It is an online electronic platform and an institutional mechanism for financing the trade receivables of MSME Sellers against Corporate Buyers, Govt. Departments and PSUs.
- The TReDS platform not only also ensures the regular flow of operational funds to MSMEs at attractive interest rates, but also ensures that their working capital limits are not affected due to delayed payments.
- *(Trade receivable is the amount which the company has billed to its customer for selling its goods/service for which the amount has not been paid yet by the customers)
- **Statement 2 is correct:** The concept of TReDS to facilitate the financing of trade receivables of MSMEs was introduced by the Reserve Bank of India (RBI) in 2014. RBI issued a licence to three players: Receivables Exchange of India Ltd (RXIL), Invoicemart and M1Xchange for operating TReDS exchanges.
- It also helps corporates comply with the MSME Act, under which a buyer has to pay the MSME supplier within 45 days.
- Companies whose turnover exceeds ₹500 crores will have to be registered on the TReDS platform.
- Following are the Salient Features of TReDS.
 - Unified platform for Sellers, Buyers, and Financiers
 - Eliminates Paper
 - Easy Access to Funds
 - Transact Online
 - Competitive Discount Rates
 - Seamless Data Flow
 - Standardized Practices
 - The TReDS platform will support not only invoices raised by MSMEs in the manufacturing sector but also for the service sector as per the MSMED Act, 2006.

Q 53.B

- Under the WTO Agreement on Agriculture (AoA), domestic agri-subsidies are classified into three categories; green, blue and amber. Under WTO principles, "amber box" subsidies create trade distortions because they encourage excessive production through farm subsidies to fertilizers, seeds, electricity, and irrigation.
- They are also called as Aggregate Measure of Support. As per the WTO norms, the AMS can be given up to 10 % of a country's agricultural GDP (at 1986-88 prices) in the case of developing countries. On the other hand, the limit is 5% for a developed economy. This limit is called the *de minimis* level of support. **It is thus minimal amounts of domestic support that are allowed even though they distort trade — up to 5% of the value of production for developed countries, 10% for developing countries.**

Q 54.D

- Agricultural Marketing Information Network (AGMARKNET) was launched in March 2000 by the Union Ministry of Agriculture. The Directorate of Marketing and Inspection (DMI), under the Ministry, links around 7,000 agricultural wholesale markets in India with the State Agricultural Marketing Boards and Directorates for effective information exchange. **This e-governance portal AGMARKNET, implemented by National Informatics Centre (NIC), facilitates generation and transmission of prices, commodity arrival information from agricultural produce markets, and web-based dissemination to producers, consumers, traders, and policy makers transparently and quickly.**
- The AGMARKNET portal serves as a single-window for assessing websites of the various organizations concerned with Agricultural Marketing. **It also provides weekly price trend report for important markets in respect of major agricultural commodities. It is linked with the Online Exchange Portals for providing spot and future prices for important commodities.** International price trends of various agricultural commodities are also accessible through this portal.
- **Hence, all the statements are correct.**

Q 55.D

- Ultra Mega Power Projects (UMPP) are very large-sized projects, approximately 4000 MW each involving an estimated investment of about 25,000 crores. The projects will substantially reduce power shortages in the country. The Central Government has accordingly taken the initiative for facilitating the development of a few Ultra Mega Power Projects of about 4,000 MW capacity each under tariff-based competitive bidding route using supercritical technology on build, own and operate basis.
- **All the envisaged UMPPs are coal-based (both the pitheads and imported coal base).**
- **UMPPs are based on supercritical technology. It provides for higher fuel efficiency and lower greenhouse gas emissions.** A supercritical steam generator is a type of boiler that operates at supercritical pressure. It allows for lesser usage of coal.
- **Power Finance Corporation is the nodal agency for all the UMPPs. Central Electricity Authority (CEA) is the Technical partner.**
- The first UMPP was launched in Mundra by Tata Power. Reliance Power commissioned UMPP in Sasan, Madhya Pradesh.
- **Hence all the statements are correct.**

Q 56.D

- India has ranked 5th among the countries surveyed for corporate commitments to science-based targets (SBT), ahead of Germany and Sweden, according to a report by a non-profit organization - Carbon Disclosure Project - released recently.
- The report found that investors are demanding better disclosure of climate change risk from Indian companies which has spurred better disclosure from India Inc. **The Carbon Disclosure Project (CDP) India annual report, which examines carbon reduction activities of companies, shows a whopping 58 Indian companies, 98 percent of the 59 firms surveyed between 2018 and 2019, have board-level oversight of climate-related issues. Hence statement (d) is the correct answer.**
- Over 6,900 companies with over 55 percent of global market capitalization disclosed environmental data through CDP in 2018.
- The report shows India is now the fifth country and the first developing economy with a maximum number of companies committing to SBT.
- The US and Japan topped the list with 135 and 83 companies, whereas the UK ranked third with 78 countries, and France took the fourth spot with 51 companies.

Q 57.C

- The Soil Health Card scheme was launched in February 2015 in Rajasthan. The Soil Health Card mobile App was launched recently to help the farmers. The app will benefit field-level workers as it will automatically capture GIS coordinates while registering sample details at the time of sample collection in the field and indicate the location from where the sample has been collected.
- **Statement 1 is correct:** SHC informs farmers about the nutrients status of the soils along with the **recommendation on the appropriate dosage of nutrients to improve soil health and fertility.** A farm gets the soil card once in every 2 years so that nutrients deficiency can be regularly detected and improved.
- **Statement 2 is correct:** The key features of Soil Health Card include a uniform approach to collect samples and test them in the laboratory, covering all the land in the country and renew SHC every two years. This scheme is being implemented in collaboration with State Governments. **GPS based soil**

sample collection has been made compulsory to monitor the changes in soil and to prepare a systematic database to compare them with the past years.

- Soil Health Card is prepared in 14 local languages and distributed to the farmers. Now the SHC can be prepared in local dialects such as Kumaoni, Garhwali, Khasi, and Garo.

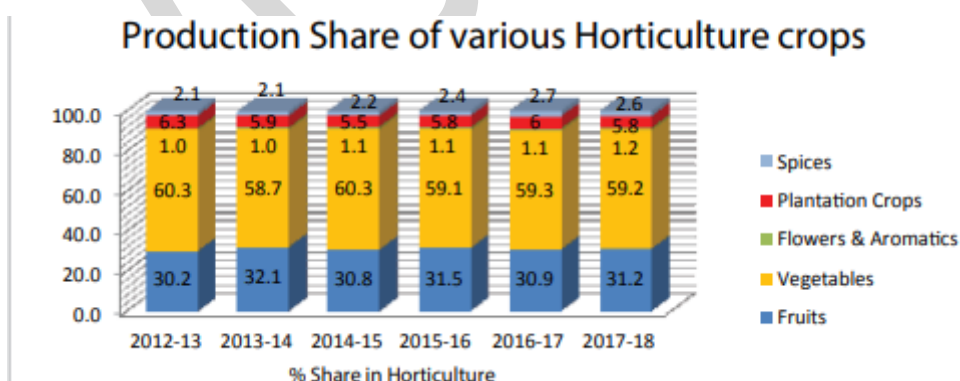
Q 58.D

- The **monthly Index of Eight Core Industries (ICI)** is a production volume index. The objective of the ICI is to provide an advance indication on the production performance of industries of 'core' nature before the release of the Index of Industrial Production (IIP) by the Central Statistics Office. These industries are likely to impact on general economic activities as well as industrial activities. ICI measures the collective and individual performance of production in selected eight core industries viz. Coal, Crude Oil, Natural Gas, Petroleum Refinery Products, Fertilizers, Steel, Cement, and Electricity. **The Eight Core Industries comprise 40.27 percent of the weight of items included in the Index of Industrial Production (IIP). Hence, statement 1 is not correct.**
- The current base year for the Index is 2011-12.
- Percentage wise contribution of each sector is given as: Coal 10.33 %, Crude Oil production 8.98 %, Natural Gas 6.88%, Petroleum Refinery 28.04 %, Fertilizers 2.63 %, Steel 17.92 %, Cement production 5.37 % and Electricity generation 19.85%. **Hence, statement 3 is not correct.**
- The Index is **compiled and released monthly by Office of the Economic Adviser (OEA)**, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India. **Hence, statement 2 is not correct.**

