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DHEERAJ KUMAR
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SDM – Rank 202 (BPSC 70th)

“

My name is Dheeraj Kumar, and I secured Rank 202 in the 70th BPSC Combined Competitive Examination, and got selected as SDM.

I used PRAM IAS notes for prelims PYQs and history notes for Mains preparation. However, Pram IAS played the most important role in my interview preparation.

A senior who had himself benefited from the rigor of the Pram IAS interview program recommended it to me. I am grateful to the Pram IAS board for conducting two mock interviews and providing detailed feedback on my performance.

I am especially thankful to Intab Sir for his deep insights into my personality and for suggesting areas where I could improve my overall performance. Guidance of Sir, gave me greater clarity and confidence. And, I want to confess that I benefited immensely from insights on GS-II.

I am happy to share that, I successfully cleared the BPSC Examination and Pram played a big role in it.

I sincerely thank the entire Pram IAS team for their guidance, mentorship, and support throughout this journey.

DHEERAJ KUMAR
(Dheeraj Kumar)
SDM - Rank 202 (BPSC 70th)

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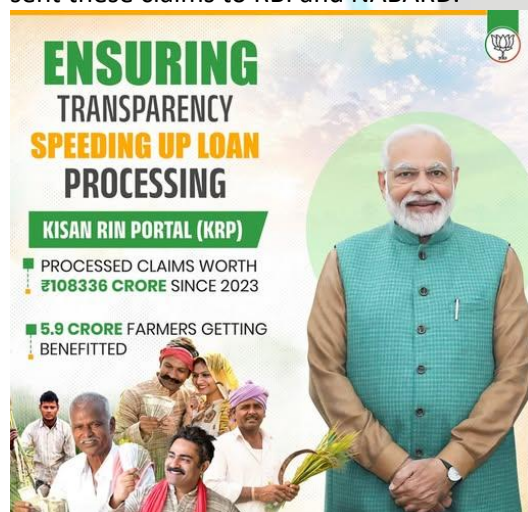
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Q1. Before the launch of Kisan Rin Portal (KrP), farmers used to submit manual claims under the interest Subvention and Prompt repayment incentive schemes to which of the following institutions? (71th BPSC 2025)

- Ministry of Agriculture and Farmers Welfare and NABARD
- Reserve Bank of India and NABARD
- National Payments Corporation of India and Reserve Bank of India
- More than one of the above

Ans. B. Reserve Bank of India and NABARD

To provide farmers with affordable short-term crop loans, the Government of India runs the Interest Subvention Scheme (ISS) and an additional scheme for the Prompt Repayment Incentive (PRI). For transparent and faster settlement of claims, the Kisan Rin Portal (KRP) was launched in 2023. Before the launch of KRP, manual claims of interest subvention (IS) and prompt repayment incentive (PRI) were sent to the Reserve Bank of India (RBI) and NABARD. It is noteworthy that technically, farmers themselves did not directly send these claims to RBI or NABARD; rather, based on the loans given to farmers, banks sent these claims to RBI and NABARD.



Q2. The Atmanirbhar Bharat Scheme announced by the Government helps in:

- Enhancing India's manufacturing capabilities and exports across the industries
- incentivizing foreign investments for domestic production out of these: (71th BPSC 2025)

- 1 is correct
- 2 is correct
- Both 1 and 2 are correct
- Neither 1 nor 2 is correct

Ans. C. Both 1 and 2 are correct

The Atmanirbhar Bharat Abhiyaan is a landmark economic initiative announced by Prime Minister Shri Narendra Modi on 12th May 2020 during the unprecedented global crisis caused by the COVID-19 pandemic.

Q3. Which of the following statement/s is/are correct about Capability Poverty measure (CPM) developed by the UNDP?

- CPM includes child malnutrition as a proxy for lack of health and nourishment.
- Female illiteracy is included to reflect deprivation in education and knowledge.
- it considers male illiteracy as a key indicator of capability poverty.
- it includes lack of access to clean drinking water as an important indicator of capability poverty.

Select the correct answer using the codes given below: (71th BPSC 2025)

- 1 and 2
- Only 1
- 1, 2 and 3
- More than one of the above

Ans. A. 1 and 2

- In the Human Development Report, 1996, UNDP introduced a composite index called the "Capability Poverty Measure (CPM)," which measures deprivation in three basic human capabilities—
 - The capability to live a healthy and well-nourished life,
 - The capability of healthy reproduction, and The capability to be educated and knowledgeable.
- Under this, child malnutrition (the proportion of children under five years of age who are underweight) has been included to indicate deprivation in health and nutrition. To measure deprivation in education and knowledge, CPM uses "the percentage of illiterate women aged 15 years and above" as an indicator. Male illiteracy is not treated as an indicator in CPM. Only statements 1 and 2 match the official definition of CPM, while statements 3 and 4 are incorrect.

Q4. According to the Index of Industrial Production (IIP) data from the Ministry of Statistics and Programme Implementation, which indices experienced significant growth in Financial Year 2023?

- A. Manufacturing and consumer goods
- B. Capital goods and infrastructure/construction goods
- C. Consumer goods and infrastructure / construction goods
- D. Consumer goods and capital goods

Correct Answer: (b) Capital goods and infrastructure/construction goods

In the context of the **Index of Industrial Production (IIP)** — which measures the growth rate of various sectors of the economy like mining, manufacturing, and electricity — the growth of specific sub-sectors signals key trends:

Capital Goods:

- These are goods used for producing other goods — like machinery, tools, etc.
- Growth in capital goods implies increased investment in production capabilities, which is a **forward indicator** of future industrial growth.

Infrastructure/Construction Goods:

- These goods are used in large infrastructure projects (like cement, steel, etc.).
- Growth here reflects higher public and private sector investment and signals development in infrastructure and economic health.

IIP Data (FY 2023):

- The IIP data for **Financial Year 2023** shows that both **capital goods** and **infrastructure/construction goods** registered **significant growth**.

This growth indicates:

- Positive momentum in the economy.
- Strong investment sentiment.
- Ongoing expansion in manufacturing and infrastructure projects.

Q5. What was the chief economic foundation of the triangular commerce between India, China and England?

- A. Black pepper
- B. Silk
- C. Opium
- D. More than one of the above

Correct Answer: b) Opium

Triangular Trade between India, China, and England
 The triangular commerce of the 18th and 19th centuries between **India, China, and England** was primarily based on **opium**, which served as the **chief economic foundation** of this trade network. Here's how it worked:

◇ 1. India to China: Export of Opium

- The **British East India Company** cultivated **opium** in **Bengal and Bihar**.
- This opium was **illegally smuggled** into **China**, where there was a high demand despite government bans.
- Profits from opium sales were enormous and funded further colonial activities.

2. China to England: Import of Chinese Goods

Using opium profits, the British bought **Chinese goods** such as:

- **Tea**
- **Silk**
- **Porcelain**

These goods were **luxury items** in Britain and in high demand.

3. England to India: Export of Manufactured Goods

- British industries exported **manufactured goods** (e.g., **textiles, machinery**) to **India**.
- This closed the triangle and ensured that Britain profited at every leg of the trade.

Major Consequences of the Opium Trade

Social Impact

- Led to **mass opium addiction** in China.
- Caused widespread **social and economic damage** in Chinese society.

Opium Wars

- The Chinese government tried to **suppress opium imports**, leading to:
- **First Opium War (1839–42)**
- **Second Opium War (1856–60)**
- Britain emerged victorious and imposed **unequal treaties** on China.

Treaty Outcomes

- **Hong Kong** was ceded to Britain.
- Several **Chinese ports** were opened to foreign trade.
- Britain gained **economic and political leverage** in East Asia.

Conclusion

- While other goods like **silk** and **black pepper** were also traded, it was **opium** that formed

the **economic backbone** of this **exploitative triangular commerce** between **India, China, and England**.

Q6. Which of the following is full form of PCRA?

- A. Petroleum Conservation Research Association
- B. Public Council of Research Association
- C. Partial Counting of Remaining Amendment
- D. Public Conservations Research Association

Correct Answer: A. Petroleum Conservation Research Association

Explanation:

- PCRA stands for Petroleum Conservation Research Association.
- It is a government agency in India, established in 1978 under the aegis of the Ministry of Petroleum & Natural Gas.
- Its primary role is to promote energy efficiency in various sectors of the economy, with a special focus on petroleum conservation.
- PCRA conducts awareness campaigns, technical studies, and training programs to encourage fuel-saving practices.

Q7. What were the shares of the Agriculture, Industry and Services sectors in overall GVA at current prices in Financial Year 2024 according to the Economic Survey 2023-24?

- A. 17.7%, 28.6% and 53.7%
- B. 16.7%, 26.6% and 56.7%
- C. 17.7%, 27.6% and 54.7%
- D. 18.7%, 28.6% and 52.7%

Ans-c {17.7%, 27.6% and 54.7%}

Q8. What is the full form of CGTMSE?

- A. Credit Guarantee Fund Trust for Micro and Medium Enterprises
- B. Credit Guarantee Fund Trust for Micro and Small Enterprises
- C. Credit Guarantee Fund Trust for Macro and Small Enterprises
- D. Credit Guarantee Fund Trust for Medium and Small Enterprises

Correct Answer: B. Credit Guarantee Fund Trust for Micro and Small Enterprises

Explanation:

- **CGTMSE** stands for **Credit Guarantee Fund Trust for Micro and Small Enterprises**.

- It was established in the year **2000** by the **Government of India** and **SIDBI** (Small Industries Development Bank of India).
- Its primary objective is to **provide credit guarantees** to financial institutions for loans given to **Micro and Small Enterprises (MSEs)**.
- It encourages banks and lending institutions to lend to MSEs **without the need for collateral** or third-party guarantees.

Re-exam

Q9. The ratio of total deposits that a Commercial Bank must keep with Reserve Bank of India is called

- A. Legal Reserve Ratio
- B. Statutory Liquidity Ratio
- C. Cash Reserve Ratio
- D. Deposit Ratio

Correct Answer: C. Cash Reserve Ratio

 **Explanation:**

- The **Cash Reserve Ratio (CRR)** is the **percentage of total deposits** that a **commercial bank** must **keep with the Reserve Bank of India (RBI)** in the form of **cash reserves**.
- It is a tool used by the **RBI to control liquidity** in the banking system.

 **Key Points:**

- **Maintained in cash only** – No interest is paid by RBI on this reserve.
- **Helps in regulating inflation and money supply** in the economy.
- Higher CRR → Less money available for banks to lend → Controls inflation.
- Lower CRR → More money for lending → Stimulates growth.

Do not confuse with:

- **Statutory Liquidity Ratio (SLR):** Portion of deposits banks keep in the form of gold, cash, or approved securities (not just cash).
- **Legal Reserve Ratio:** A broader term sometimes used to combine CRR + SLR.
- **Deposit Ratio:** Not a standard banking term in this context.

Q10. Which among the following is a tool of Fiscal Policy?

- A. Taxes
- B. Cash Reserve Ratio
- C. Credit Ceiling

D. Bank Rate

Correct Answer:(a) Taxes

 **Explanation:**

Fiscal Policy refers to the **use of government revenue and expenditure** to influence the economy. The **main tools of fiscal policy** are:

- **Taxes** (to generate revenue)
- **Government spending** (on infrastructure, welfare, subsidies, etc.)

Thus, **taxation** is a **primary tool of fiscal policy** used to regulate aggregate demand, redistribute income, and achieve economic stability.

Other Options Explained (These are tools of Monetary Policy):

- **(b) Cash Reserve Ratio (CRR):** A tool of **monetary policy**, used by RBI to control liquidity by mandating banks to keep a percentage of deposits as cash with RBI.
- **(c) Credit Ceiling:** A **quantitative instrument of monetary policy**, used by central banks to limit the total credit creation by banks.
- **(d) Bank Rate:** The rate at which RBI lends money to commercial banks. It is a **monetary policy** tool used to influence interest rates and inflation.

Conclusion:

Fiscal Policy = Taxes + Government Expenditure

Monetary Policy = CRR, SLR, Bank Rate, Repo Rate, etc.

Q11. The primary function of the Finance Commission in India is to

- Distribution of revenue between the Centre and the States
- Allocate funds to various ministries of the Union and State Governments
- Advise the President on financial matters
- Prepare the annual budget

Correct Answer: A. Distribution of revenue between the Centre and the States

Explanation:

- The **Finance Commission** is a **constitutional body** established under **Article 280** of the Indian Constitution. Its **primary function** is:
- **To recommend the distribution of the net proceeds of taxes** between the **Centre and the States** (vertical devolution), and among the **States themselves** (horizontal distribution).

Key Functions of the Finance Commission:

1. **Distribution of net tax proceeds** between the Centre and States.
2. **Determine the principles** governing grants-in-aid to the States from the Consolidated Fund of India.
3. Make recommendations on:
 - Measures to augment the Consolidated Fund of a State to supplement the resources of Panchayats and Municipalities.
 - Any other matter referred to it by the President.

Why other options are incorrect:

- **(B) Allocate funds to ministries:** This is the role of the **Union Budget and Finance Ministry**, not the Finance Commission.
- **(C) Advise the President on financial matters:** Not a general advisory body; it only advises on matters **specifically referred** to it under Article 280.
- **(D) Prepare the annual budget:** This is the role of the **Finance Ministry**, not the Finance Commission.

Q12. Which Sector in India has benefitted the most from Globalization?

- Services
- All Sectors have benefitted equally
- Manufacturing
- Agriculture

Correct Answer: A. Services

Explanation:

The **Services Sector** in India has **benefitted the most from globalization**, especially after the **1991 Economic Reforms**.

Why the Services Sector gained the most:

- **IT & Software Boom:**
- Global demand for **IT services, software development, BPO, and KPO** surged.
- Indian companies like **Infosys, TCS, Wipro** became global players.

Liberalization of Trade in Services:

- Reduction in trade barriers allowed Indian service exports to grow significantly.

Global Outsourcing Hub:

- India became a preferred destination due to **skilled English-speaking workforce, time zone advantage, and low costs**.

Foreign Investment in Services:

- Sectors like **telecommunications, banking, insurance, hospitality, and retail** received large FDI inflows.

Rapid Urbanization and Digitization:

Created a domestic boom in education, healthcare, finance, and communication services.

Why the other options are incorrect:

- **B. All sectors have benefitted equally:** Not true. Benefits have been **uneven**, with services outperforming others.
- **C. Manufacturing:** Some growth occurred, but **lack of infrastructure, rigid labor laws, and global competition** limited its gains.
- **Agriculture: Least benefited**, and sometimes adversely affected due to **price volatility, import competition, and reduction in subsidies**.

Q13. Choose the correct pair from the following options.

- A. Fourth Five-Year Plan – Focus on Service
- B. Fifth Five-Year Plan – Focus on Industry
- C. Third Five-Year Plan – Focus on Globalisation
- D. First Five-Year Plan – Focus on Agriculture

The correct answer is: **D. First Five-Year Plan – Focus on Agriculture**

Detailed Explanation of Each Option:

A. Fourth Five-Year Plan – Focus on Service - **Incorrect.**

- **Period:** 1969–1974
- **Main Focus:** Growth with stability and progressive achievement of self-reliance.
- **Priority Areas:**
 - Strengthening the agricultural sector (Green Revolution continuation)
 - Development of heavy industries and capital goods
 - Reduction of income inequalities
- **Service sector** was not a primary focus. This option is **incorrectly matched**.

B. Fifth Five-Year Plan – Focus on Industry -**Incorrect.**

- **Period:** 1974–1978 (terminated in 1978 by the Janata government)
- **Main Objectives:**
 - **Poverty alleviation (Garibi Hatao)**
 - **Self-reliance in economy**
- Though some industrial development was pursued, it was **not the central focus**.

- It emphasized employment generation and basic needs — not purely industry. Hence, this is **not the correct match**.

C. Third Five-Year Plan – Focus on Globalisation-**Incorrect.**

- **Period:** 1961–1966
- **Main Objectives:**
 - Making the economy **self-reliant and independent**
 - Focus on **agriculture and industry**
 - Emphasis on **heavy industries and defense production**
- India faced wars (1962 with China, 1965 with Pakistan), and a severe drought during this plan.
- **Globalisation** wasn't even a policy orientation until the **1990s economic reforms**. So this is **factually incorrect**.

D. First Five-Year Plan – Focus on Agriculture (Correct Answer) **Correct.**

Period: 1951–1956

Main Objectives:

- **Boost agricultural production** (especially food grains)
- Solve the problem of **food shortage and price rise**
- Land reforms and community development

Investments:

- Major portion of funds allocated to **agriculture and irrigation (44.6%)**
- Example projects: **Bhakra Nangal Dam**, soil conservation, rural development, etc.

Why agriculture?

- India was just independent, with a **predominantly agrarian economy**.
- Food security was critical after the Bengal Famine and partition.

Q14. Which of the following is a function of Central Bank?

- A. Manage the Repo-rate
- B. Lending to Commercial Banks
- C. Bank facilities to Government
- D. All of the above

The correct answer is: **D. All of the above**-Detailed Explanation:

- The question is about the **functions of the Reserve Bank of India (RBI)**, which is the **central bank of India**. Let's examine each option:

A. Manage the Repo-rate

- **Repo Rate** is the interest rate at which RBI lends short-term money to commercial banks.
- **RBI uses repo rate** as a monetary policy tool to control **liquidity, inflation, and economic growth**.
- **Managing repo rate** is a core function under RBI's **monetary policy**.

B. Lending to Commercial Banks

- RBI acts as a **lender of last resort**.
- It provides **short-term loans** to commercial banks through instruments like:
 - **Repo**
 - **Marginal Standing Facility (MSF)**
 - **Liquidity Adjustment Facility (LAF)**
- These loans help banks maintain their **liquidity** and **CRR/SLR** requirements.

C. Bank facilities to Government

- RBI acts as a **banker to the Central and State Governments**.
- It provides:
 - **Ways and Means Advances (WMA)**
 - Manages **public debt**
 - Conducts **government securities auctions**
 - Maintains **government accounts**
- RBI facilitates **receipts and payments**, and also manages the **issuance of currency** on behalf of the Government of India.

Q15. NNP at factor cost is equal to

- A. GNP at factor cost – Net Indirect tax
- B. GNP at Market Price
- C. Disposable Personal Income
- D. National Income

Correct Answer: D. National Income

Explanation:

NNP at Factor Cost = National Income

Let's break this down clearly.

What is NNP at Factor Cost?

- **NNP = GNP – Depreciation**
- **Factor Cost** means we subtract **indirect taxes** and add **subsidies** from market prices.

So, Why Other Options Are Wrong?

A. GNP at factor cost – Net Indirect Tax

- This gives **NNP at factor cost only if depreciation is already subtracted**.
- But **GNP at factor cost** itself is not a commonly used measure.

B. GNP at Market Price

- This is Gross, not Net, and includes indirect taxes — not at factor cost.

C. Disposable Personal Income

- DPI is part of personal income after taxes and is **not a national-level indicator**.
- It comes **much later** in the flow of national income accounting

Q16. Choose the correct pair from the following options:

- A. Fourth Five-Year Plan – Focus on Service
- B. Fifth Five-Year Plan – Focus on Industry
- C. Third Five-Year Plan – Focus on Globalisation
- D. First Five-Year Plan – Focus on Agriculture

Correct Answer: (d) First Five-Year Plan – Focus on Agriculture

 Detailed Explanation of Each Option:

Option	Five-Year Plan	Focus	Correct/Incorrect
(a)	Fourth Plan (1969–1974)	Focus on agriculture + self-reliance , not services	Incorrect
(b)	Fifth Plan (1974–1978)	Focus on poverty alleviation (Garibi Hatao) and self-reliance, not industry specifically	Incorrect
(c)	Third Plan (1961–1966)	Focus on self-reliance & defence , not globalisation	Incorrect
(d)	First Plan (1951–1956)	Focus on agriculture , irrigation, food security	Correct

Why (d) is Correct:

First Five-Year Plan (1951–1956):

- India was facing **food shortages** and **low agricultural productivity** post-independence.
- Hence, the plan focused on:
 - **Agricultural development**
 - **Irrigation projects** (e.g. Bhakra-Nangal Dam)
 - **Land reforms**
- **44.6%** of total plan outlay was allocated to agriculture and irrigation.

Why the Others are Incorrect:

- **Fourth Plan (1969–74):** Focused on **growth with stability** and continuing the **Green Revolution**. Service sector was not a focus.
- **Fifth Plan (1974–78):** Main goals were **poverty removal** and **self-reliance**, not directly industry.
- **Third Plan (1961–66):** India tried to make its economy self-reliant and strong in **agriculture and industry**; **globalisation** wasn't even a concept in Indian policy till the **1990s**.

Final Answer: (d) First Five-Year Plan – Focus on Agriculture

Q17. Which of the following is a function of Central Bank?

- A. Manage the Repo-rate
- B. Lending to Commercial Banks
- C. Bank facilities to Government
- D. All of the above

Correct Answer: D. All of the above

Explanation:

The **Central Bank** (in India, the **Reserve Bank of India – RBI**) performs several key functions vital for maintaining the economic and financial stability of the country. Let's examine each option:

A. Manage the Repo-rate

- The **repo rate** is the rate at which the **RBI lends money to commercial banks** for short-term needs.
- It is a key tool of **monetary policy** used to control **inflation and liquidity**.
- RBI changes the repo rate to influence interest rates and overall economic activity.

B. Lending to Commercial Banks

The central bank acts as the **lender of last resort**.

It provides liquidity to commercial banks through:

- **Repo**
- **Reverse Repo**
- **MSF (Marginal Standing Facility)**
- **Liquidity Adjustment Facility (LAF)**

C. Bank Facilities to Government

RBI acts as the **banker to the government**:

- Manages **government accounts**
- Facilitates **receipt and payment** operations
- Manages **public debt and borrowings**
- Provides **Ways and Means Advances (WMA)** to manage temporary mismatches in government receipts and payments

69th bpsc to 39th bpsc

Q18. The Foreign Exchange Reserves (FER) of RBI include which of the following?

- A. Foreign Currency Assets (FCA)
- B. Gold
- C. Special Drawing Rights (SDR)
- D. Reserve Tranche Position

Select the correct answer using the codes given below. (69th BPSC)

- A. Only 1 and 2
- B. Only 2, 3 and 4
- C. Only 1, 2 and 3
- D. All of the above

Ans. D. All of the above

- ❖ Foreign exchange reserves are assets held on reserve by a central bank in foreign currencies, which can include bonds, treasury bills and other government securities.
- ❖ After the economic crisis of 1990-91, the high level committee on Balance of Payment headed by **C Rangarajan** and **Y.V. Reddy** recommended that India should have a forex reserve for 12 months import requirements.
- ❖ **India's Forex Reserve include:**
 - **Foreign Currency Assets**
 - FCAs are assets that are valued based on a currency other than the country's own currency.
 - FCA is the largest component of the forex reserve. It is expressed in dollar terms.
 - The FCAs include the effect of appreciation or depreciation of non-US units like the euro, pound and yen held in the foreign exchange reserves.
 - **Gold reserves**
 - For most of the 20th century, gold served as the world's reserve currency. **The US used the gold standard until 1971** where it was required to have equivalent reserves of gold to back up the paper money.
 - Due to the volatility of the US dollar and other currencies, some economists advocate returning to the gold standard since it has been discontinued.
 - **Special Drawing Rights**
 - The SDR is an international reserve asset, created by the IMF in 1969 to supplement its member countries' official reserves.
 - The SDR is neither a currency nor a claim on the IMF. Rather, it is a potential claim on the

freely usable currencies of IMF members. SDRs can be exchanged for these currencies.

→ The value of the SDR is calculated from a weighted basket of major currencies, including the US dollar, the euro, Japanese yen, Chinese yuan, and British pound.

→ The interest rate on SDRs or (SDRi) is the interest paid to members on their SDR holdings.

○ **Reserve position with the International Monetary Fund (IMF)**

→ A reserve tranche position implies a portion of the required quota of currency each member country must provide to the IMF that can be utilized for its own purposes.

→ The reserve tranche is basically an emergency account that IMF members can access at any time without agreeing to conditions or paying a service fee.

It should be noted that most foreign exchange reserves are held in US dollars.

Q19. Consider the following statements about 'Rules of Origin' :

1. Rules of Origin are the criteria needed to determine the national source of a product.
2. Rules of Origin help the custom agencies to know what regulations and fees apply to a given product.
3. These are used for the purpose of trade statistics.
4. Their importance is derived from the fact that duties and restrictions in several cases depend upon the sources of imports.

Which of the above statements are correct? (69th BPSC)

- A. Only 1 and 2
- B. Only 3 and 4
- C. Only 1, 3 and 4
- D. All of the above

Ans. D. All of the above

Rules of origin (ROO) are the criteria needed to **determine the country of origin of a product** for purposes of international trade. Their importance is derived from the fact that **duties and restrictions** in several cases **depend upon the source of imports**.

Rules of origin are used:

- to implement measures such as **anti-dumping duties** and **safeguard measures**;
- to determine whether imported products shall **receive most-favoured-nation (MFN) treatment** or **preferential treatment**;
- for the purpose of **trade statistics**;
- for the application of **labelling and marking requirements**; and
- for **government procurement**.

Q20. Consider the following statements about infant mortality rate :

1. It is the probability of dying between birth and exactly 1 year of age, expressed per 10000 live births.
2. The infant mortality rate in the year 1950 was 189-6.
3. In the year 2019, the infant mortality rate was 30.
4. As per the Sample Registration System (SRS) Bulletin of Registrar General of India (RGI), the State with the highest infant mortality rate in the year 2019 was Uttar Pradesh.

Which of the above statements are correct? (69th BPSC)

- A. 1, 2 and 3
- B. 2, 3 and 4
- C. Only 2 and 3
- D. 1 and 4

Ans. C. Only 2 and 3

IMR is expressed in 1000 live births so first statement is wrong.

Q21. Human capital formation as a concept is better explained in terms of a process, which enables

1. individuals of a country to accumulate more capital
2. increasing the knowledge
3. increasing the skill levels
4. increasing the knowledge, skill levels and capacities of the people of the country
5. Select the correct answer using the codes given below. (69th BPSC)

- A. Only 1
- B. 1 and 2
- C. 3 and 4
- D. Only 4

Ans. D. Only 4

Human capital consists of the **knowledge, skills, and health** that people invest in and accumulate throughout their lives, enabling them **to realize their potential as productive members of society**.

Q22. Consider the following statements regarding insolvency and bankruptcy :

1. Bankruptcy refers to a financial state in which an individual or entity is unable to pay off their debts as they become due.

2. Insolvency refers to a legal process, where the assets of the debtor are liquidated or reorganized for the benefit of creditors.
3. Bankruptcy is a state whereas insolvency is the conclusion.
4. The Insolvency and Bankruptcy Board of India (IBBI) is the regulatory body responsible for overseeing insolvency and bankruptcy proceedings.

Which of the above statements is/are correct? (69th BPSC)

- A. 1, 2 and 3
- B. 2, 3 and 4
- C. Only 4
- D. Only 1 and 2

Ans. C. Only 4

- According to insolvency and Bankruptcy code 2016 only fourth statement is true.
- **Statement 3 is incorrect:** A state of insolvency can lead to bankruptcy but the condition may also be temporary and fixable without legal protection from creditors. Hence, it is evident that insolvency is a state and bankruptcy is a conclusion. A bankrupt would be a conclusive insolvent whereas all insolvencies will not lead to bankruptcies.
- **Statement 4 is correct:** The Insolvency and Bankruptcy Board of India (IBBI) is the regulator for overseeing insolvency proceedings and entities like Insolvency Professional Agencies (IPA), Insolvency Professionals (IP) and Information Utilities (IU) in India.