Q 59.B

- **Women, Business and the Law (WBL)** is a **World Bank Group project** collecting unique data on the laws and regulations that restrict women's economic opportunities. Women, Business and the Law 2020 measure the legal differences in access to economic opportunities between men and women in 190 economies. The World Bank study analyses laws and regulations affecting women's economic opportunity in 190 economies across the eight indicators - mobility, workplace, pay, marriage, parenthood, entrepreneurship, assets, and pension. India gained 4% year-on-year on its score on the World Bank study of women, business and law (WBL) 2020. The country scored 74.4 out of the perfect score of 100 on the WBL Index. India commands the highest WBL score in the South Asian region in 2020.
- The **Global Gender Gap Report** was first published in 2006 by the **World Economic Forum**. The report covers 144 major and emerging economies. The Global Gender Gap Index is an index designed to measure gender equality. Gender Inequality Index is released by the Human Development Report.
- The **World's Women reports** are prepared by the **Statistics Division of the UN Department for Economic and Social Affairs (UN DESA)** at five-year intervals, starting in 1990. Five reports have been published as part of The World's Women series. The first three and the last issue, World's Women 2010, analyze women's situation compared to men's worldwide in a broad range of fields.

Q 60.A



- For 2017-18:
 - Vegetables - 59.2%
 - Fruits - 31.2%
 - Plantation crops - 5.8%
 - Spices - 2.6%
 - Flowers & Aromatics - 1.2%

Q 61.A

- **The World Bank has launched a Human Capital Project (HCP).** The HCP program is claimed to be a program of advocacy, measurement, and analytical work to raise awareness and increase demand for interventions to build human capital.
- There are three components of HCP-
 - a cross-country human capital measurement metric called the Human Capital Index (HCI),
 - a program of measurement and research to inform policy action, and
 - a program of support for country strategies to accelerate investment in human capital.
- The HCI has been constructed for 157 countries. It claims to seek to measure the amount of human capital that a child born today can expect to attain by age 18.
- The HCI index values are contended to convey the productivity of the next generation of workers, compared to a benchmark of complete standard education and full health.
- The HCI has three components:
 - Survival, as measured by under-5 mortality rates
 - Expected years of Quality-Adjusted School which combines information on the quantity and quality of education (quality is measured by harmonizing test scores from major international student achievement testing programs and quantity from number of years of school that a child can expect to obtain by age 18 given the prevailing pattern of enrolment rates across grades in respective countries); and
 - Health environment using two proxies of (a) adult survival rates and (b) the rate of stunting for children under age 5.

Q 62.A

- **Statement 1 is correct and statement 2 is not correct:** India had recently successfully test-fired the **3,500-km range submarine-launched ballistic missile, K-4**, official sources confirmed. The test was carried out by the Defence Research and Development Organisation (DRDO) from a submerged pontoon off the Visakhapatnam coast around noon.
- Once inducted, these missiles will be the mainstay of the Arihant class of indigenous ballistic missile nuclear submarines (SSBN) and will give India the stand off capability to launch nuclear weapons submerged in Indian waters. INS Arihant, the first and only operational SSBN, is armed with K-15 Sagarika missiles with a range of 750 km. This means the submarine has to venture far away from the Indian waters and move closer to the adversary's coast to launch the missile. The K-4 will do away with that need.
- In November 2019, India formally declared its nuclear triad stated in its nuclear doctrine operational after INS Arihant completed its first deterrence patrol which means Arihant has begun prowling the deep seas carrying ballistic missiles equipped with nuclear warheads.

Q 63.D

- The civil aviation sector contributed USD8.9 billion to India's GDP in 2014 and supported 1.31 million direct, indirect and induced aviation jobs. In 2016, the demand for domestic air travel was twice that in China. India's domestic air traffic made up 69 percent of total airline traffic in South Asia. India's civil aviation sector has been growing steadily. Passenger traffic increased at a CAGR of almost 10 percent and 8.07 percent between 2007-08 and 2016-17 in domestic and international traffic respectively. There has been an increase in air cargo, both domestically and internationally, in 2016-17. **However, the share of international cargo traffic is much higher at 68.5% in comparison with 31.5% of domestic cargo traffic. Hence statement 1 is not correct.**
- Constraints in the growth of Indian Aviation Sector:
 - **Capacity and infrastructure:** Due to the rapid expansion of India's civil aviation sector, airspace, parking bays, and runway slots will become increasingly scarce over the next few years, especially at metro airports. Mumbai and Chennai airports are already close to saturation. Capacity and infrastructure constraints could decrease efficiency and safety and have negative economic effects.
 - **Skilled workers:** Shortage and gaps in the availability of industry-recognized skills – from airline pilots and crew to maintenance and ground handling personnel – could constrain the growth of different segments of the sector.
 - **High cost to passengers and of air cargo:** Due to high taxes and lack of competition among providers, Aviation Turbine Fuel (ATF) is relatively expensive in India. **Since it remains outside the GST network, there are also regional disparities in its price.** The price of aviation fuel in India may be up to 60 percent higher than prices in ASEAN and the Middle East countries because of high

central and state taxes. Fuel cost as a percentage of operating charges amounts to 45 percent in India as compared to the global average of 30 percent. **Hence statement 2 is not correct.**

- **Aviation safety:** Although the number of aviation safety violations in 2017 (337) has declined in comparison to 2016 (442), the absolute number still remains high.

Q 64.A

- **Recently, the Central Government has notified the structure of the National Startup Advisory Council to advise the Government on measures needed to build a strong ecosystem for nurturing innovation and startups in the country.** The Council will suggest measures to foster a culture of innovation amongst citizens and students, in particular, **promote innovation in all sectors of economy across the country**, including semi-urban and rural areas, support creative and innovative ideas through incubation and research and development to transform them into valuable products, processes or solutions to improve productivity and efficiency. **Hence statement 1 is correct.**
- It will also suggest measures to facilitate public organizations to assimilate innovation with a view to improving public service delivery, promote the creation, protection, and commercialization of intellectual property rights, make it easier to start, operate, grow and exit businesses. **The National Startup Advisory Council will be chaired by Minister for Commerce & Industry. Hence statement 2 is not correct.**
- The Council will consist of the non-official members, to be nominated by Central Government, from various categories like founders of successful startups, veterans who have grown and scaled companies in India, persons capable of representing interests of investors into startups, and representatives of associations of stakeholders of startups and representatives of industry associations. The term of the non-official members of the Startup Advisory Council will be for a period of two years.
- The nominees of the concerned Ministries/Departments/Organisations, not below the rank of Joint Secretary to the Government of India, will be ex-officio members of the Council. Joint Secretary, Department for Promotion of Industry and Internal Trade will be the Convener of the Council.