Key Highlights of the Insolvency and Bankruptcy Code, 2016

About:

- ❖ The Insolvency and Bankruptcy Code (IBC), 2016 provides a framework for resolving the bankruptcy and insolvency of companies, individuals, and partnerships in a time bound manner.
 - Insolvency is a state where the **liabilities of an individual or an organization exceeds its asset** and that entity is **unable to raise enough cash to meet its obligations** or debts as they become due for payment. **So, statement 1 is incorrect.**
 - Bankruptcy is when a person or company is **legally declared incapable of paying** their due and payable bills. **So, statement 2 is incorrect.**
- ❖ The **Insolvency and Bankruptcy Code (Amendment) Act, 2021** amends the Insolvency and Bankruptcy Code, 2016.

- This amendment aims to provide an efficient alternative insolvency resolution framework for corporate persons classified as **micro, small and medium enterprises (MSMEs)** under the code.
- It aims for **ensuring quicker, cost-effective and value maximizing** outcomes for all the stakeholders.

Q23. In which year was the Industrial Policy Resolution adopted? (69th BPSC)

- A. 1956
- B. 1954
- C. 1952
- D. 1950

Ans. A. 1956

Industrial Policy Resolution of 1948- It defined the broad contours of the policy delineating the role of the State in industrial development both as an entrepreneur and authority.

- ❖ It made clear that India is going to have a Mixed Economic Model.
- ❖ It classified industries into four broad areas:
 - **Strategic Industries (Public Sector):** It included three industries in which Central Government had monopoly. These included Arms and ammunition, Atomic energy and Rail transport.
 - **Basic/Key Industries (Public-cum-Private Sector):** 6 industries viz. coal, iron & steel, aircraft manufacturing, ship-building, manufacture of telephone, telegraph & wireless apparatus, and mineral oil were designated as "Key Industries" or "Basic Industries".
 - These industries were to be set-up by the Central Government.
 - However, the existing private sector enterprises were allowed to continue.
 - **Important Industries (Controlled Private Sector):** It included 18 industries including heavy chemicals, sugar, cotton textile & woollen industry, cement, paper, salt, machine tools, fertiliser, rubber, air and sea transport, motor, tractor, electricity etc.
 - These industries continue to remain under private sector however, the central government, in consultation with the state government, had general control over them.
 - **Other Industries (Private and Cooperative Sector):** All other industries which were not included in the above mentioned three categories were left open for the private sector.

Industrial Policy Statement of 1956 : Government revised its first Industrial Policy (i.e. The policy of 1948) through the Industrial Policy of 1956.

- ❖ It was regarded as the “**Economic Constitution of India**” or “**The Bible of State Capitalism**”.
- ❖ The 1956 Policy emphasised the need to expand the public sector, to build up a large and growing cooperative sector and to encourage the separation of ownership and management in private industries and, above all, prevent the rise of private monopolies.
- ❖ It provided the basic framework for the government’s policy in regard to industries till June 1991.
- ❖ The IPR 1956, stressed the **importance of cottage and small scale industries** for expanding employment opportunities and for wider decentralisation of economic power and activity
- ❖ The Resolution also called for **efforts to maintain industrial peace**; a fair share of the proceeds of production was to be given to the toiling mass in keeping with the avowed objectives of democratic socialism

Q24. Consider the following statements about the **Production-Linked Incentive (PLI) scheme** :

1. The scheme offers a production-linked incentive to boost domestic manufacturing and attract large investments in mobile phone manufacturing and specified electronic components.
2. The scheme has two categories of applicants, namely, global companies and domestic companies.
3. The scheme shall extend an average incentive of around 8% on net incremental sales (over base year) of goods manufactured in India and covered under the target segment, to eligible companies, for a period of six years
4. The target segment under PLI shall include (i) laptops, (ii) tablets, (iii) all-in-one PCs, (iv) servers and (v) Ultra-Small Form Factor (USFF).

Which of the above statements are incorrect? (69th BPSC)

- A. 1 and 4
- B. 2 and 4
- C. 1 and 3
- D. 2 and 3

Ans. D. 2 and 3

The PLI scheme does not categorise the applicants into global and domestic Categories so statement 2 is false statement 3 is also false as average incentive of

8% is not true and also the period of six years for eligibility of companies is wrong. So, statement 2 & 3 are incorrect.

Q25. Consider the following statements regarding the **SVAMITVA scheme** :

1. It is a Central Sector Scheme under the Ministry of Mines.
2. This scheme seeks to create geo-positioning infrastructure like CORS network to benchmark the location and provides five centimetre level accuracy.
3. CORS means Cross-Origin Resource Sharing.
4. The scheme is a reformative step towards establishment of clear ownership of property in rural inhabited (Abadi) areas, by mapping of land parcels using drone technology.

Which of the above statements are incorrect? (69th BPSC)

- A. 2 and 4
- B. 1 and 3
- C. 2 and 3
- D. 1 and 4

Ans. B. 1 and 3

- ❖ **SVAMITVA (Survey of Villages and Mapping with Improved Technology in Village Areas)** scheme is a collaborative effort of the **Ministry of Panchayati Raj, State Panchayati Raj Departments, State Revenue Departments and Survey of India**. So, statement 1 is incorrect.

- ❖ **Aim:** To provide an **integrated property validation solution for rural India**.

- It is a scheme for **mapping** the land parcels in rural inhabited areas using **drone technology** and **Continuously Operating Reference Station (CORS)**. So, statement 3 is incorrect.
- The mapping will be done across the country in a **phase-wise** manner over a period of four years - from 2020 to 2024.

- ❖ **Benefits:**

- The scheme will **help in streamlining planning and revenue collection** in rural areas and ensuring clarity on property rights.
- The scheme will **enable creation of better-quality Gram Panchayat Development Plans (GPDPs)**, using the maps created under this programme.

→ The Gram Panchayats are **constitutionally mandated** for preparation of Gram

Panchayat Development Plans (GPDP) for economic development and social justice.

→ The GPDP is based on a **participatory process** in convergence with schemes of all related Central Ministries/Line Departments related to 29 subjects listed in the **Eleventh Schedule of the Constitution**.

- ❖ **Present Coverage Area:** The program is currently being implemented in **six states** - Haryana, Karnataka, Madhya Pradesh, Maharashtra, Uttar Pradesh and Uttarakhand.

Q26. Which of the following factors could potentially contribute to stagflation in the Indian economy?

1. High inflationary pressures due to increased Government spending
2. Decline in industrial production and sluggish economic growth
3. Decrease in aggregate demand and consumer spending
4. Appreciation of the domestic currency leading to reduction of export competitiveness

Select the correct answer using the codes given below. (69th BPSC)

- A. Only 1 and 2
- B. Only 2 and 3
- C. Only 1, 3 and 4
- D. 1, 2, 3 and 4

Ans. D. 1, 2, 3 and 4

All the four statements could potentially contribute to stagflation in the Indian economy.

- ❖ Stagflation means a **situation characterized by simultaneous increase in prices and stagnation of economic growth**.
 - The term Stagflation was coined by **Iain Macleod, a Conservative Party MP in the United Kingdom**, in November 1965.
- ❖ It is described as a **situation in the economy where the growth rate slows down, the level of unemployment remains steadily high and yet the inflation or price level remains high** at the same time.

Case of Stagflation:

- ❖ In the early and mid-1970s when OPEC (The Organisation of Petroleum Exporting Countries), which works like a cartel, decided to cut supply and sent oil prices soaring across the world.
- ❖ On the one hand, the rise in oil prices constrained the productive capacity of most western economies that heavily depended on oil, thus

hampering economic growth. On the other hand, the oil price spike also led to inflation and commodities became more costly.

- ❖ For instance, in 1974, the oil prices went up by almost 70% and it leads to a consequent rise in inflation.

Q27. Which of the following is not true about globalization and its impact on India? (69th BPSC)

- A. It has expanded trade in goods and services.
- B. It has led to greater flow of Foreign Direct Investment.
- C. Increase in exports is greater than increase in imports.
- D. None of the above

Ans. C. Increase in exports is greater than increase in imports.

Globalization is the process of increasing integration and interdependence of the world in terms of economic, political, social and cultural aspects. It has brought about significant changes in the Indian society, both positive and negative, in various dimensions.

❖ **Economic:**

- Globalization has opened up new opportunities for trade, investment, growth and development in India.
- It has also increased competition, inequality, unemployment and environmental degradation.
- The benefits and costs of globalization have not been evenly distributed among different regions, sectors and classes of the society.

❖ **Political:**

- Globalization has enhanced India's role and influence in the global arena. It has also exposed India to various challenges such as terrorism, cybercrime, regional conflicts and human rights violations.
- Globalization has also affected the functioning of democracy, federalism and governance in India.

❖ **Social:**

- Globalization has facilitated the exchange of ideas, values, cultures and lifestyles among people across the world.
- It has also led to the emergence of new social issues such as migration, urbanization, consumerism, individualism and identity crisis. Globalization has also impacted the social empowerment of women and marginalized groups in India in different ways.

Some of the effects are:

- **Women:**

→ Globalization has provided more opportunities for women to participate in education, employment, entrepreneurship and politics. It has also increased their awareness, mobility and autonomy.

→ However, globalization has also exposed women to new forms of exploitation, discrimination, violence and insecurity. It has also created conflicts between traditional and modern roles and expectations of women.

○ **Marginalized Groups:**

→ Globalization has enabled some of the marginalized groups such as Dalits, Adivasis, minorities and LGBTQ+ to assert their rights, identity and dignity.

→ It has also given them access to new resources, networks and platforms.

→ However, globalization has also intensified their marginalization, exclusion and oppression by dominant groups. It has also threatened their culture, livelihood and environment.

Q28. Which of the following statements about non-plan expenditures of the Central Government is correct? (69th BPSC)

- A. The expenditure is on interest payments.
- B. The expenditure is on science and technology.
- C. The expenditure is on agriculture.
- D. None of the above

Ans. A. The expenditure is on interest payments.

❖ **Plan Expenditure:** All expenditures done in the name of planning (i.e. Five Year Plans) were called plan expenditures. For example, expenditure on electricity generation, irrigation and rural developments, construction of roads, bridges, canals, etc.

❖ **Non-plan Expenditure:** Non-plan expenditure is the amount spent by the government on the non-productive areas, such as salaries, subsidies, loans and interest, pensions, statutory transfers to States and Union Territories governments.

Q29. What is the policy measure adopted by the Government of India to improve the system of agricultural marketing? (68th BPSC)

- A. Minimum Support Price [MSP]
- B. Maintenance of Buffer Stock
- C. Public Distribution System
- D. More than one of the above

Ans. D. More than one of the above

All the three options are policy measures to improve the agricultural marketing in India. Hence option (d) is the correct answer.

Q30. Which committee suggested the enactment of the Competition Act, 2002? (68th BPSC)

- A. Rangarajan Committee
- B. S.V.S Raghavan Committee
- C. Vijay Kelkar Committee
- D. More than one of the above

Ans. B. S.V.S Raghavan Committee

S.V.S. Raghavan committee suggested the enactment of the Competition Act, 2002. The Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act) was repealed and replaced by the competition Act, 2002 on the recommendation of the Raghavan Committee.

Q31. Which of the following Five-Year Plans was focused on Human Resource Development? (68th BPSC)

- A. First
- B. Third
- C. Fifth
- D. None of the above

Ans. D. None of the above (8th FYP)

Note: Please read the following points as it is important to know all the five year plans in detail.

ECONOMIC PLANNING IN INDIA

❖ Architects of Indian planning: Jawaharlal Nehru, P.C Mahalanobis, V.R Gadgil, V.K.R.V Rao.

❖ Objectives: Economic growth; Increase in employment; Reduction in inequality of income; Reduction in poverty; Modernization of the economy; Ensuring social justice and equality.

First Five Year Plan (1951-1956)

❖ The First Five Year Plan laid the thrust of economic development in India.

❖ It was presented by the first Indian Prime Minister, Jawaharlal Nehru to the Parliament of India.

❖ K.N Raj, a young economist, argued that India should "hasten slowly" for the first two decades.

❖ It mainly addressed the agrarian sector, including investment in dams and irrigation. Ex- Huge allocations were made for Bhakhra Nangal Dam.

❖ It was based on the Harrod Domar Model and emphasised increasing savings.

❖ By the end of 1956, five Indian Institutes of Technology were established.

- ❖ The target growth rate was 2.1% and the achieved growth rate was 3.6%.

Harrod-Domar Model

- ❖ This strategy emphasised the role of capital accumulation's dual character, which on the one hand, increases the national income and on the other hand, increases the production capacity.
- ❖ According to this growth model, the rate of economic growth in an economy is dependent on the level of savings and capital output ratio.
- ❖ Rate of growth (Y) = Savings (S)/Capital output ratio (K)

Second Five Year Plan (1956 – 1961)

- ❖ Target Growth: 4.5%
- ❖ Actual Growth: 4.3%
- ❖ The aggressive Harrod Domar Growth model was again used for overall projections and the strategy for resource allocation to the various sectors was prepared by Prof. PC Mahalanobis. (Plan is also called Mahalanobis Plan). Second plan was conceived in an atmosphere of economic stability. It was felt agriculture could be accorded lower priority.
- ❖ The Plan focussed on rapid industrialization- heavy & basic industries. Advocated huge imports through foreign loans. The Industrial Policy 1956 was based on the establishment of a socialistic pattern of society as the goal of economic policy. Acute shortage of forex led to pruning of development targets, price rise was also seen (about 30%) vis-a-vis decline in the earlier Plan & the 2nd FYP was only moderately successful.

Third Five Year Plan (1961-1966)

- ❖ This plan is also called 'Gadgil Yojana', after the name of Deputy Chairman of Planning Commission Dr. Gadgil.
- ❖ The main target of this plan was to make the economy independent. The stress was laid on agriculture and the improvement in the production of wheat.
- ❖ During the execution of this plan, India was engaged in two wars:
 - The Sino-India war of 1962
 - The Indo-Pakistani war of 1965
 - These wars exposed the weakness in our economy and shifted the focus to the defence industry, the Indian Army and the stabilisation of the price (India witnessed inflation).
- ❖ The plan was a flop due to wars and drought. The target growth was 5.6% while the achieved growth was 2.4%.