Q 65.B

- Convertibility is the ease with which a country's currency can be converted into another currency through global exchanges.
- Convertibility can be permitted on both capital and current account. Current account convertibility refers to convert domestic currency into foreign currency and vice-versa for exports and imports of goods and services and remittances. Current account convertibility is relatively risk-free as it can be regulated.
- On the other hand Capital, account convertibility allows freedom to convert local financial assets into foreign financial assets and vice-versa. It includes easy and unrestricted flow of capital for all purposes which may include free movement of investment capital, dividend payments, interest payments, foreign direct investments in domestic projects and businesses, trading of overseas equities by local citizens and domestic equities by foreigners, foreign remittances, and the sale/purchase of immovable property globally.
- Full convertibility refers to the freedom to convert rupee into foreign currency and vice versa for both current and capital account. Making the rupee a fully convertible currency would mean increased liquidity in financial markets, improved employment and business opportunities, and easy access to capital. Indian banks would be able to borrow foreign funds at lower rates which in turn would enable them to lend at a lesser rate to domestic companies.
- Thus full convertibility can result in the lowering of domestic interest rates. **Some of the disadvantages in the exchange market include higher volatility, an increased burden of foreign debt, and an effect on the balance of trade and exports. Hence statement 2 is correct.**
- **Currently, India allows for full convertibility on the current account and partial on capital account. Hence statement 1 is not correct.**
- Tarapore Committee was set up in 1997 to recommend measures for achieving CAC. The committee recommended a phased transition into full convertibility if certain prerequisites are fulfilled. These include:
 - Reduction of Fiscal deficit
 - Keeping inflation in 3% - 5% range
 - Reforming financial sector
- Tarapore II was set up in 2006 to explore the feasibility of opening up CAC further. The committee recommended that the shift should be phased but before doing so, India must improve regulatory and supervisory standards across the banking system. The report also sought a ban on participatory notes as a mode of investment route to foreigners. It suggested foreign individual investors should be brought at par with non-resident Indian investors. The committee also proposed the formation of the Monetary Policy Committee.

Q 66.A

- The IMF's fundamental mission is to ensure the stability of the international monetary system. It does so in three ways: keeping track of the global economy and the economies of member countries; lending to countries with balance of payment difficulties; and giving practical help to members. **Hence statement 1 is correct.**
- When a country joins the IMF, it is assigned an initial quota in the same range as the quotas of existing members of broadly comparable economic size and characteristics. A member's quota determines that country's financial and organizational relationship with the IMF including subscriptions; access to financing and voting power. The IMF uses a quota formula to help assess a member's relative position.
- The current quota formula is a weighted average of GDP (weight of 50 percent), openness (30 percent), economic variability (15 percent), and international reserves (5 percent). For this purpose, GDP is measured through a blend of GDP—based on market exchange rates (weight of 60 percent) and on PPP exchange rates (40 percent). The formula also includes a —compression factor that reduces the dispersion is calculated quota shares across members. **Hence, statement 2 is not correct.**
- Quotas are denominated in Special Drawing Rights (SDRs), the IMF's unit of account. The largest member of the IMF is the United States, with a current quota (as of March 2017) of SDR82.99 billion (about US\$118 billion), and the smallest member is Tuvalu, with a quota of SDR2.5 million (about US\$3.5 million).

Q 67.A

- In 1964 the **Sirimavo (Srimavo)-Shastri Accord** was reached with India regarding the status of Indian Tamils in the then Ceylon. Also known as **Agreement on Persons of Indian Origin in Ceylon or the Bandaranaike-Shastri pact or the Indo-Ceylon Agreement**, it was signed between Sirimavo Bandaranaike, the Prime Minister of Sri Lanka, and Lal Bahadur Shastri, the Prime Minister of India.
- This pact allowed for the repatriation of nearly 5.25 lakh persons of Indian origin who were taken to Sri Lanka over a century ago by the British to work in the tea, coffee and coconut plantations there. In turn, Sri Lanka agreed to grant citizenship to a section of Indians who had gone to Sri Lanka to work in its tea plantations. Under the terms of the 1964 agreement with India, 600,000 Indian Tamils were to be repatriated, while 375,000 were to be granted Sri Lankan citizenship.
- Later, a follow-up agreement called the Sirimavo-Gandhi Pact was signed between Prime Ministers Bandaranaike and Indira Gandhi for the repatriation of 75,000 more persons of Indian origin. Following this, Sri Lanka again agreed to grant citizenship to another 75,000 persons of Indian origin. This meant that for every four people of Indian origin being granted citizenship, seven were to be repatriated to India.

Q 68.C

- Insurance, an integral part of the financial sector, plays a significant role in India's economy. The insurance sector in India is a colossal one and is growing at a speedy rate of 15-20%. Together with banking services, insurance services add about 7% to the country's GDP. A well-developed and evolved insurance sector is a boon for economic development as it provides long- term funds for infrastructure development at the same time strengthening the risk-taking ability of the country.
- **The potential and performance of the insurance sector are generally assessed on the basis of two parameters, viz., insurance penetration and insurance density.**
- **Insurance penetration is measured as the percentage of insurance premium to GDP whereas Insurance density is calculated as the ratio of premium to population.** Insurance penetration which was 2.71 percent in 2001, has steadily increased to 3.69 percent in 2017. The insurance density in India which was US\$11.5 in 2001, reached US\$73 in 2017. **Hence statements 2 and 3 are correct.**
- The government raised FDI in insurance under the automatic route to 49% from 26% in 2015. Ownership and control had to remain with Indian residents as per the 2015 Insurance Act amendment. Several overseas investors increased their stakes in Indian insurance joint ventures after the limit was raised in 2015. Higher FDI enabled companies to go in for initial public offerings. The finance minister had announced that the government will examine suggestions from various stakeholders to further open up FDI up to 74% in the insurance sector. **Hence statement 1 is not correct.**

Q 69.C

- **Minimum support price**
 - In our country, MSP for certain agricultural commodities of Kharif and Rabi season is announced by the Cabinet Committee on Economic Affairs (CCEA), Government of India at the beginning of the sowing season based on the recommendations of the Commission for Agriculture Cost and Prices (CACP).
 - **MSP** is declared after harvesting of crops.

- **Fair and Remunerative Price**

- It is the minimum price at which rate sugarcane is to be purchased by sugar mills from farmers. FRP is fixed by Union government on basis of recommendations of Commission for Agricultural Costs and Prices (CACP), an attached office of Union Ministry of Agriculture & Farmers Welfare.
- Factors: Recommended FRP is achieved by taking into account various factors such as cost of production, demand-supply situation, inter-crop price parity, domestic & international prices, etc.
- The State Advised Prices (SAP) are announced by key sugarcane producing states which are generally higher than FRP. Commission for Agricultural Costs and Prices (CACP)
- The Commission for Agricultural Costs and Prices (CACP) is an attached office of the Ministry of Agriculture and Farmers Welfare, Government of India. It came into existence in January 1965.

Q 70.A

- Recently, the Supreme Court has strengthened checks on the government's power to shut down the Internet. **The Temporary Suspension of Telecom Services (Public Emergency or Public Safety) Rules, 2017 are notified under the Indian Telegraph Act, 1885.** They stipulate that **only the Home Secretary of the Union or a state can pass an order** and that the order must include the reasons for the decision. The order should be forwarded to a review committee the day after it is issued, and must be reviewed by the committee within five days to assess its compliance with Section 5(2) of The Telegraph Act, under which the government has the power to block the transmission of messages during a public emergency or for public safety.
- In the case of the central government, the review committee comprises the Cabinet Secretary and the Secretaries of the Departments of Legal Affairs and Telecommunications. In the case of states, the committee comprises the Chief Secretary, Secretary, Law or Legal Remembrancer In-Charge, Legal Affairs, and a Secretary to the state government (other than the Home Secretary). In "unavoidable circumstances", the order can be issued by an officer of the rank of Joint Secretary or above, authorized by the Centre or the state Home Secretary.
- Internet shutdowns were ordered under Section 144 of the Code of Criminal Procedure, which gives District Magistrates broad powers during dangerous situations. Even after 2017, many local shutdowns are issued under this law. Section 69(A) of the IT (Amendment) Act, 2008 gives the government powers to block particular websites, not the Internet as a whole.
- The Centre has never ordered a nationwide Internet shutdown. Still, India tops the list of Internet shutdowns globally. According to Software Freedom Law Center's tracker, there have been 381 shutdowns since 2012, 106 of which were in 2019. The ongoing shutdown in Kashmir is the longest ever in any democratic country.

Q 71.C

- Since the bank loan waivers are typically borne by the respective state governments, therefore there is no impact on the bottom-line of banks. Banks only provide a temporary write-off, but the eventual liability is on the state government. **Hence statement 1 is not correct.**
- The entire burden will vest on the state government budgets and not on the banks; therefore, technically, the balance sheets of banks will not worsen significantly due to this write-off. The only worry is the impact that it will have on the combined fiscal deficits of all the state governments put together.
- Only a small percentage of farm households take loans from formal banking institutions. Hence, only a few farmers get the benefits from the farm loan waiver. This may not push the demand for the rural sector because of the limited impact of the loan waiver. **Hence statement 2 is not correct.**
- Farm loan waiver also leads to the problem of moral hazard. Open-Ended forgiveness negatively impacts the credit culture as there is no incentive for farmers to pay back the loan as they expect a loan waiver in the near future. **Hence statement 3 is correct.**

Q 72.A

- International Center for Settlement of Investment Disputes (ICSID) was established in 1966 by the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (the ICSID Convention).
- The ICSID Convention is a multilateral treaty formulated by the Executive Directors of the World Bank to further the Bank's objective of promoting international investment. ICSID is an independent, depoliticized and effective dispute-settlement institution. Its availability to investors and States helps to promote international investment by providing confidence in the dispute resolution process. **Hence statement 1 is correct.**

- It is also available for state-state disputes under investment treaties and free trade agreements and as an administrative registry. **Hence statement 2 is not correct.**
- ICSID provides for settlement of disputes by conciliation, arbitration or fact-finding. India is not a member of ICSID. **Hence, statement 3 is not correct.**

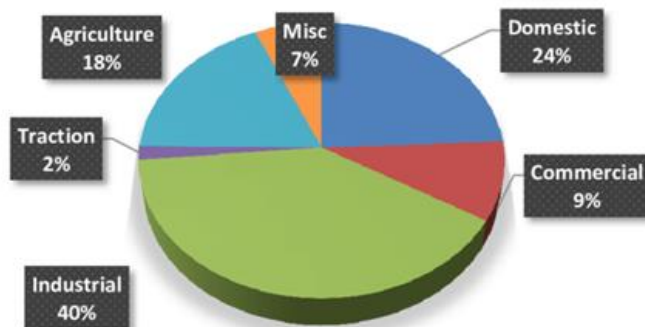
Q 73.D

- **Status of edible oil in India**
 - Currently, total edible oil production is just 7.31 million tonnes (mt). Estimated demand for edible oils in India is 24.5 mt.
 - So, total edible oil import account for 65-70% of the domestic requirements. In the early 1990s, it was less than 5%. **Hence statement 1 is not correct.**
 - India is the third-largest consumer of edible oil. Total edible oil requirement by 2022 is estimated at 33.2 mt, assuming per capita consumption of about 22 kg per person a year, from 19 kg during 2015-16.
 - Palm oil forms a major share of the edible oil imported as well as consumed by Indians. Other major oils are- Soybean Oil and Mustard oil.
Palm oil accounts for nearly two-thirds of India's total edible oil imports. India buys more than 9 million tonnes of palm oil annually, mainly from Indonesia and Malaysia. Hence statement 2 is not correct.
 - India is the fourth largest oil seed-producing country in the world after USA, China and Brazil. Currently, annual oilseed production from primary sources in India is around 34 mt.
 - The oilseeds accounts for 13% of the gross cropped area, 3% of the Gross National Product and 10% value of all agricultural commodities.
 - Major Oilseed producing states in India:
 - ✓ Groundnut: Gujarat (leading), Andhra Pradesh, Karnataka, & Tamil Nadu
 - ✓ Mustard: U.P (leading) Haryana, West Bengal &
 - ✓ Soybean: M.P (leading) & Maharashtra

Q 74.D

- **The industrial sector consumes the highest electricity** than any other sector in India. Consumption of electricity in agriculture continues to be low due to dependence on manual labor and lack of mechanization. **Hence statement 1 is not correct.**

Sector Wise Electricity Consumption in India -2016-2017



- There is an **under-utilization of production capacity in most of the thermal power plants**. Capacity utilization is measured by **Plant Load Factor (PLF)** which is the ratio of electricity generated to production capacity. It is around 75-77%. **Hence statement 2 is not correct.**
- Transmission and Distribution (T&D) losses are a percentage of energy loss in the power grid in the process of transporting electricity from generating stations to points of consumption. T&D losses are not negligible in India. It amounts to nearly 20% in most of the states. In some states, it is up to 50%. **Hence statement 3 is not correct.**

Q 75.C

- The Central Government recently notified the structure of the National Startup Advisory Council to advise the Government on measures needed to build a strong ecosystem for nurturing innovation and startups in the country to drive sustainable economic growth and generate large scale employment opportunities. The individual names will be notified later.
- The Council will suggest measures to **foster a culture of innovation amongst citizens and students, in particular**, promote innovation in all sectors of economy across the country, including semi-urban and

rural areas, support creative and innovative ideas through incubation and research and development to transform them into valuable products, processes or solutions to improve productivity and efficiency and create an environment of absorption of innovation in industry. It will also suggest measures to facilitate public organizations to assimilate innovation with a view to improving public service delivery, promote creation, protection and commercialization of intellectual property rights, make it easier to start, operate, grow and exit businesses by reducing regulatory compliances and costs, promote ease of access to capital for startups, incentivize domestic capital for investments into startups, mobilize global capital for investments in Indian startups, keep control of startups with original promoters and provide access to global markets for Indian startups.

- The **National Startup Advisory Council will be chaired by Minister for Commerce & Industry**. The Council will consist of the non-official members, to be nominated by Central Government, from various categories like founders of successful startups, veterans who have grown and scaled companies in India, persons capable of representing interests of investors into startups, persons capable of representing interests of incubators and accelerators and representatives of associations of stakeholders of startups and representatives of industry associations. The term of the non-official members of the Startup Advisory Council will be for a period of two years.
- The nominees of the concerned Ministries/Departments/Organisations, not below the rank of Joint Secretary to the Government of India, will be ex-officio members of the Council. Joint Secretary, Department for Promotion of Industry and Internal Trade will be the Convener of the Council.

Q 76.B

- About Rainfed Agriculture
 - **A region is classified as rainfed if it has less than 40% net irrigated area. Hence statement 1 is not correct.**
 - A region is classified as rainfed if assured irrigation is not provided to the majority of the net sown area. It is an interrelation of production systems, natural resources, and people's livelihoods in rainfed regions.
 - In India, they cover around 180 districts and exist in all agro-climatic regions but are mostly concentrated in the arid and semi-arid area. About 61 percent of India's farmers rely on rain-fed agriculture and 55 percent of the gross cropped area is under rain-fed farming.
- Importance of these areas
 - Rain-fed areas contributed significantly to the country's food production.
 - **They account for 88 percent of pulses and 40 percent of rice production in the country. Hence statement 2 is correct.**
 - They also support 64 percent of cattle population in the country.