Plan Holidays (1966-1969)

- ❖ Due to the failure of the previous plan, the government announced three annual plans called Plan Holidays from 1966-1969.
- ❖ The main reason behind the failure of the third Five Year Plan was the Indo-Pakistani war and the Sino-India war, leading to the plan Holidays.
- ❖ During this plan, annual plans were made and equal priority was given to agriculture, its allied sectors and the industry sector.
- ❖ In a bid to increase the exports in the country, the government declared devaluation of the rupee.

Fourth Five Year Plan (1969-1974)

- ❖ Refusal of supply of essential equipment and raw materials from the allies during the Indo Pak war resulted in twin objectives of "growth with stability" and "progressive achievement of self-reliance" for the Fourth Plan.
- ❖ Main emphasis was on the growth rate of agriculture to enable other sectors to move forward. The plan was considered a failure.
- ❖ This plan failed and could achieve a growth rate of 3.3% only against the target of 5.7%.

Fifth Five Year Plan (1974-1978)

- ❖ The final Draft of the fifth plan was prepared and launched by D.P. Dhar in the backdrop of economic crisis arising out of run-away inflation fuelled by hike in oil prices and failure of the Govt. takeover of the wholesale trade in wheat. It proposed to achieve two main objectives: 'removal of poverty' (Garibi Hatao) and 'attainment of self-reliance'. Promotion of a high rate of growth, better distribution of income and significant growth in the domestic rate of savings were seen as key instruments.
- ❖ Overall, this plan was successful, which achieved a growth of 4.8% against the target of 4.4%.

Rolling Plan (1978-1980)

- ❖ After the termination of the Fifth Five Year Plan, the Rolling Plan came into effect from 1978 to 1980.
- ❖ In 1980, Congress rejected the Rolling Plan and a new sixth Five Year Plan was introduced.
- ❖ Three plans were introduced under the Rolling plan
 - For the budget of the present year.
 - This plan was for a fixed number of years - 3, 4 or 5 years.
 - Perspective plan for long terms - 10, 15 or 20 years.

- ❖ The plan has several advantages as the targets could be mended and projects, allocations, etc were variable to the country's economy.
- ❖ This means that, if the targets can be amended each year, it would be difficult to achieve the targets and will result in destabilisation in the Indian economy.

Sixth Five Year Plan (1980-1985)

- ❖ The Plan focussed on Increase in national income, modernization of technology, ensuring continuous decrease in poverty and unemployment.
- ❖ Its growth target was 5.2% and it achieved 5.7% growth.

Seventh Five Year Plan (1985-1990)

- ❖ The Plan aimed at accelerating food grain production, increasing employment opportunities & raising productivity with focus on 'food, work & productivity'. The plan was very successful.
- ❖ Its growth target was 5.0% and it achieved 6.01%.

Annual Plans

The Eight Five Year Plan was not introduced in 1990 and the following years 1990-91 and 1991-92 were treated as Annual Plans. This was largely because of the economic instability. India faced a crisis of foreign exchange reserves during this time. Liberalisation, Privatisation, Globalisation (LPG) was introduced in India to grapple with the problem of the economy under prime minister P.V. Narasimha Rao.

Eighth Five Year Plan (1992-1997)

- ❖ In this plan, the top priority was given to the development of **human resources** i.e. employment, education and public health.
- ❖ During this plan, Narasimha Rao Government launched the New Economic Policy of India.
- ❖ Some of the main economic outcomes during the Eighth Five Year plan period were rapid economic growth (highest annual growth rate so far – 6.8 %), high growth of agriculture and allied sector, manufacturing sector, growth in exports and imports, improvement in trade and current account deficit.
- ❖ A high growth rate was achieved even though the share of the public sector in total investment had declined considerably to about 34%.

Ninth Plan (1997- 2002)

- ❖ It marked India's fifty years since Independence and Atal Bihari Vajpayee led the prime ministership.
- ❖ It offered support for social spheres to achieve complete elimination of poverty and witnessed the

joint efforts of public and private sectors in guaranteeing economic development.

- ❖ The focus was also to balance the relationship between rapid growth and the quality of life for the people.
- ❖ The objectives, further included, empowering socially disadvantaged classes, developing self-reliance and primary education for all children in the country.
- ❖ Strategies included enhancing the high rate of export to gain self-reliance, efficient use of scarce resources for rapid growth etc.
- ❖ The target growth rate was estimated at 7.1% but its actual growth rate fell shorter to 6.8%

Tenth Five Year Plan (2002-2007)

- ❖ The features of this plan were to promote inclusive growth and equitable development.
- ❖ It intended for an 8% GDP growth per year.
- ❖ It aimed at reducing the poverty by half and creating employment for 80million people. Further, it aimed to reduce regional inequalities.
- ❖ It also emphasised reducing the gender gaps in the field of education and wage rates by 2007.
- ❖ The target growth rate was 8.1% while the actual growth was 7.6%.

Eleventh Five Year Plan (2007-2012)

- ❖ The Eleventh Plan was aimed "Towards Faster & More Inclusive Growth" India had emerged as one of the fastest growing economies by the end of the Tenth Plan. The savings and investment rates had increased, the industrial sector had responded well to face competition in the global economy and foreign investors were keen to invest in India.
- ❖ But the growth was not perceived as sufficiently inclusive for many groups, specially SCs, STs & minorities as borne out by data on several dimensions like poverty, malnutrition, mortality, current daily employment etc.
- ❖ It achieved a growth rate of 8% against a target of 9% growth.

Twelfth Five Year Plan (2012-17)

- ❖ The last Five Year Plan had "Faster, More Inclusive and Sustainable Growth" as its theme.
- ❖ The plan aimed at strengthening infrastructure projects, and providing electricity supply in all villages.
- ❖ It also aimed at removing the gender and social gap in admissions at school and improved access to higher education.
- ❖ Further, it aspired to enhance the green cover by 1 million hectares each year and to create new opportunities in the non-farming sector.

- ❖ The target growth rate was 9% but in 2012, National Development Council approved a growth rate of 8% for this twelfth plan.

Q32. Which organization carries out the survey for determining the poverty line? (68th BPSC)

- A. NSSO
- B. NITI Aayog
- C. RBI
- D. More than one of the above

Ans. A. NSSO

NITI Aayog has come out with a poverty index based on research/analysis of various parameters. But for this, NITI Aayog doesn't do any survey. Instead it depend on survey data provided by NSSO and also various reports analysis of other think tanks, educational institution etc.

Q33. In which Budget did the Finance Minister announce the "Liberalized Exchange Rate Management system? (68th BPSC)

- A. Union Budget, 1991-1992
- B. Union Budget, 1992-1993
- C. Union Budget, 1993-1994
- D. More than one of the above

Ans. B. Union Budget, 1992-1993

The Indian government introduce the Liberalised Rate Management System (LERMS) in March 1992 under Union Budget 1992-1993.

Q34. Which of the following were goals of the Five-Year Plans?

1. Growth

Committees/Commissions	Subject	Committees/Commissions	Subject
Prasad Panel(2018)	International trade and services	Malegam Committee(2018)	Reforms in the primary market and repositioning of UTI
Bimal Jalan Committee(2018)	To decide the appropriate level of reserves that the RBI should hold	K Kasturirangan Committee(2017)	To head drafting Committee of National Education Policy
Ak Mathur commission(2014)	Seventh Pay Commission	PJ Nayak Committee(2014)	To evaluate governance of board of banks and examine criteria to select directors, as well as their term
MB Shah Committee(2014)	To investigate black money, mostly hoarded abroad	Nachiket Mor Committee(2013)	Committee on comprehensive financial services for small businesses and low income households

2. Modernization

3. Self-Reliance

4. Literature (68th BPSC)

- A. 1, 3 and 4 only
- B. 2, 3 and 4 only
- C. 1, 2 and 4 only
- D. None of the above

Ans. D. None of the above

Five Year Plans were started by Prime Minister Jawaharlal Nehru in 1951.

It is the national plan of India developed and implemented by the Planning Commission headed by the Prime Minister.

From the year 2015, the Planning Commission has been replaced by NITI Aayog.

The main objectives of the five year plan are as follows

1. Economic Growth and Development
2. Modernization
3. Self-reliance
4. Equality and Justice
5. Security and Peace

Q35. Which of the following committees submitted a report on gas pricing, recommending complete pricing freedom from January 1, 2026? (68th BPSC)

- A. Arun Goel Committee
- B. Kirit Parikh Committee
- C. P.K Mohanty Committee
- D. More than one of the above

Ans. B. Kirit Parikh Committee

Kirti Parikh committee submitted a report on gas pricing recommending complete pricing freedom from January 1, 2026.

Chandra Shekhar Committee(2013)	Venture capital	Dhanuka Committee(2013)	Current capital market regulations
Som Committee(2013)	New income tax structure	Urjit Patel Committee(2013)	Monetary policy
Raghuram Rajan Committee(2012)	Central assistance to the state	Deepak Parekh Committee(2012)	To financing infrastructure through PPP model
C Rangrajan Committee(2012)	To review the methodology for measurement of poverty	Kelkar Committee(2012)	Tax structure reforms
C Babu Rajiv Committee(2012)	Reforms in Ship act, 1908 and Ship Trust Act, 1963	KC Chakrabarty Committee(2011)	To analyse the financial condition of the Regional Rural Banks In India
Bhurela Committee(2010)	Increase in motor vehicle tax	BK Chaturvedi Committee(2008)	Financial condition of oil companies
Percy Mistry Committee(2007)	Making Mumbai an international financial capital	Rakesh Mohan Committee(2006)	Improvement the financial sector
Shuglu Committee(2006)	Sardar Sarovar Rehabilitation	Mashelkar Committee(2005)	With respect to Euro standard
Suresh Tendulkar Committee(2005)	Redefining poverty line and its calculation formula	Swaminathan Committee(2004)	To find the problems faced by the farmers
JJ Irani Committee(2004)	Company Law Reforms	Udesh Kohli Committee(2003)	Analyse fund requirement in power sector
Sapta Rishi Committee(2002)	Development of domestic tea	Mashelkar Committee(2002)	Auto Fuel Policy
Abhijit Sen Committee(2002)	Long Term Food Policy	YB Reddy Committee(2001)	Review of Income Tax Rebates
Dave Committee(2000)	Pension scheme for unorganised sector	SN Verma Committee(1999)	Restructuring the commercial banks
Kumarmanglam Birla Report(1999)	Corporate governance	JS Verma Committee(1999)	Current account carry forward practice
RV Gupta Committee(1998)	Small Savings and Agricultural Credit	Vasudev Committee(1998)	NBFC Sector Reforms
UK Sharma Committee(1998)	NABARD's role in RRB	Tarapore Committee(1997)	Report on capital account convertibility
Meera Seth Committee(1997)	Development of handlooms	Mahajan Committee(1997)	Sugar industry
Chandratre Committee(1997)	Security analysis and investment	Abid Hussain Committee(1997)	On Small Scale Industries
Ajit Kumar Committee(1997)	Army Pay Scales	Goswami Committee(1993)	Industrial sickness in India
NN Vohra Committee(1993)	Relation (nexus) of politicians with criminals	Malhotra Committee(1993)	Broad framework of insurance sector
GV Ramakrishna Committee(1993)	On disinvestment	Jankiraman Committee(1992)	Securities transaction
Raja Chelliah Committee(1991)	Tax reforms	Shivraman Committee(1979)	Establishment of NABARD
Tandon Committee(1974)	System of working capital financing by banks	Basel Committee(1974)	Reforms in banking sector

Q36. Which of the following statements is true about the sugar industry in India? (68th BPSC)

- A. It is a weight-losing industry.
- B. Maharashtra has emerged as a leading sugar producer in the country.
- C. Uttar Pradesh is the second largest producer of sugar.
- D. More than one of the above

Ans. D. More than one of the above

Sugarcane industry in India

- ❖ Sugarcane belongs to bamboo family of plants and is indigenous to India.
- ❖ The sugar industry is an example of a weight-losing industry. Weight-losing industry is an industry where the **raw materials are relatively heavier than the finished products.**
- ❖ It is a **long duration crop** and requires **10-15 months to mature**, depending upon the geographical conditions.
- ❖ It requires hot and humid climate with **average temperature of 21° - 27° Celsius.**
- ❖ It usually grows well in areas receiving **rainfall varying from 100 to 150 cm.**
- ❖ It can grow on **variety of soils** including loams, clayey loams, black cotton soils, brown or reddish loams and even laterites.
- ❖ **India is the second largest exporter** of sugarcane in the world.
- ❖ It is a **water guzzling crop** and is often blamed for worsening water crisis in parched areas of India.

Distribution

- ❖ The **Sutlej – Ganga plain** from Punjab to Bihar containing **51% of the total area and 60% of the country's total production.**
- ❖ The **Black soil belt from Maharashtra to Tamil Nadu** along the eastern slopes of Western Ghats.
- ❖ **Coastal Andhra and Krishna Valley.**
 - ❖ **Maharashtra** dominates the sugar production in India and accounts for over 33% of the total sugar production in the country.
 - ❖ **Uttar Pradesh** is the second-largest sugar-producing state, with sugar factories concentrated in two regions, the Ganga-Yamuna doab and the terai region.
 - ❖ In **Tamil Nadu**, the sugar industry is mainly concentrated in Coimbatore and Vellore districts.
 - ❖ The sugar industry in **Andhra Pradesh** is mainly located in the coastal regions, such as East Godavari, West Godavari, and Vishakhapatnam districts.

Q37. Which of the following are the objectives of the SEZ Act, 2005?

- 1. **Generation of additional economic activity.**
- 2. **Promotion of exports of goods and services.**
- 3. **Creation of employment. (68th BPSC)**
- A. 1, 2 and 3
- B. 2 and 3 only
- C. 1 and 3 only
- D. none of the above

Ans. A. 1, 2 and 3

The government of India enacted Special Economic Zone (SEZ) Act in 2005 which came into force in February 2006.

With the establishment of Asia's first Export Processing Zone (EPZ) at Kandla in 1965, India was one of the first countries in Asia to identify the efficiency of the Export Processing Zone (EPZ) model in promoting exports.

Objectives of the SEZ Act:

- ❖ To **create additional economic activity.**
- ❖ To **boost the export** of goods and services.
- ❖ To **generate employment.**
- ❖ To **boost domestic and foreign investments.**
- ❖ To develop **infrastructure facilities.**

Q38. With reference to the Consumer Disputes Redressal at the district level in India, which one of the following statements is not correct? (68th BPSC)

- A. The State government can establish more than one "District Forum" in a district if it deems fit.
- B. One of the members of the District Forum shall be a woman.
- C. The District Forum entertains complaints where the value of goods or services does not exceed rupees fifty lakhs.
- D. None of the above

Ans. D. None of the above

- ❖ As per the provisions of consumer dispute redressal at the district level in India, the District Forum deals with complaints where the value of goods or services does not exceed rupees fifty lakhs.
- ❖ Also, if the state government thinks fit, it can establish more than one district forum in one district.
- ❖ A person who is or has been or is qualified to be a District Judge, shall be its Chairman and shall consist of two other members, one of whom shall be a woman.

National Consumer Disputes Redressal Commission:

- ❖ It is a **quasi-judicial commission** set up in 1988 under the **Consumer Protection Act of 1986**.
- ❖ **Mandate:** To provide inexpensive, speedy, and summary redressal of consumer disputes.
- ❖ It is headed by a **sitting or a retired Judge of the SC** or a sitting or a retired **Chief Justice of a High Court**.

Q39. Match List-I with List-II

List-I	List-II
A. Grey Revolution	1. Onion Production
B. Pink Revolution	2. Tomato and Meat Production
C. Silver Revolution	3. Production of eggs
D. Red Revolution	4. Fertilizers (68 th BPSC)
A. (A-4), (B-1), (C-3), (D-2)	
B. (A-3), (B-1), (C-4), (D-2)	
C. (A-1), (B-4), (C-3), (D-2)	
D. More than one of the above	

Ans. A. (A-4), (B-1), (C-3), (D-2)

- ❖ **Pink Revolution:** The boom of export and production of meat in India is the period of the Pink Revolution. It denotes the technological revolution in the poultry and meat processing sector.
- ❖ **Grey Revolution:** Grey revolution is related to increased fertilizer production. It is basically associated with the mal effects of the green revolution of India focusing on what can happen if the new agricultural equipment turns things wrong.
- ❖ **Red Revolution:** The red revolution was an agricultural reform in India that resulted in an increase in tomato and meat production. It was led by Vishal Tewari, who is the father of the red revolution in India.
- ❖ **Silver Revolution:** The production of eggs was tremendously increased during the Silver Revolution phase. The increased production of eggs was made possible due to medical science and more protein-rich food for the hens.

Other Important Revolutions of Indian Agriculture and Allied Sector

Revolution	Products/Objectives	Father of the Revolution
Blue	Fish	Dr. Hiralal Chaudhary (induced breeding)/Dr. Arun Krishnan
Golden	Overall horticulture, honey, Fruit	Nirpakh Tutej
Green	Food grains	World: Dr. Norman Borlaug India: MS Swaminathan
Pink	Onion, Prawn, Pharmaceuticals, modernizing of meat and poultry processing	Durgesh Patel
Red	Meat, tomato	Vishal Tewari
Silver	Egg	Indira Gandhi
White	Dairy/milk	Dr. Verghese Kurien
Yellow (Also known as people power)	Oil Seeds, Edible Oil, Especially Mustard and Sunflower.	Sam Pitroda
Evergreen	Integration of ecological principles in technology development	MS Swaminathan
Round	Potato	-
Saffron	Solar Energy	-
Protein	Higher Production (Technology-driven Second Green Revolution)	Coined by Narendra Modi and Arun Jaitley
Black	Petroleum products	-
Golden Fiber	Jute Production	-
Silver Fiber	Cotton	-

Q40. At which of the following places the newsprint paper industry is located? (67th BPSC Re-exam)

- A. Durgapur

- B. Nepanagar
- C. Kanpur
- D. Satana

Ans. B. Nepanagar

- The first paper mill was started at Serampore in West Bengal.
- Nepanagar is an Industrial township in Burhanpur district in the state of Madhya Pradesh. Nepanagar is famous for its newsprint paper mill. The actual name of the mill is Nepa Mills Limited which was earlier known by the name of "The National NewsPrint Limited".

Q41. Where was the first coal mine in India mined? (67th BPSC Re-exam)

- A. Raniganj
- B. Dhanbad
- C. Asansol
- D. Jharia

Ans. A. Raniganj

India has a long history of commercial coal mining covering nearly 220 years starting from 1774 by M/s Sumner and Heatly of East India Company in the Raniganj Coalfield along the Western bank of river Damodar.

Distribution of Coal in India:

❖ **Gondwana coal fields (250 million years old):**

- Gondwana coal makes up to 98 % of the total reserves and 99 % of the production of coal in India.
- Gondwana coal forms **India's metallurgical grade as well as superior quality coal.**
- It is found in Damodar (Jharkhand-West Bengal), Mahanadi (Chhattisgarh-Odisha), Godavari (Maharashtra), and Narmada valleys.

❖ **Tertiary coal fields (15 – 60 million years old):**

- Carbon content is **very low but is rich in moisture and sulphur.**
- Tertiary coalfields are mainly confined to extra-peninsular regions
- **Important areas** include Assam, Meghalaya, Nagaland, Arunachal Pradesh, Jammu and Kashmir, Himalayan foothills of Darjeeling in West Bengal, Rajasthan, Uttar Pradesh, and Kerala.

Classification:

- ❖ *Anthracite (80 - 95% carbon content, found in small quantities in J&K).*

- ❖ *Bituminous (60 - 80% of carbon content and is found in Jharkhand, West Bengal, Odisha, Chhattisgarh and Madhya Pradesh).*
- ❖ *Lignite (40 to 55% carbon content, high moisture content and is found in Rajasthan, Lakhimpur (Assam) and Tamil Nadu).*
- ❖ *Peat (less than 40% carbon content and it is in the first stage of transformation from organic matter (wood) to coal).*

Q42. According to the Census of India, 2011, which Scheduled Tribe is largest in India? (67th BPSC Re-exam)

- A. Kol
- B. Bhil
- C. Gond
- D. Santhal

Ans. B. Bhil

According to the 2011 census, Bhils are the largest tribal group in India. They constitute about 38% of the total Scheduled Tribe population of India.

Bhil tribe is found in Maharashtra, Chhattisgarh, Gujarat, Rajasthan, Madhya Pradesh as well as Tripura. Gond is the second largest and Santhal is the third largest tribal community.

Q43. What is the objective of community development? (67th BPSC Re-exam)

- A. Build Human Capital
- B. Environment Protection
- C. Harmonious Life
- D. Economic Development
- E. None of the above/More than one of the above

Ans. E. None of the above/More than one of the above

Objectives of community development

Economic progress, democratic change, and democratic evolution are the main Community development -objectives. These three goals must be pushed in tandem and in such a way that they complement one another. The goal of the community development program in India is to improve people's resources and to assist each village in planning and implementing integrated agricultural production. As a result, the Community development -objectives or main goals are as follows:

- ❖ *To transform the mindset of everyone in the village.*
- ❖ *Improving and organizing existing local crafts and industries, as well as providing basic health services and improving health habits.*

- ❖ Providing the necessary recreational and educational facilities for children and adults.
- ❖ Villagers' housing and family living circumstances are being improved.
- ❖ To create a proactive rural authority, organizational structure, and systems.
- ❖ To empower villagers to become self-sufficient and responsible citizens.
- ❖ To assist people in increasing their livelihood and improving the standard of living.

Q44. Bhandari Committee is related to (67th BPSC Re-exam)

- A. Indirect taxation
- B. Agriculture credit
- C. Regional Rural Bank restructuring
- D. Direct Taxation

Ans. C. Regional Rural Bank restructuring

Bhandari Committee was set up for restructuring and strengthening of the regional rural banks in 1994-95 and the other committee was Base Committee (1995-96).

Q45. Choose the correct statement related to the National Pension Scheme (67th BPSC Re-exam)

- A. NPS is a retirement benefit scheme introduced by the Government of India to facilitate a regular income to all the citizens of India.
- B. NPS is regulated by the IRDA.
- C. NPS is regulated by the SEBI.
- D. NPS is regulated by the Pension Fund Regulatory and Development Authority.

Ans. D. NPS is regulated by the Pension Fund Regulatory and Development Authority.

The National Pension Scheme (NPS) is a voluntary and contributory pension scheme introduced by the Government of India.

The National Pension System (NPS) is being administered and regulated by Pension, Fund Regulatory and Development Authority (PFRDA) set up under PFRDA Act, 2013. NPS is a market linked, defined contribution product. Under NPS, a unique Permanent Retirement Account Number (PRAN) is generated and maintained by the Central Record Keeping Agency (CRA) for individual. The employees of the corporate entity, enrolled by the employer having Indian Citizenship between the age of 18-60 years and complying with the KYC norms, are eligible to be registered no subscribers under NPS.

Q46. Choose the correct statement regarding the "Vibrant Village Programme". (67th BPSC Re-exam)

- A. It is for the Maharashtra State of India
- B. It was started in the year 2017.
- C. It is for the development of border villages on the northern border.
- D. It is for the development of road connectivity in Bihar

Ans. C. It is for the development of border villages on the northern border.

It is a centrally funded program announced in the Union Budget Year 2022-23 with an aim to develop border villages in the north and improve the quality of life of the residents of such border villages. This will include the border areas of Himachal Pradesh, Uttarakhand, Arunachal Pradesh, Sikkim and Ladakh.

Q47. Which of the following partly defines the "microenterprise" in India? (67th BPSC Re-exam)

- A. Annual turnover not more than Rs 15 crore.
- B. Investment in Plant and Machinery not more than Rs 1.5 crore.
- C. Annual Turnover of more than Rs 5 crore.
- D. Investment in Plant and Machinery or equipment not more than Rs 1 crore.

Ans. D. Investment in Plant and Machinery or equipment not more than Rs 1 crore.

Micro enterprise in India is defined as investment in plant and machinery or equipment not more than Rs.1 Crore and Rs.5 Crore turnover.

Existing and Revised Definition of MSMEs

Existing MSME Classification			
Criteria : Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs. 25 lac	Investment < Rs. 5 cr.	Investment < Rs. 10 cr.
Services Enterprise	Investment < Rs. 10 lac	Investment < Rs. 2 cr.	Investment < Rs. 5 cr.
Revised MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 cr. and Turnover < Rs. 5 cr.	Investment < Rs. 10 cr. and Turnover < Rs. 50 cr.	Investment < Rs. 20 cr. and Turnover < Rs. 100 cr.

Q48. Which of the following is incorrect regarding the Pradhan Mantri Krishi Sinchai Yojana? (67th BPSC Re-exam)

- A. Construction of well
- B. Enhancement of recharging of aquifers
- C. Construction of rain harvesting structures
- D. Repair and renovate water bodies.

Ans. A. Construction of well

- ❖ Pradhan Mantri Krishi Sinchai Yojana was launched on 1st July, 2015 with the motto of "Har Khet Ko Pani". It is implemented to expand culminated area with assured irrigation, reduce wastage of water and improve water use efficiency.
- ❖ It is a **Centrally Sponsored Scheme (Core Scheme)**, where Centre- States share will be 75:25 .
 - In the case of the north-eastern region and hilly states, the share will be 90:10.
- ❖ In 2020, the Ministry of Jal Shakti launched a mobile application for **Geo-Tagging of the components of projects under PMKSY**.

Objectives:

- ❖ *Achieve convergence of investments in irrigation at the field level (preparation of district level and, if required, sub district level water use plans).*
- ❖ *Enhance the physical access of water on the farm and expand cultivable area under assured irrigation (Har Khet ko pani).*
- ❖ *Integration of water source, distribution and its efficient use, to make best use of water through appropriate technologies and practices.*
- ❖ *Improve on - farm water use efficiency to reduce wastage and increase availability both in duration and extent.*
- ❖ *Enhance the adoption of precision - irrigation and other water saving technologies (More crop per drop).*
- ❖ *Enhance recharge of aquifers and introduce sustainable water conservation practices.*
- ❖ *Ensure the integrated development of rainfed areas using the watershed approach towards soil and water conservation, regeneration of groundwater, arresting runoff, providing livelihood options and other NRM activities.*
- ❖ *Promote extension activities relating to water harvesting, water management and crop alignment for farmers and grass root level field functionaries.*
- ❖ *Explore the feasibility of reusing treated municipal wastewater for peri - urban agriculture.*

Q49. With reference to the Bare Necessities Index (BNI), consider the following statements:

1. The economic survey has come with the Bare Necessities Index at rural and urban levels.
2. The BNI has been created for all States for 2018 only.
3. The BNI is based on 26 indicators.
4. The BNI consists of six dimensions.

Which of the above statements are correct? (67th BPSC Cancelled exam)

- A. 1 and 3 only
- B. 2 and 3 only
- C. 1 and 4 only
- D. 2 and 4 only

Ans. A. 1 and 3 only

Economic survey 2020-21 constructed Bare Necessities Index at the rural and urban and all India level. The BNI summarises 26 indicators from five dimensions viz, water, sanitation, housing, microenvironment, and other facilities. The BNI has been created for all states in 2012 and 2018 using data from two NSO rounds viz, 64th and 76th on Drinking water, Sanitation, Hygiene and Housing condition etc. in India.

Q50. The best index of economic development is provided by (67th BPSC Cancelled exam)

- A. Growth in national income at current prices
- B. Growth in per capita real income from year to year
- C. Growth in savings ratio
- D. Improvement in balance of payments position

Ans. B. Growth in per capita real income from year to year

Per capita Gross National Product (GNP) is the best index of development. It can be derived by dividing the GNP of a country with its population. Higher the level of per capita income, higher is the economic development. The World Bank, in its world development report 1998, classified the countries in the world on the basis of per capita GNP.