Q 77.B

- Parker Solar Probe is a NASA robotic spacecraft launched in 2018, with the mission of repeatedly **probing and making observations of the outer corona of the Sun.**
- Mission scientists are particularly interested in solving two long-standing puzzles: how the stream of particles flowing continuously from the sun, known as the solar wind, is accelerated to its tremendous velocities; and why the sun's outer atmosphere, or **corona, is so much hotter than its surface. (Corona temperatures can top 2 million degrees Fahrenheit or 1.1 million degrees Celsius. The solar surface is downright temperate by comparison, at 11,000 F, or 6,000 C.)**
- **Over its seven-year mission, the spacecraft will orbit the sun 24 times.** Its trajectory also takes it close to the planet Venus. These flybys decrease the probe's orbital speed and will ultimately allow it to sail within four million miles of the sun, or eight times closer than any previous spacecraft.
- **Hence, only statements 1 and 2 are correct.**

Q 78.A

- INTERPOL recently issued a Blue Corner notice to help locate fugitive self-styled godman Nithyananda, weeks after the Gujarat Police sought the agency's intervention for this.
- **About INTERPOL:** It was established in 1923 as the International Criminal Police Organisation (ICPO), much before the formation of the United Nations. It is not a specialized agency of United Nations. The INTERPOL organization incorporates 194 member countries and has observer status in the United Nations. India is not one of its founding members.
- International Criminal Police Organisation (INTERPOL) Notices are international requests for cooperation or alerts allowing police in member countries to share critical crime-related information.

- Notices are published by the General Secretariat at the request of a National Central Bureau and are made available to all our member countries. Notices can also be used by the United Nations, International Criminal Tribunals and the International Criminal Court to seek persons wanted for committing crimes within their jurisdiction, notably genocide, war crimes, and crimes against humanity.
- **Most Notices are for police use only and are not made available to the public. However, in some cases, for example, to alert the public, or to request help from the public, an extract of the Notice can be published on this site. United Nations Special Notices are public.** The various type of notices include:
 - **Red Notice:** To seek the location and arrest of wanted persons wanted for prosecution or to serve a sentence.
 - **Yellow Notice:** To help locate missing persons, often minors, or to help identify persons who are unable to identify themselves.
 - **Blue Notice:** **To collect additional information about a person's identity, location or activities in relation to a crime.** (The Central Bureau of Investigation (CBI) website refers to Blue Notices as 'B Series (Blue) Notices'. It says, "The 'B' series notices are also called 'enquiry notices' and may be issued in order to have someone's identity verified; to obtain particulars of a person's criminal record; to locate someone who is missing or is an identified or unidentified international criminal or is wanted for a violation of ordinary criminal law and whose extradition may be requested.")
 - **Black Notice:** To seek information on unidentified bodies.
 - **Green Notice:** To provide a warning about a person's criminal activities, where the person is considered to be a possible threat to public safety.
 - **Orange Notice:** To warn of an event, a person, an object or a process representing a serious and imminent threat to public safety.
 - **Purple Notice:** To seek or provide information on modus operandi, objects, devices and concealment methods used by criminals.
 - **INTERPOL–United Nations Security Council Special Notice:** Issued for groups and individuals who are the targets of UN Security Council Sanctions Committees.
- **Hence statement 1 is correct and statement 2 is not correct.**

Q 79.B

- To implement the provisions of the Protection of Plant Varieties and Farmers' Rights Act, 2001, the Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare established the Protection of Plant Varieties and Farmers' Rights Authority in 2005. **Hence statement 1 is not correct.**
- The Chairperson is the Chief Executive of the Authority. Besides the Chairperson, the Authority has 15 members, as notified by the Government of India (GOI). Eight of them are ex-officio members representing various Departments/ Ministries, three from SAUs and the State Governments, one representative each for farmers, tribal organization, seed industry and women organization associated with agricultural activities are nominated by the Central Government. The Registrar General is the ex-officio Member Secretary of the Authority.
- **General Functions of the Authority:**
- Registration of new plant varieties, essentially derived varieties (EDV), extant varieties
 - Developing DUS (Distinctiveness, Uniformity and Stability) test guidelines for new plant species;
 - Developing characterization and documentation of varieties registered;
 - Compulsory cataloging facilities for all variety of plants;
 - Documentation, indexing and cataloging of farmers' varieties;
 - Recognizing and rewarding farmers, community of farmers, particularly tribal and rural community engaged in conservation and improvement;
 - Preservation of plant genetic resources of economic plants and their wild relatives;
 - **Maintenance of the National Register of Plant Varieties and**
 - **Maintenance of National Gene Bank. Hence statement 2 is correct.**

Q 80.A

- **Yada Yada is an alphavirus, a group of viruses that the researchers described as "small, single-stranded positive-sense RNA viruses.** Alphaviruses (genus Alphavirus, family Togaviridae) are small (10- to 12-kb) **single-stranded positive-sense RNA viruses** and include species important to human and animal health, such as Chikungunya virus and Eastern equine encephalitis virus. While these viruses are transmitted primarily by mosquitoes and pathogenic in their vertebrate hosts, there is a small complex of recently discovered alphaviruses that replicate only in mosquito cells.

- **Unlike some other alphaviruses, Yada Yada does not pose a threat to human beings.** The virus was detected in mosquitoes trapped as part of the Victorian Arbovirus Disease Control Programme in Encephalitis Virus Surveillance traps set up overnight in three locations in Victoria, Australia, for seven weeks in late 2016, the researchers reported.
- **About Alphaviruses:** Alphaviruses are small, spherical, enveloped, positive-sense ssRNA viruses responsible for a considerable number of human and animal diseases. Alphavirus members include Chikungunya virus, Sindbis virus, Semliki Forest virus, the western, eastern and Venezuelan equine encephalitis viruses, and the Ross River virus. Alphaviruses can cause arthritic diseases and encephalitis in humans and animals and continue to be a worldwide threat. The viruses are transmitted by blood-sucking arthropods and replicate in both arthropod and vertebrate hosts.

Q 81.C

- Hydrocarbon Exploration and Licensing Policy (HELP) is a policy adopted by the Government of India on 10.03.2016 indicating the new contractual and fiscal model for the award of hydrocarbon acreages towards exploration and production (E&P). HELP replaces the earlier policy regime for the exploration and production of oil and gas, known as the New Exploration Licensing Policy (NELP), which was in existence for 18 years.
- Features of HELP: Four main aspects of HELP are
 - **Uniform License:** It provides for a uniform licensing system to cover all hydrocarbons such as oil, gas, coal bed methane, etc. under a single licensing framework, instead of the present system of issuing separate licenses for each kind of hydrocarbons. **Hence statement 1 is not correct.**
 - **Open Acreages:** It gives the option to a hydrocarbon company to select the exploration blocks throughout the year without waiting for the formal bid round from the Government. **Hence statement 3 is correct.**
 - **Revenue Sharing Model:** Present fiscal system of production sharing contract (PSC) is replaced by an easy to administer "revenue sharing model". The earlier contracts were based on the concept of profit sharing where profits are shared between the Government and the contractor after recovery of cost. Under the profit sharing methodology, it became necessary for the Government to scrutinize cost details of private participants and this led to many delays and disputes. Under the new regime, the Government will not be concerned with the cost incurred and will receive a share of the gross revenue from the sale of oil, gas, etc. **Hence statement 2 is correct.**
 - Recognizing the higher risks and costs involved in exploration and production from offshore areas a graded system of royalty rates has been introduced, in which royalty rates decrease from shallow water to deepwater and ultra-deepwater. This policy also provides for marketing freedom for crude oil and natural gas produced from these blocks.