Q51. Measures of Economic Growth

National Income	The aggregate monetary value of all incomes earned by individuals and enterprises.
Gross Investment	Part of the final output that comprises capital goods.
Net Investment	Reduction from gross investment to accommodate wear and tear of capital.
Depreciation	Gross investment – Depreciation
GDP (Gross Domestic Product)	Total monetary/market value of all the finished goods and services produced within a country's territory in a specific time period.
Accounting Year	1st of April to 31st of March (next year) The present base year for GDP is 2011-12

Nominal GDP	Measures a country's GDP using current prices, without adjusting for inflation.
Real GDP	The calculation of Production of final goods and services valued at the base year prices (exclusive of inflation).
GDP at Market Prices	Calculation of GDP at the actually transacted prices. Includes the indirect taxes levied, subsidies provided
GDP at Factor Cost	Calculation of GDP at the actual cost of production of goods and services and not the sale Doesn't include indirect taxes. Includes subsidies provided for the production.
Gross Value Added (GVA)	Economic productivity metric that measures the contribution of a corporate subsidiary, company or municipality to an economy, producer, sector or region. GVA = GDP + subsidies on products - taxes on products Gross Capital Formation (GCF) Percentage of the investment made each year out of the total
Net Factor Income	Domestic factor income: Sum of factor incomes (rent + wages + interest + profits) generated within the domestic country. It includes incomes earned by residents as well as non-residents/foreigners working in India. Income from Abroad: Indians go abroad to work and earn wages, salaries, profits, and rents.
Per Capita Income (PCI)	PCI measures the average income earned per person in a given area, in a specified year. Calculated: By dividing the area's total income by its total population.

Q52. Consider the following States:

1. Punjab.
2. Uttar Pradesh
3. Andhra Pradesh
4. West Bengal

Choose the correct sequence of the above in ascending order as rice producing states in India.
(67th BPSC Cancelled exam)

- A. West Bengal, Punjab, Andhra Pradesh, Uttar Pradesh.
- B. West Bengal, Uttar Pradesh, Andhra Pradesh, Punjab.
- C. Andhra Pradesh, Uttar Pradesh, West Bengal, Punjab
- D. Andhra Pradesh, Punjab, Uttar Pradesh, West Bengal

Ans. D. Andhra Pradesh, Punjab, Uttar Pradesh, West Bengal

Rice

- ❖ **Temperature:** Between 22-32°C with high humidity.
- ❖ **Rainfall:** Around 150-300 cm.
- ❖ **Soil Type:** Deep clayey and loamy soil.
- ❖ It is the **staple food crop of the majority** of Indian people.
- ❖ India is the **second largest producer of rice in the world after China.**
- ❖ In states like **Assam, West Bengal and Odisha**, three crops of paddy are grown in a year. These are **Aus, Aman and Boro.**
- ❖ **National Food Security Mission, Hybrid Rice Seed Production and Rashtriya Krishi Vikas Yojana** are few government initiatives to support rice cultivation.

The top 5 major rice-producing states in India as of 2024 are mentioned below.

Rank	State	Rice Production (million tonnes)	Area under Rice Cultivation (million hectares)
1	West Bengal	15.75	5.46
2	Uttar Pradesh	12.5	5.86
3	Punjab	11.82	2.97
4	Tamil Nadu	7.98	2.04
5	Andhra Pradesh	7.49	2.16

Wheat

- ❖ **About:**
 - This is the **second most important cereal crop in India after rice.**
 - It is the main food crop, in the north and north-western part of the country.
 - Wheat is a **rabi crop** that requires a cool growing season and bright sunshine at the time of ripening.

- Success of the **Green Revolution** contributed to the growth of Rabi crops, especially wheat.
- ❖ **Temperature:**
 - Between 10-15°C (Sowing time) and 21-26°C (Ripening & Harvesting) with bright sunlight.
- ❖ **Rainfall:**
 - Around 75-100 cm.
- ❖ **Soil Type:**
 - Well-drained fertile loamy and clayey loamy (Ganga-Satluj plains and black soil region of the Deccan).

The top 5 major wheat-producing states in India as of 2024 are mentioned below.

S.No.	State/ UT	Wheat (Th. tonnes)
1	Uttar Pradesh	33949.68
2	Madhya Pradesh	22418.5
3	Punjab	14821.94
4	Haryana	10447.21
5	Rajasthan	9484.08

Q53. Which of the following is not the method to calculate the "Gross Domestic Product" [GDP]? (66th BPSC Re-exam)

- A. Product Method
- B. Diminishing Cost method
- C. Income Method
- D. Expenditure method

Ans. B. Diminishing Cost method

The diminishing cost method is not a method of calculating national income

Methods of GDP Calculations

❖ **Expenditure Method**

- GDP is calculated by the sum of consumer spending + investment + government purchases + net exports (Export-Import).
- $C + G + I + X - M$

❖ **Income Method**

- GDP is calculated by the sum of income of all the factors of production i.e., wages, interest earned, profit earned, etc.
- Income approach: All economic expenditures should equal the total income generated by the production of all economic goods and services.
- National Income (NI) = (Total rent – Income from land) + (Total wages – Income from labour) + (Total interest – Income from capital) + (Total profit – Income from entrepreneur).

❖ **Production (Value Added) Method**

- Estimated by adding the value added by all the firms.

- GVA + picture of economy from the producers' side or supply side
- GDP + picture from the consumers/demand side perspective.
- New GDP Series 2011-12:
 - Base Year Change: 2004-05 + 2011-12
 - Change in GDP calculation + using market prices rather than factor costs.
 - Adopted the international practice of valuing industry-wise estimates as Gross Value Added (GVA) at basic prices.

Q54. Which of the following offices or institutes releases data of the national income in India? (66th BPSC Re-exam)

- A. NSSO
- B. NITI Aayog
- C. CSO
- D. Prime Minister's Office

Ans. C. CSO

The National statistical office (NSO) [created by merger of NSSO & CSO on 23rd may 2019] under the ministry of Statistics and Programme Implementation, is responsible for releasing data of the National Income in India. Before the creation of NSO, these data were released by CSO. [The commission has accepted CSO as the correct answer to the question]

Q55. Which one is not true about the "Ayushman Sahakar Scheme"? (66th BPSC Re-exam)

- A. The Finance Ministry of India launched this scheme.
- B. It is a scheme to assist the cooperative in the creation of health infrastructure.
- C. It specifically covers establishment, modernization, expansion, repairs, renovation of hospital and healthcare and education infrastructure.
- D. It is formulated by the National Cooperative Development Corporation

Ans. A. The Finance Ministry of India launched this scheme.

The Ayushman Sahakar scheme was Launched by Ministry of Agriculture and Farmers Welfare, to assist cooperatives to play an important role in creation of healthcare infrastructure in the country. It is formulated by National cooperative Development Corporation (NCDC)

Q56. In which Budget, the Commodity Transaction Tax [CTT] was introduced in the Budget of India? (66th BPSC Re-exam)

- A. 2013-14
- B. 2012-13
- C. 2014-15
- D. 2017-18

Ans. A. 2013-14

This tax was introduced in 2013-14 budget by Government of India. It came into force with effect from 1st July 2013. Commodity Transaction Tax (CTT) is similar to Securities Transaction Tax, which applies for trading in the stock market.

Q57. When was "Gender Budgeting" initiated in India? (66th BPSC Re-exam)

- A. Union Budget, 2005-06
- B. Union Budget, 2006-07
- C. Union Budget, 2008-09
- D. Union Budget, 2004-05

Ans. A. Union Budget, 2005-06

In the budget of 2005-06, India introduced gender budgeting. Gender budgeting refers to gender based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures in order to promote gender equality.

Q58. Which one is not a true statement about the PM Cares Fund? (66th BPSC Re-exam)

- A. Any person appointed as trustee shall act in a pro bono capacity.
- B. The fund consists entirely of voluntary contributions from individuals and organizations.
- C. The primary objective of this is dealing with any kind of emergency or distress situation and to provide relief to the affected.
- D. It does not get any Budgetary support.
- E. None of the above/More than one of the above

Ans. E. None of the above/More than one of the above

All the given statement regarding PM cares fund are correct. PM Cares fund is created by Prime minister of India Shri Narendra Modi to undertake and support relief or assistance of any kind of emergency or distress situation to the affected. The fund consists entirely of voluntary contributions from individuals or organizations. It does not get any budgetary support, and any person appointed as in trustee shall act in a pro bono capacity. Prime Minister is the ex-officio chairman of the fund and Ministers of Defence,

Minister of Home Affairs, and Minister of Finance, of Government of India are ex-officio trustee of the fund

Q59. Lowering the cash reserve ratio, it will have the following impact on the economy.

1. Banks will have higher leverage to liquidity.
2. The economy may see increased investment.
3. Supply of currency in the economy may broaden.
4. Real investment rate may decline.

Select the correct code (66th BPSC Re-exam)

- A. 1 only
- B. Both 1 and 2
- C. 1, 2, 3 and 4
- D. 2, 3 and 4

Ans. C. 1, 2, 3 and 4

Lowering the cash reserve ratio will have the following impact on the economy. It will provide higher leverage of liquidity, Supply of currency in economy may increase, The economy may witness increase in investment, however real investment rate may decline

Tools of Monetary Policy

Quantitative tools of monetary policy include Liquidity Adjustment Facility (Repo and Reverse Repo), Open Market Operations, SLR and CRR, Bank Rate, Credit Ceiling, Marginal Standing Facility. Qualitative tools of monetary policy include Credit Rationing, Moral Suasion, Prompt Corrective Action (PCA), Direct action by RBI on banks and Differential Interests Rates.

Quantitative Instruments

Bank Rate	Rate at which RBI provides long-term borrowings to its clients. Its clients include Central government, state governments, banks, financial institutions, cooperative banks etc. An increase in the bank rate symbolises tightening of RBI monetary policy (i.e. Dearer Monetary Policy). An increase in bank rate will make borrowing from RBI expensive - discourage banks from borrowing from RBI - money supply will tend to decrease. It presently uses it as a penalty rate imposed by RBI on banks for violations of RBI directives.
Statutory Liquidity Ratio (SLR)	Banks must reserve this sum in liquid assets like gold or securities that have received RBI approval, such as government

	bonds. Although interest on these securities is permitted to be earned by banks, it is very little. An increase in SLR - higher proportion of funds to be kept aside by banks in liquid form - less funds available to be provided as credit to the economy - money supply will decrease. Higher the CRR and SLR, lower will be the liquidity in the system as Banks will have lesser money for providing loans.		
Cash Reserve Ratio (CRR)	The average daily balance that a bank is required to maintain with the Reserve Bank as a share of such percentage of its Net demand and time liabilities (NDTL) as specified by the Reserve Bank in the Gazette of India from time to time. An increase in CRR - higher proportion of deposits to be kept with RBI by banks - less funds are available to be provided as credit to the economy, money supply will decrease.		
Repo rate	Repo Rate is the rate at which the Reserve Bank of India lends to other banks by buying the securities with an agreement that the bank will buy it back on a certain date. It is a short term lending option to meet the liquidity requirements of commercial banks. The Repo rate borrowing is usually available at the overnight repo, 7 days, 14-day repo. Repo rate has direct relation with the interest rates banks charge on the loans they offer (as it affects the operational cost of the banks)		
Reverse Repo Rate	Reverse Repo Rate stands for the rate of interest at which the central bank borrows money from the commercial banks for a short term.		
			It helps the central bank to have a source of liquidity when it needs it. The RBI offers decent interest rates in return for the money supplied to it by commercial banks.
		Marginal Standing Deposit Facility (MSF)	A facility through which scheduled commercial banks can borrow an additional amount of overnight money from the Reserve Bank by dipping into their Statutory Liquidity Ratio (SLR) portfolio up to a certain limit at a penal rate of interest. This acts as a safety valve for the banking system in the event of unexpected liquidity shocks.
		Long-Term Repo Operation (LTRO)	New policy tool used by the RBI to inject more liquidity into the economy similar to the term Repos, but with a longer maturity period of 1 year and 3 years. Through the LTRO, the RBI seeks to inject long-term liquidity into the economy at a lower interest rate. The LTROs would be carried out through e-Kuber. e-Kuber is the Core Banking Solution (CBS) of the RBI, which enables each bank to connect their single current account across the country.
		Open Market Operation (OMO)	The RBI buys and sells government securities to regulate the money supply on the open market. They are known as "Open Market Operations" because the Central Bank in the open market carries them out. If the RBI sells these instruments, banks and the public will buy it and pay money to the RBI. If the RBI buys these instruments from instrument holders, it will pay money to the latter. During inflation, the RBI sells government securities. As a result, money supply in the economy falls causing prices to fall. During deflation, the RBI will buy back the securities thus

	causing money supply to rise, which cures deficiency in demand.
Market Stabilisation Scheme (MSS)	This monetary management tool was introduced in 2004. Short-term government securities and treasury bills are sold to absorb longer-term surplus liquidity resulting from large capital inflows. The money raised in this manner is kept in a separate government account of the Reserve Bank.

Qualitative Instruments	
Credit Rationing	It is a method by which the RBI seeks to limit the maximum amount of loans and advances. In certain cases, it also fix ceilings for specific categories of loans and advances.
Change in Marginal Requirement	The term "margin" refers to the percentage of a loan that is not offered or financed by the bank. A change in the loan size can be caused by a change in the marginal requirement.
Moral Suasion	Moral suasion refers to the RBI's recommendations to commercial banks that aid in the restraint of credit during inflationary periods. The Reserve Bank of India (RBI) exerts pressure on the Indian banking system without taking any concrete steps to ensure compliance with the rules. Commercial banks are informed of the RBI's expectations through monetary policy.
Direct Action	The central bank (RBI) can punish and impose sanctions on banks for not following the guidelines provided under the monetary policy. For Instance, the imposition of the Prompt Corrective Action Framework is one such Direct Action measure.
Differential Rate of Interest (DRI)	It is a lending programme launched by the government in April, 1972. It makes obligatory

	for all the public sector banks in India to lend 1% of the total lending of the preceding year to 'the poorest among the poor' at an interest rate of 4% per annum.
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Q60. Which one is correct in the ascending order of HDI 2019 ranking of the following countries? (66th BPSC Re-exam)

- A. Brazil, India, South Africa, China
- B. Brazil, China, South Africa, India
- C. South Africa, China, India, Brazil
- D. India, China, South Africa, Brazil

Ans. B. Brazil, China, South Africa, India

The ascending order of HDI ranking 2022 is as follows - Russia, Brazil, China, South Africa, India

Note: Please read the following points

Key Highlights of the HDI Report 2024

❖ **Performer:**

- **Top Three Countries (Scores):** Switzerland (0.967), Norway (0.966) and Iceland (0.959).
- **Bottom Three Countries:** Somalia (0.380), South Sudan (0.381), Central African Republic (0.387).
- **Bigger Economies:** USA (0.927), UK (0.889), Japan (0.878), Russia (0.821).
- **Countries Not Ranked in Index:** The **Democratic People's Republic of Korea** (North Korea) and **Monaco**.

❖ **India**

- India attained an HDI score of 0.644 in 2022, positioning it at 134 out of 193 countries in the UN's 2023-24 report.
- This categorises India under 'medium human development.'
- With India's HDI in 1990 standing at 0.434, the 2022 score reflects a positive change of 48.4%.

❖ **Performance of India's Neighbour:**

- Sri Lanka has been ranked much ahead at 78, while China is ranked 75, both categorised under the High Human Development category.
- India also ranks below Bhutan which stands at 125 and Bangladesh, which is in the 129th position. India, Bhutan and Bangladesh are all in the Medium Human Development category.
- Nepal (146) and Pakistan (164) have been ranked lower than India.

Q61. Which one of the following is not an objective of food management in India? (66th BPSC)

- A. Distribution of Food grains.
- B. Procurement of Food grains.

- C. Maintenance of Food grains buffer stock.
D. Export of Food grains

Ans. D. Export of Food grains

The Food Corporation of India (FCI) was (setup in 1965. It plays a significant role in India's success in transforming the crisis management oriented food security into stable security stem. The objective of food management in India are :- Procurement of food grains from farmers at remunerable prices, distribution of these food grains, Maintenance of a Buffer stock, Maintenance of food safety & Price stability. Export of food grains is not an objective of food management in India.

Q62. Revenue deficit in India implies that (66th BPSC)

- A. The Indian government needs to borrow in order to finance its expenses which will create capital assets.
B. The Indian government needs to borrow in order to finance its expenses which do not create capital assets.
C. The Indian government needs to borrow from the Reserve Bank of India against government securities.
D. The Indian government needs to borrow from international financial institutions.

Ans. B. The Indian government needs to borrow in order to finance its expenses which do not create capital assets.

Types of deficits

Deficit	Description
Revenue Deficit	It is the difference between the Revenue Receipts (RR) and the Revenue Expenditure (RE). $\text{Revenue Deficit (RD)} = \text{RR} - \text{RE}$
Effective Revenue Deficit (ERD)	Signifies that amount of capital receipts that are being used for actual consumption expenditure of the Government. The concept of effective revenue deficit has been suggested by the Rangarajan Committee on Public Expenditure. $\text{ERD} = \text{Revenue Deficit} - \text{Grants for creation of capital assets}$
Fiscal Deficit	Difference between total revenue and total expenditure of the government is termed as fiscal deficit. It is an indication of the

total borrowings needed by the government.
While calculating total revenue, borrowings are not included
 $\text{Fiscal Deficit (FD)} = \text{Budget deficit} + \text{Borrowings}$

Primary Deficit
Primary Deficit indicates the borrowing requirements of the government, excluding interest. It is the amount by which the total expenditure of a government exceeds the total income. Note that the primary deficit does not include the interest payments made.
 $\text{Primary Deficit} = \text{Fiscal Deficit (Total expenditure} - \text{Total income of the government)} - \text{Interest payments (of previous borrowings)}$

Capital Deficit
It refers to an imbalance in a nation's Balance of Payments capital account, in which payments made by the country for purchasing foreign assets exceed payments received by the country for selling domestic assets. In other words, investment by the domestic economy in foreign assets is less than foreign investment in domestic assets. This is generally not a desirable situation for a domestic economy.
 $\text{Capital Deficit} = \text{Capital Receipts} - \text{Disbursement on Capital Account}$

Monetary Losses
Increment in net credit of RBI is monetary loss for the Central Government.
 $\text{Monetary Losses} = \text{Net growth of holding of treasury bill of RBI} + \text{Contribution of RBI in market borrowing of Central Government}$

Q63. Which of the following infrastructure sectors of India is related with Bharatmala Projects? (66th BPSC)

- A. Telecom sector
B. Railways
C. Road Infrastructure
D. Port Sector

Ans. C. Road Infrastructure

The Bhartmala Project was launched on 25 October 2017 for the construction of better road transport system in India. It is an umbrella project under the Ministry of Road Transport and Highways.

Q64. Which of the following agencies releases the Index of Industrial Production to measure Industrial performance in India? (66th BPSC)

- A. The National Sample Survey Office [NSSO]
- B. The Reserve Bank of India [RBI]
- C. The Central Statistics Office [CSO]
- D. The Indian Statistical Institute [ISI]

Ans. C. The Central Statistics Office [CSO]

Index of Industrial Production is compiled & released monthly by the Central Statistical Office, Ministry of Statistic and Programme Implementation. It is an indicator to measure the change in volume of production of industrial products during a given period.

Q65. The objective of PM-KUSUM scheme is (66th BPSC)

- A. To reduce farmer's dependence on monsoon for irrigation.
- B. To reduce farmer's dependence on moneylenders for credit.
- C. Promotion of Floriculture in India.
- D. To remove farmer's dependence on diesel and kerosene and to link pump sets to solar energy.

Ans. D. To remove farmer's dependence on diesel and kerosene and to link pump sets to solar energy.

PM-KUSUM Scheme was launched in 2019. It is a scheme for farmers for installation of solar pumps & grid connected solar and other renewable power plants in the country. The solar pumps will save the expenditure incurred on diesel for running diesel pumps and provide the farmers a reliable source of irrigation through solar pumps apart from preventing harmful pollution from running diesel pumps

Q66. The Government of India announced a new scheme "NIRVIK" in the Budget for 2020-21. Which of the following sectors of the economy will benefit from this scheme? (66th BPSC)

- A. Agriculture sector
- B. Industrial sector
- C. Health sector
- D. Export sector

Ans. D. Export sector

- ❖ Nirvik (NIRVIK) (Export Credit Development Scheme) scheme was launched in the Union Budget 2020-21.
- ❖ Under this scheme, higher insurance cover will be provided to exporters and premium will also be reduced for small exporters.
- ❖ Presenting the Budget 2020-21, the Finance Minister said that the Nirvik scheme is being launched to achieve higher export credit disbursement.

Q67. Which one of the following is not a source of direct finance? (65th BPSC)

- A. NABARD
- B. Regional Rural Bank
- C. State Bank of India
- D. Allahabad Bank
- E. None of the above/More than one of the above

Ans. E. None of the above/More than one of the above

NABARD is not a source of direct finance and other options are sources of direct finance but the commission considered option (e) as correct.

Q68. What is the full form of EPCG? (65th BPSC)

- A. Export Promotion Consumer Goods
- B. Exchange Programme for Consumer Goods
- C. Export Promotion Capital Goods
- D. Export Programme for Credit Generation.

Ans. C. Export Promotion Capital Goods

Ministry of Commerce and Industry has relaxed various procedures under the **Export Promotion Capital Goods (EPCG) scheme** in order to **reduce compliance requirements** and facilitate **ease of doing business**.

Capital Goods

- ❖ Capital goods are **physical assets that a company uses in the production process to manufacture products and services that consumers will later use**.
- ❖ Capital goods include **buildings, machinery, equipment, vehicles, and tools**.
- ❖ Capital goods are not finished goods, instead, they are used to make finished goods.
- ❖ The Capital Goods **sector has a multiplier effect and has bearing on the growth of the user industries as it provides critical input, i.e., machinery and equipment to the remaining sectors covered under the manufacturing activity**.

Q69. In Pradhan Mantri Shram Yogi Maan-dhan Scheme, each subscriber shall receive the minimum assured pension of _____ per month after attaining the age of 60 years (65th BPSC)

- A. Rs 3500
- B. Rs 2000
- C. Rs 3000
- D. Rs 1500

Ans. C. Rs 3000

In Pradhan Mantri Shram Yogi Maan-Dhan Yojana, every subscriber will get a minimum of Rs 3000 per month as pension after attaining the age of 60 years. The scheme was launched in February, 2019

Q70. Who determines the Minimum Support Price? (65th BPSC)

- A. The Commission for Agricultural Costs and Prices.
- B. The Ministry of Agriculture and Farmers Welfare.
- C. The Finance Commission
- D. NABARD

Ans. A. The Commission for Agricultural Costs and Prices.

Minimum Support Price (MSP) is the minimum price which the government pays for the farmer's produce at the time of procurement. The MSP is determined by the Commission for Agricultural Costs and Prices. MSP is aimed at saving the crops from price fluctuations in the market. MSPs were firstly introduced in 1966-67 when the country adopted Green Revolution Technologies.

Q71. Hindu Growth rate is related to (65th BPSC)

- A. Money
- B. GDP
- C. Population
- D. GNP

Ans. B. GDP

The growth rate of GDP in India from 1950 to 1980 was termed as Hindu growth rate.

Due to the continuous slow growth rate of the economy, it was called Hindu growth rate.

The term has been coined by Prof. Rajkrishna.

Q72. Which one of the following programmes was initiated during the Sixth Five Year plan? (65th BPSC)

- A. Integrated Rural Development
- B. Rural Literacy Development
- C. Rural Railways
- D. Advanced Communication Link for rural people

Ans. A. Integrated Rural Development

The Sixth Five Year Plan in India was undertaken during the period between 1980 to 1985, with the main aim of attaining objective like elimination of poverty through the rural development schemes such as IRDP- (Integrated Rural Development Programme), NREP (National Rural Employment Programme), and RLEGP (Rural Landless Employment Guarantee Programme).

Q73. Antyodaya Programme was started first of all in the state of (65th BPSC)

- A. Bihar
- B. Tamil Nadu
- C. Andhra Pradesh
- D. Rajasthan

Ans. D. Rajasthan

The Antyodaya (Antyodaya Ann Yojana - AAY) was instituted for the upliftment of the poorest of the poor in the country. The programme was launched by the government on 25th December 2000.

Note: The Antyodaya Programme was firstly launched in the mid-70s in Rajasthan by the state government.

Q74. During 12th Five Year Plan [FYP], which one of the following average annual growth rate targets was envisaged for agriculture and allied sectors? (64th BPSC)

- A. 3.0%
- B. 3.5%
- C. 4.0%
- D. 4.5%

Ans. C. 4.0%

The 12th five year plan (2012-17) envisaged 4% average annual growth for agriculture and allied sector.

Q75. The government policy "Make in India" aims at (64th BPSC)

- A. Removal of Bureaucratic sloth.
- B. Elimination of Red Tapism
- C. Reduction of cost of manufacturing
- D. Making the product competitive
- E. None of the above/More than one of the above

Ans. E. None of the above/More than one of the above

The 'Make in India' initiative was launched in September 2014 with the objective of promoting India as an important investment destination India a global hub in manufacturing - design and innovation. This initiative aims to create a conducive environment for investment, development of Modern and efficient infrastructure, opening up new sector for foreign

investment and forging a partnership between government and industry through a positive mind set.

Q76. Which one of the following is not an initiative for industrial development? (64th BPSC)

- A. Make in India
- B. Ease of Doing Business
- C. Start-up India
- D. Digital India
- E. None of the above/More than one of the above

Ans. E. None of the above/More than one of the above

Make in India, Ease of Doing Business, Start-up India, Digital India are all incentives for industrial growth

Q77. Providing Urban Amenities to Rural Areas [PURA] model was advocated by (64th BPSC)

- A. A.P.J Abdul Kalam
- B. Manmohan Singh
- C. Lal Krishna Advani
- D. Rajiv Gandhi

Ans. A. A.P.J Abdul Kalam

Provision of Urban Amenities in Rural Areas (PURA) is a strategy for rural development in India given by former President of India, Dr. A.P.J. Abdul Kalam. The objective of the scheme is to provide urban amenities and livelihood opportunities in rural areas to bridge to rural – urban divide, thereby reducing migration from rural to urban areas.

Q78. Who among the following has given the idea of Self-Help Groups as an effective tool for poverty alleviation? (64th BPSC)

- A. Amartya Sen
- B. Md Yunus
- C. S.Chakravarti
- D. Venkaiah Naidu

Ans. B. Md Yunus

Md. Yunus is a Bangladeshi Social entrepreneur, banker. He was awarded the Nobel Peace Prize in 2008 for founding Grameen Bank and pioneering concepts of microcredit and microfinance. He gave the idea of Self-Help groups as effective tool for poverty alleviation.

Q79. As per Census 2011, the female literacy rate in India was (64th BPSC)

- A. 60.0 percent
- B. 63.0 percent
- C. 65.5 percent
- D. 68.5 percent

Ans. C. 65.5 percent

Literacy Rate in India (Category)	Data from Census of India 2011
Males	82.14%
Females	65.46%
Overall Literacy	74%

Q80. Which one of the following is the pathway to increase productivity in agriculture? (64th BPSC)

- A. Efficient Irrigation
- B. Quality Seeds
- C. Use of Pesticides
- D. Use of Fertilizers
- E. None of the above/More than one of the above

Ans. E. None of the above/More than one of the above

Investments in irrigation, combined with the better quality seeds can increase the productivity, among regions as far as irrigation is concerned. Some part have more water supply as compared to other, The state should endeavour to increase the irrigation methods. Unscientific use of pesticides and fertilizers can decrease the productivity of soil.

Q81. Which one of the following is the objective of MGNREGA? (64th BPSC)

- A. To build assets.
- B. To encourage micro-irrigation.
- C. Water Management.
- D. To enhance rural-income.
- E. None of the above/More than one of the above

Ans. E. None of the above/More than one of the above

- ❖ The National Rural Employment Guarantee Act was launched on February 2, 2006 from Andhra Pradesh.
- ❖ It was renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) with effect from October 2, 2009.
- ❖ The Act guarantees 100 days of employment to all adult members of every rural household who are willing to do unskilled labour.
- ❖ The objective of this scheme is to increase rural income and create assets.

Q82. Which one of the following most appropriately describes the nature of the Green Revolution of the late sixties of the 20th century? (64th BPSC)

- A. Intensive cultivation of green vegetable
- B. Intensive Agriculture district programme.