Q 82.C

About Bureau of Indian Standards

- It is the National Standards Body of India working under the aegis of Ministry of Consumer Affairs, Food & Public Distribution.
- It is governed by the Bureau of Indian Standards (BIS) Act 2016
- It provides various certification marks such as:
 - **BIS Hallmark for purity benchmarking for gold and silver jewelry. Hence option 5 is not correct.**
 - EcoMark for products conforming to a set of standards aimed at the least impact on the ecosystem).
 - ISI Mark for industrial products. **Mandatory for products such as electrical appliances like switches, electric motors, wiring cables, heaters, kitchen appliances, Portland cement, LPG valves, LPG cylinders, automotive tires.**

Q 83.D

- In order to promote the Ease of Doing Business, the Ministry of Micro, Small and Medium Enterprises (MSME) has introduced various initiatives including the online filing of Udyog Aadhaar Memorandum (UAM). The Ministry has also taken the following steps:
 - **MSME SAMBANDH Portal- to help in monitoring the implementation of public procurement policy for micro and small enterprises.**
 - **MSME SAMPARK Portal – A digital platform wherein jobseekers (passed out trainees/students of MSME Technology Centres) and recruiters get connected.**

- **MSME SAMADHAAN** Portal- for empowering micro and small entrepreneurs across the country to directly register their cases relating to delayed payments.
- Digital Payments- to pass on the benefits of the schemes of Ministry of MSME through digital payment gateway.
- Government has enacted the Micro, Small and Medium Enterprise Development (MSMED) Act, for regulating the functions of the MSMEs which is applicable to all the States and Union Territories
- The Procurement Policy launched in 2012 mandates the Central Government Departments / CPSUs to procure necessarily from MSEs i.e. every Central Ministry / Department / PSU shall set an annual goal for procurement from the MSE sector at the beginning of the year, with the objective of achieving an overall procurement goal of minimum of 20 percent of the total annual purchases of the products or services produced or rendered by MSEs. By creating an online portal, the Ministries and the CPSEs can assess their performance.

Q 84.B

- Predatory pricing strategy, a term commonly used in marketing, refers to a pricing strategy in which goods or services are priced at a very low price point with the intention of driving out competition and creating barriers to entry. **Predatory pricing makes markets more vulnerable to a monopoly. Hence statement 1 is not correct.**
- There's even risk in a predatory-pricing practice known as dumping, in which the predator attempts to conquer a new foreign market by selling goods there, at least temporarily, for less than they charge at home.
- There have been complaints that e-commerce companies such as Amazon and Flipkart engage in “predatory pricing” or “below cost pricing”. They have been faulted merely for offering discounts to consumers.
- **The Competition Act, 2002 prohibits “predatory pricing” by companies with a dominant position in a relevant market in India.** If the company is not dominant, predatory pricing, as a matter of law, is inapplicable. Determining whether a company has a dominant position involves a complex blend of economic analysis, law, business realities, consumer preferences, and so on. **Hence statement 2 is correct.**

Q 85.B

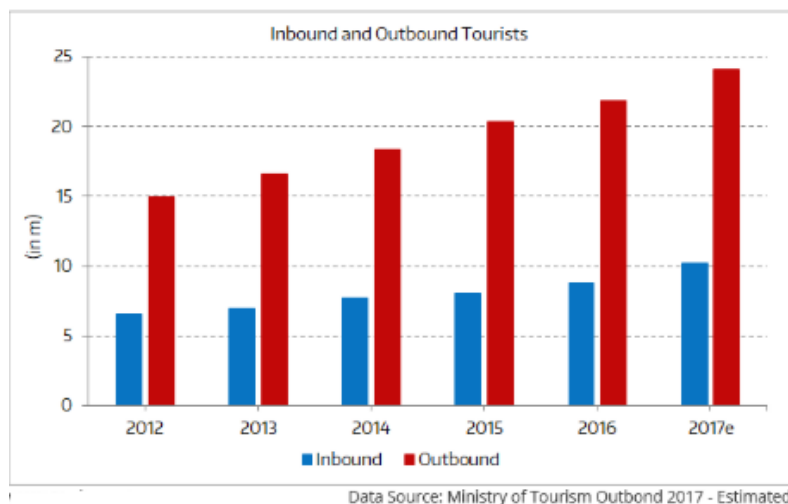
- Transit-oriented development (TOD) is a planning and design strategy that consists in promoting urban development that is compact, mixed-use, pedestrian- and bicycle-friendly, and closely integrated with mass transit by **clustering jobs, housing, services, and amenities around public transport stations.**
- Based on the premise that economic growth, urban transport, and land use can be managed more efficiently if planned together, TOD has been successfully applied at a city scale in cities around the world including Stockholm, Copenhagen, Hong Kong SAR, Tokyo, and Singapore.
- TOD focuses on the creation of high density mixed land use development in the influence zone of transit stations, i.e. within the walking distance of (500-800 m) transit station. **TOD advocates pedestrian trips to access various facilities such as shopping, entertainment, and work.**
- **In 2017, the union government (Ministry of housing and urban affairs) formulated and adopted a ‘National Transit Oriented Development Policy’.**
The policy framework aims to promote living close to mass urban transit corridors like the Metros, monorail, and bus rapid transit (BRT) corridors.
- **Hence, only statements 1 and 2 are correct.**

Q 86.D

- Biofertilizers provide various nutrients to plants like N, P, K, etc. either by fixing the elemental form (N) or by solubilizing the unavailable nutrients like B K and Zinc.
- **The biofertilizers help the plants to overcome the negative effects of water stress at any growth period.**
- Biofertilizers not only provide nutrients to plants but also protect plants from plant diseases as they secrete many **antibiotic compounds that suppress the growth of disease-causing pathogens.**
- Besides providing nutrients and suppressing diseases, **biofertilizers also secrete some plant-growth-promoting hormones like auxins and gibberellic acid which makes plant healthy.**
- Once the biofertilizers are established in the field after 2-3 years of continuous application, **the dose of biofertilizers may be reduced.**
- **Biofertilizers are of bacterial, algal and fungal types. Hence only option (d) is not correct.**

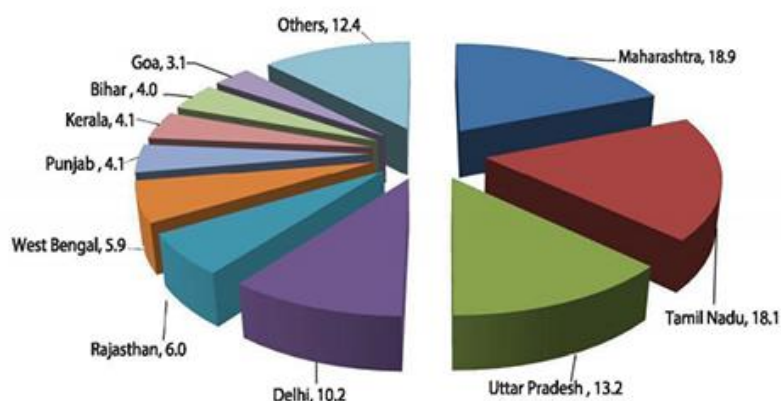
Q 87.A

- In India, the Tourism sector had been performing well with Foreign Tourist Arrivals (FTAs) growing at 14 percent to 10.4 million and Foreign Exchange Earnings (FEEs) at 20.6 percent to US\$28.7 billion in 2017-18. However, the sector witnessed a slowdown in 2018-19. **The Foreign Tourist Arrivals (FTAs) in 2018-19 stood at 10.6 million compared to 10.4 million in 2017-18.**
- Outbound tourism increased in recent years, with the number of departures of Indian nationals from India, which stood at 23.94 million in 2017 from 21.87 million in 2016, with a growth rate of 9.5 percent in 2017. This was more than double the foreign tourist arrivals in India. Hence statement 1 is correct.**



- Growth in domestic tourist visits slowed down from 12.7 percent in 2016 to 2.4 percent in 2017. In absolute numbers, there were 1,652.5 million domestic tourists in 2017 compared to 1,615.4 million in 2016. **Tamil Nadu (345.1 million), Uttar Pradesh (234 million), Karnataka (180 million), Andhra Pradesh (165.4 million) and Maharashtra (119.2 million) were the top 5 destination States, accounting for 63.2 percent of a total number of domestic tourist visits in 2017. Hence statement 2 is not correct.**

Share of top 10 States/Uts in India in Number of Foreign Tourist Visits in 2017



- Amongst centrally protected ticketed monuments, the Taj Mahal, Agra (5.66 million) was the most visited monument in 2017-18 for domestic visitors followed by Sun Temple, Konark (3.22 million) and Red Fort, Delhi (3.04 million).
- National Heritage City Development and Augmentation Yojana (HRIDAY) is a central sector scheme under the **Ministry of Housing and Urban Affairs**, with the aim of bringing together urban planning, economic growth, and heritage conservation in an inclusive manner to preserve the heritage character of each Heritage City. **Hence statement 3 is not correct.**

Q 88.D

- The government launched National Rural Livelihoods Mission (NRLM), subsequently renamed as Aajeevika in 2011. It aims at mobilizing all rural poor household into Self Help Groups (SHGs) in a phased manner.**
- The Mission provides them long term support to attain an appreciable increase in incomes over a period of time to improve their quality of life and come out of abject poverty.

- NRLM also aims at supporting all women SHGs of the poor, including those promoted by other state agencies and Non-Governmental Organizations (NGOs).

Q 89.B

- Bank deposit insurance scheme is a protection cover against losses accruing to bank deposits if a bank fails financially and has no money to pay its depositors and has to go in for liquidation. The government has set up Deposit Insurance and Credit Guarantee Corporation (DICGC), a wholly-owned subsidiary of Reserve Bank of India to protect depositors if a bank fails. **Hence option (b) is not correct.**
- The Insurance limit for each depositor in a bank is capped at Rs.1 lakh, including both principal and interest amounts. In case a bank goes into liquidation, depositors get the insurance money as per their deposits for a maximum of up to ₹1 lakh. **Hence option (d) is correct.**
- The scheme covers depositors of all commercial banks and foreign banks operating in India, state, central and urban co-operative banks, local area banks and regional rural banks. All bank deposits - demand and time deposits - payable in India are covered under the scheme. **Hence option (c) and option (a) are correct.**

Deposit insurance, as we know it today, was introduced in India in 1962. India was the second country in the world to introduce such a scheme - the first being the United States in 1933.

Q 90.C

- India's telecommunication satellite GSAT-30 was successfully launched into a Geosynchronous Transfer Orbit (GTO) on January 17, 2020 from Kourou launch base, French Guiana by Ariane-5 VA-251.
- **GSAT-30 is configured on ISRO's enhanced I-3K Bus structure to provide communication services from Geostationary orbit in C and Ku bands.** The satellite derives its heritage from ISRO's earlier INSAT/GSAT satellite series.
- Weighing 3357 kg, **GSAT-30 is to serve as a replacement to INSAT-4A spacecraft services with enhanced coverage.** The satellite provides Indian mainland and islands coverage in Ku-band and extended coverage in C-band covering Gulf countries, a large number of Asian countries and Australia.
- The designed in-orbit operational life of GSAT-30 is more than 15 years.
- **Hence both the statements are correct.**

Q 91.B

- 'Import Substitution' (IS) generally refers to a policy that eliminates the importation of the commodity and allows for the production in the domestic market. **Hence, statement 2 is correct.**
- The policy of import substitution is achieved through discrimination of capital goods against consumer goods by tariffs, quotas, exchange control barriers, exchange rate policies, and fiscal and credit policies.
- India adopted the strategy of ISI in the fifties. From the Second Five Year Plan, there was determined thrust towards the substitution of basic and capital goods industries. The ISI strategy was based on the model of growth as propounded by Mahalanobis. **Hence, statement 1 is not correct.**
- The State was to play an active role in building a self-reliant economy, discriminating structure of protection was evolved to acquire foreign technology and for policies towards foreign investment. Import protection was to apply to new industries to give 'breathing space'. The infant industry argument for protection was put forth.

Q 92.B

- There are four types (or five types if tasar silk is sub-classified) of natural silk produced in India for commercial purposes.
- These are known as:
 - **Mulberry silk,**
 - **Tasar silk - Tropical tasar, Oak tasar**
 - **Muga silk and**
 - **Eri silk.**
- **Statement 1 is correct:** India has the unique distinction of being the only country producing all known commercial silks. India is the second largest producer of silk in the world. Four types of silk are grown in India.
- **Statement 2 is not correct: Mulberry accounts for 71.50 per cent (25,213 MT), Tussar 8.44 per cent (2,977 MT), Eri 19.40 per cent (6,839 MT) and Muga 0.66 per cent (232 MT) of the provisional total raw silk production of 35,261 MT.**

- **Statement 3 is not correct:** Karnataka is the largest producer of silk in India. The state produces an average of around 9,800 metric tonnes of silk every year, which is about one-third of the total silk production in India. It is followed by Andhra Pradesh with 5,000 MT production

Q 93.C

- **Exports**
 - Petroleum products continue to have the largest share in India's export basket at 14.1 percent in 2018-19 followed by Pearl and Precious Stones, Drug Formulations, Gold and Jewellery, Iron and Steel etc.
 - Top export destination of India: US, UAE, China, Hong Kong, Singapore.
- **Imports**
 - **Crude petroleum continues to be the largest imported commodity** in 2018-19 with a share of 22.2 percent in the import basket, followed by Gold/Silver; Pearl, Precious, Semi-Precious Stones; and Petroleum Products. **Hence, statement 1 is not correct.**
 - Top import sources of India: China, USA, UAE, Saudi Arab, Iraq. **Hence, statement 2 is correct.**

India's top trade partners (figures in US\$ million for 2018-19)

Rank	Country	Export	Import	Total Trade	Trade Balance
1	USA	52,406.78	35,549.45	87,956.24	16,857.33
2	CHINA P RP	16,749.59	70,319.55	87,069.14	-53,569.96
3	U ARAB EMTS	30,126.34	29,783.04	59,909.38	343.3
4	SAUDI ARAB	5,561.72	28,479.21	34,040.93	-22,917.49
5	HONG KONG	13,001.99	17,987.01	30,988.99	-4,985.02
6	SINGAPORE	11,571.14	16,281.64	27,852.78	-4,710.51
7	IRAQ	1,788.66	22,372.47	24,161.14	-20,583.81

- **India - US Bilateral Trade and Investment**
 - U.S. goods and services trade with India totaled an estimated \$142.6 billion in 2018. Exports were \$58.7 billion; imports were \$83.9 billion. The U.S. goods and services trade deficit with India was \$25.2 billion in 2018.
 - Exports to India: India was the United States' 12th largest goods export market in 2018. The top export categories (2-digit HS) in 2018 were: precious metal and stone (diamonds), mineral fuels, aircraft, machinery, and organic chemicals.
 - Imports from India: India was the United States' 10th largest supplier of goods imports in 2018. The top import categories (2-digit HS) in 2018 were: precious metal and stone (diamonds) (\$11 billion), pharmaceuticals (\$6.3 billion), machinery (\$3.3 billion), mineral fuels (\$3.2 billion), and vehicles (\$2.8 billion). **Hence, statement 3 is not correct.**

Q 94.D

National Agriculture Market (eNAM)

- It is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities.
- Small Farmers Agribusiness Consortium (SFAC) is the lead agency for implementing eNAM under the aegis of the Ministry of Agriculture and Farmers' Welfare, Government of India.
- The NAM (National Agriculture Market) through an Agri-Tech Infrastructure Fund (ATIF) has been established by the Government of India in July 2015. NAM will provide a common e-market platform of regulated wholesale markets in states/UTs (those states /UTs that are desirous to join the platform).
- **Objectives:**
 - to integrate markets first at the level of the States and eventually across the country through a common online market platform, to facilitate pan - India trade in agricultural commodities
 - to streamline marketing/transaction procedures and make them uniform across all markets to promote the efficient functioning of the markets;

- to promote better marketing opportunities for farmers/sellers through online access to more buyers / markets, **removal of information asymmetry between farmer and trader, better and real-time price discovery based on actual demand and supply of Agri commodities**, transparency in auction process, prices commensurate with quality of produce, online payment etc. that contribute to marketing efficiency;
- **to establish quality assaying systems for quality assurance to promote informed bidding by buyers (Hence statement 3 is correct);** and
- to promote stable prices and availability of quality produce to consumers.

Q 95.A

- **Unorganized sector**
 - Unorganized sector is defined under Section 2 (l) of the Unorganized Workers Social Security Act, 2008. **Hence statement 1 is not correct.**
 - It is defined as a production or service-oriented enterprise owned by individuals or self-employed workers (one who is not working for an employer and is engaged in an unorganized sector job earning an income below a threshold or owning land below a notified limit) and if workers are employed, then the total number of workers cannot exceed 10
 - The term 'unorganized worker' is defined in India under Section 2(m) of the Unorganized Workers Social Security Act, 2008.
 - The organised sector is defined as the sector which is not the unorganized sector. It is pertinent to note that the organised sector may also have unorganized workers working there
- **Workforce in the unorganized sector**
 - The exact figures of the unorganized workforce vary as per different estimates.
 - The Economic Survey of 2018-19 estimates "almost 93%" of the total workforce is 'informal'.
 - Niti Aayog's Strategy for New India at 75, released in November 2018 estimates India's informal workforce approximately 85%.
 - Report of the Committee on Unorganised Sector Statistics' of the National Statistical Commission (NSC), 2012, which says the share of the informal workforce is "more than 90%" of the total
 - However, by all estimates, the unorganized workforce is more than 75% of the total workforce. **Hence statement 2 is correct.**
- **Wages for unorganized sector**
 - Workers in the unorganized sector are entitled to Minimum wages under the Code on Wages, 2019. Minimum wages fixed for scheduled employments including the agricultural sector are applicable to organized as well as unorganized sectors. **Hence statement 3 is not correct.**
 - **The Code on Wages, 2019 fixes a national minimum wage for all categories of over 40 crore unorganized sector workers and provides a fixed timeline for their payment -- in some cases only through electronic means or cheque.**

Q 96.A

- National Social Security Board has been constituted for recommending the formulation of social security schemes viz. Life and disability cover, health and maternity benefits, old age protection and any other benefit as may be determined by the Government for the unorganized worker. It is an advisory body. **Hence statement 1 is correct.**
- It has been constituted under the provisions of the 'Unorganised Workers' Social Security Act, 2008'.
- It is under the purview of the Ministry of Labour & Employment & is chaired by the Union Minister for Labour and Employment. **Hence statement 2 is not correct.**
- The Act also provides for the constitution of State Social Security Board for unorganized workers at state levels.

Q 97.D

- **Engineering, Procurement, and Construction (EPC) Model:**
 - Under this model, the cost is completely borne by the government.
 - Government invites bids for engineering knowledge from the private players.
 - Procurement of raw material and construction costs are met by the government.
 - **The private sector's participation is minimum and is limited to the provision of engineering expertise.**
 - A difficulty of the model is the high financial burden for the government.
 - Under the EPC model, NHAI pays private players to lay roads. **The private player has no role in the road's ownership, toll collection or maintenance (it is taken care of by the government).**

Q 98.C

- India is home to 1,531 operating mines and produces 95 minerals – 4 fuel-related minerals, 10 metallic minerals, 23 non-metallic minerals, 3 atomic minerals and 55 minor minerals. India is the 3rd largest producer of coal. Coal's share in India's primary energy consumption is expected to be 48% in 2040. **India is the 2nd largest crude steel producer in the world, generating an output of 106.5 MT in 2018.**
- The country's FDI Policy allows:
 - **100% FDI through automatic route in the steel and mining sectors**
 - 100% FDI for coal and lignite under automatic route
- **District Mineral Foundations (DMFs) are statutory bodies** in India established by the State Governments by notification under the Mines and Minerals (Development and Regulation) Amendment Act, 2015. District Mineral Foundation is a trust set up as a non-profit body, in those districts affected by the mining works, to work for the interest and benefit of persons and areas affected by mining-related operations. It is funded through the contributions of miners. **Hence both the given statements are correct.**

Q 99.D

- Though the planned economic development in India began in 1951 with the inception of the First Five Year Plan, theoretical efforts had begun much earlier, even prior to independence. Setting up of National Planning Committee by Indian National Congress in 1938, The Bombay Plan & Gandhian Plan in 1944, Peoples Plan in 1945 (by post-war reconstruction Committee of Indian Trade Union), Sarvodaya Plan in 1950 by Jaiprakash Narayan were steps in this direction.
- After independence, India launched its First FYP in 1951, under the socialist influence of first Prime Minister Jawaharlal Nehru. The process began with setting up of Planning Commission in March 1950 in pursuance of declared objectives of the Government to promote a rapid rise in the standard of living of the people by efficient exploitation of the resources of the country, increasing production and offering opportunities to all for employment in the service of the community. The Planning Commission was charged with the responsibility of making an assessment of all resources of the country, augmenting deficient resources, formulating plans for the most effective and balanced utilization of resources and determining priorities.
- **The objective of fourth FYP (1969-74) includes "growth with stability and progressive achievement of self-reliance".** The main emphasis was on the growth rate of agriculture to enable other sectors to move forward. The first two years of the plan saw record production. The last three years did not measure up due to poor monsoon. Implementation of **Family Planning Programmes was amongst the major targets of the Plan.** The influx of Bangladeshi refugees before and after 1971 Indo-Pak war was an important issue along with price situation deteriorating to crisis proportions and the plan is considered as a big failure. **Hence, statement 1 is not correct.**
- **The tenth FYP (2002 - 2007) sought to double national per capita income and create a hundred million jobs in 10 years.** The tenth plan realized that the spatial pattern of work creation is extremely relevant as the growth of the labor force was regionally uneven. It also noted that there would always be a tendency for private investment to move to developed regions which would increase regional disparities. Unless the public intervention in infrastructure could redress the initial imbalances. Therefore, **the 10th FYP emphasized regional imbalance and for the first time had a separate plan document on states. Hence, statement 2 is not correct.**
- The **eleventh plan (2007 - 2012) introduced the concept of inclusive growth.** It focused on human resources, especially health and skill development. By the middle of the plan, it was clear that skills and not investible resources had become the binding constraint on the economy. On the other hand underemployment of unskilled and semi-skilled labour continued to pose challenges. Thus, increasing alternative work opportunities in rural areas was a key element of the plan. **Hence, statement 3 is not correct.**

Q 100.A

- The Henley Passport Index is a global ranking of countries according to the travel freedom for their citizens. It started in 2006 as Henley & Partners Visa Restrictions Index and was modified and renamed in January 2018. **Based on data from the International Air Transport Association (IATA), Henley & Partners has come out with a passport index where countries are ranked according to the number of destinations their passport holder can access without a prior visa.**
- **Japan has secured the top spot with access to 191 countries and is considered the most powerful passport in the world.** Asia dominated the list, with Singapore landing in the second rank while South

Korea and Germany tie at the third rank. A US passport provides access to 183 countries in 2020, giving it the eighth-place ranking. Hence statement 1 is correct and statement 2 is not correct.

- **India's passport ranking dropped 2 places in 2020 to the 84th position where it is tagged along with Mauritania and Tajikistan.** Chinese passport is more powerful than India's as it is ranked 71st. Afghanistan's passport is the world's worst passport while Pakistan's is the fourth worst, according to the Henley Passport Index 2020 report. Indian passport holders can travel visa-free to 58 destinations like Bhutan, Cambodia, Indonesia, Macao, Maldives, Myanmar, Nepal, Sri Lanka, Thailand, Kenya, Mauritius, Seychelles, Zimbabwe, Uganda, Iran, and Qatar.

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