- C. High-Yielding Varieties Programme.
D. Seed-Fertilizer-Water Technology.

Ans. D. Seed-Fertilizer-Water Technology.

The Green Revolution in India was an effort to increase Agricultural production with the help of industrial agriculture technologies such as:

- ❖ High-yielding varieties of seeds.
- ❖ Increased the use of fertilizers
- ❖ Controlled water-Supply, involving irrigation.

Norman Borlaug is known as father of Green Revolution. M.S. Swaminathan is known as the father of "Indian Green Revolution".

Q83. Which one of the following states has the highest density of population according to the Census of India, 2011? (64th BPSC)

- A. Kerala
B. Haryana
C. Bihar
D. Uttar Pradesh

Ans. C. Bihar

Population density of mentioned States as per census 2011:

- ❖ Total population density of India – 382
- ❖ Population density of Bihar – 1106
- ❖ Population density of Kerala – 860
- ❖ Population density of Haryana – 573
- ❖ Population density of Uttar Pradesh 829

Q84. One of the problems in calculating National Income in India is (63rd BPSC)

- A. Under employment
B. Inflation
C. Low Level of Savings
D. Non Organized Sector

Ans. D. Non Organized Sector

The Non- organized Sector is the biggest problem in calculating National Income in India. National Income means the value of goods and services produced by a country during a financial year. Some other problem while calculating National Income are:- (i) Exclusion of Real Transactions (ii) The value of Leisure (iii) Cost of Environmental Damages (iv) Self- Consumption (v) Imputed Income (vi) Transfer Payments and Capital Gains.

Q85. The apex bank for providing agricultural refinance in India is (63rd BPSC)

- A. RBI
B. NABARD

- C. SBI
D. Imperial Bank

Ans. B. NABARD

The name of the apex-level bank for providing agricultural refinance in India is National Bank for Agriculture and Rural Development (NABARD).

It was established on July 12, 1982 on the recommendation of the Sivaraman Committee.

It's headquarter is in Mumbai.

NABARD, which is the apex organization in the rural credit system, has taken several important steps in relation to rural credit. In these, the introduction of Kisan Credit Cards and linking of 'self-help groups' with banks have been important

Q86. According to the 14th Finance Commission, the percentage share of states in the net proceeds of the shareable central tax revenue should be (63rd BPSC)

- A. 32%
B. 35%
C. 40%
D. 42%

Ans. D. 42%

Recent facts:

The Union Government has constituted the 16th Finance Commission with Dr Arvind Panagariya, former Vice-Chairman of NITI Aayog and Professor at Columbia University, as its Chairperson. The terms of reference have been outlined which also includes reviewing disaster management financing arrangements under the Disaster Management Act, 2005. The 16th Finance Commission has been tasked with submitting its report by 31st October 2025.

Finance Commission	Chairman	Year of Appointment
First	K.C. Neogy	1951
Second	K. Santhanam	1956
Third	A.K. Chanda	1960
Fourth	Dr. P.V. Rajamannar	1964
Fifth	Mahavir Tyagi	1968
Sixth	Brahamananda Reddy	1972
Seventh	J.M. Shelat	1977
Eighth	Y.B. Chavan	1982
Ninth	N.K.P. Salve	1987
Tenth	K.C. Pant	1992
Eleventh	A.M. Khusro	1998

Twelfth	Dr. C. Rangarajan	2002
Thirteenth	Dr. Vijay Kelkar	2007
Fourteenth	Y.V. Reddy	2013
Fifteenth	N.K Singh	2017
Sixteenth	Arvind Panagariya	2024

Q87. The size of marginal land holding in India is (63rd BPSC)

- A. More than 5 hectares.
- B. 2 hectares to 4 hectares.
- C. 1 hectare to 2 hectares
- D. Less than 1 hectare

Ans. D. Less than 1 hectare

Size of agricultural holdings: -

- ❖ Marginal holding :- less than 1 hectare
- ❖ Small holding :- 1-2 hectare
- ❖ Semi-medium holding :- 2-4 hectares
- ❖ Medium holding :- 4-10 Hectares
- ❖ Large holdings :- 10 Hectares and above

Q88. Globalization does not include (63rd BPSC)

- A. Reduction in import duties
- B. Abolition of Import Licensing
- C. Free Flow of FDI
- D. Disinvestment of Public Sector Equity

Ans. D. Disinvestment of Public Sector Equity

Globalisation refers to the integration of the economy of the national with the world economy. It aims to create a borderless world. Since Globalization include free flow of trade, It also involves reduction in import duties abolition of import licensing, free flow of FDI etc. It does not include the disinvestment of public sector equity. Disinvestment is the process in which a certain percentage of shares of public sector units are disinvested to the private sector

Q89. The prevention of Money laundering Act came into existence into force in India during (63rd BPSC)

- A. 1998
- B. 1999
- C. 2001
- D. 2005

Ans. D. 2005

Prevention of Money Laundering Act (PMLA) was enacted by the Indian Parliament in 2002 and came into force in 2005. It was enacted to curb money laundering (Process of converting black money into

white) & to provide for seizure of property derived from money laundering.

Q90. TRIMS stands for (63rd BPSC)

- A. Trade Related Income Measures
- B. Trade-Related Incentives Measures
- C. Trade-Related Investment Measures
- D. Trade-Related Innovative Measures

Ans. C. Trade-Related Investment Measures

The agreement on Trade-Related Investment Measure (TRIMs) recognizes that certain investment measures can restrict & distort trade. It state that WTO members may not apply any measures that discriminates against foreign product or that leads to quantitative restrictions, both of which violate basic WTO principles.

Q91. NITI Aayog came into existence on (63rd BPSC)

- A. 1st January, 2014
- B. 1st June, 2014
- C. 1st January, 2015
- D. 1st June, 2015

Ans. A. 1st January, 2015

Planning Commission was replaced by a new institution - NITI AAYOG on 1th January 2015. NITI stands for "National Institution for Transforming India" It is country's premier policy making institution that is expected to bolster the economic growth of the country. It is an executive body. It is neither constitutional nor statutory body. Prime Minister of India is the chairman of NITI Aayog.

Q92. The base year for All India Wholesale Price Index [WPI] has been changed by the Government of India from 2004-05 to (63rd BPSC)

- A. 2010-11
- B. 2011-12
- C. 2012-13
- D. 2013-14

Ans. B. 2011-12

The Government of India revised the base year for All-India Whole Sale Price Index (WPI) from 2004-05 to 2011-12. WPI measures the average change in prices of goods at the wholesale level. The base year of WPI was revised in order to align it with base year of other micro economic indicators like the GDP and Index of Industrial production

Q93. The average yield of cotton is highest in India for the state of (63rd BPSC)

- A. West Bengal

- B. Bihar
C. Assam
D. Andhra Pradesh
E. None of the above/More than one of the above

Ans. E. None of the above/More than one of the above

Tamil Nadu is the highest yielding state with a yield of cotton per hectare is 728kg per hectare. Tamil Nadu has a higher yield of cotton despite having a lower area under cotton cultivation. Here it is grown as both a kharif crop and rabi crop.

Q94. The "Ease of Doing Business Index" is prepared and published by (60-62nd BPSC)

- A. World Trade Organization
B. World Bank Group
C. United Nation
D. World Economic forum

Ans. B. World Bank Group

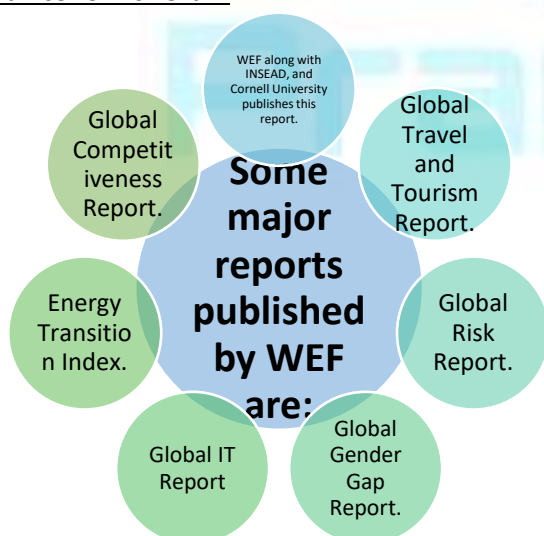
Major Reports of the World Trade Organization (WTO)

- ❖ World Trade Report
- ❖ Trade Policy Review
- ❖ World Trade Statistical Review

Major Reports of the World Bank

- ❖ *Ease of Doing Business (Stopped publishing recently).*
- ❖ *Human Capital Index*
- ❖ *World Development Report*
- ❖ *Other Recent Publications:*
 - *World Bank Paper on India's Poverty*
 - *South Asia Economic Focus (Bi- Annual)*
 - *Groundswell report*

World Economic Forum



List of Reports Published by International Organizations

Important Reports Published by International Organizations

Organization Name	Report Published
United Nations Development Programme (UNDP)	Human Development Report
	Gender Inequality Index
	Multidimensional Poverty Index
	Human Development Index
International Monetary Fund (IMF)	World Economic Outlook
	Global Financial Stability Report
	Fiscal Monitor
World Health Organization (WHO)	World Health Report
	Global Tuberculosis Report
	World Malaria Report
Intergovernmental Panel on Climate Change (IPCC)	Assessment Reports (AR)
	Special Reports
	Synthesis Reports
United Nations Environment Programme (UNEP)	Global Environment Outlook (GEO)
	Emissions Gap Report
	Adaptation Gap Report
Food and Agriculture Organization (FAO)	State of Food and Agriculture Report
	The State of the World's Forests
	The State of World Fisheries and Aquaculture
International Atomic Energy Agency (IAEA)	World Energy Outlook
	Nuclear Safety Review
	Nuclear Technology Review
International Telecommunication Union (ITU)	World Telecommunication/ICT Indicators Report
	Measuring the Information Society Report
	Global Cybersecurity Index
United Nations Office on Drugs and Crime (UNODC)	World Drug Report
	Global Report on Trafficking in Persons

	World Wildlife Crime Report		United Nations Population Fund (UNFPA)	State of World Population Report
Transparency International	Corruption Perceptions Index			Population and Development Report
	Global Corruption Barometer			State of World Midwifery Report
	Bribe Payers Index		International Civil Aviation Organization (ICAO)	Annual Report on Aviation Safety
Amnesty International	Annual Report on Human Rights			Air Transport Monthly Monitor
	Death Sentences and Executions Report			Safety Report
	Global Human Rights Report		World Meteorological Organization (WMO)	State of the Climate Report
International Labour Organization (ILO)	World Employment and Social Outlook			Greenhouse Gas Bulletin
	Global Wage Report			Annual Statement on the State of the Climate
	World Social Protection Report		International Maritime Organization (IMO)	Annual Report on Maritime Safety and Security
Organization for Economic Cooperation and Development (OECD)	Economic Outlook			Global Integrated Shipping Information System
	Education at a Glance			Safety of Navigation Report
	Environmental Performance Reviews		United Nations Economic Commission for Africa (UNECA)	Economic Report on Africa
United Nations Educational, Scientific and Cultural Organization (UNESCO)	Education for All Global Monitoring Report			Africa Regional Integration Index
	World Water Development Report			Economic Development in Africa Report
	Global Education Monitoring Report		International Narcotics Control Board (INCB)	Annual Report on Drug Control
World Intellectual Property Organization (WIPO)	Global Innovation Index			Report of the International Narcotics Control Board
	World Intellectual Property Indicators		World Tourism Organization (UNWTO)	World Tourism Barometer
United Nations Conference on Trade and Development (UNCTAD)	Trade and Development Report			Tourism Highlights
	Least Developed Countries Report			World Tourism Cities Federation Report
	World Investment Report		International Union for Conservation of Nature (IUCN)	Red List of Threatened Species
International Energy Agency (IEA)	World Energy Outlook			The World's Protected Areas
	Energy Technology Perspectives			State of the World's Birds
	Global Energy Review		International Organization for Migration (IOM)	World Migration Report
United Nations High Commissioner for Refugees (UNHCR)	Global Trends Report on Forced Displacement			Migration Initiatives
	Annual Global Report			Global Migration Data Analysis Centre (GMDAC) Reports
	Statistical Yearbook			Annual Statistical Bulletin
United Nations Industrial Development Organization (UNIDO)	Industrial Development Report			
	International Yearbook of Industrial Statistics			
	World Manufacturing Production			

Organization of the Petroleum Exporting Countries (OPEC)	World Oil Outlook
	Monthly Oil Market Reports
International Fund for Agricultural Development (IFAD)	Rural Development Report
	Investing in Rural People
	Rural Poverty Report

Q95. Service Tax was introduced in India on the recommendation of (60-62nd BPSC)

- A. Kelkar Committee
- B. Raja J.Chelliah Committee
- C. Manmohan Singh Committee
- D. Yashwant Singh Committee

Ans. B. Raja J.Chelliah Committee

The service tax was introduced in India on 1st July 1994 on the recommendations of Dr. Raja J. Chelliah Committee on tax reforms.

Q96. Which committee has been constituted by the Government of India to boost cashless transaction? (60-62nd BPSC)

- A. Nachiket More Committee
- B. Shanta Kumar Committee
- C. H.R. Khan Committee
- D. Neeraj Kumar Gupta Committee

Ans. D. Neeraj Kumar Gupta Committee

In 2016, Union Government and Reserve Bank of India had formed Neeraj Kumar Gupta Committee to enhance cashless transaction. The main aim of the committee is to develop a card acceptance Infrastructure and fix interchange fees for credit cards.

Q97. The economist, who for the first time scientifically determined National Income in India is (60-62nd BPSC)

- A. DR Gadgil
- B. VKRV Rao
- C. Manmohan Singh
- D. YV Alagh

Ans. B. VKRV Rao

- ❖ The first attempt to calculate the national income of India was made by Dadabhai Naoroji in 1867-1868, who estimated the per capita income to be Rs.20.
- ❖ The first scientific estimate was made by VKRV Rao in 1931-32.
- ❖ The total value of goods and services produced in a country in a year is roughly called 'National Income'.

Other important information

DIFFERENCE BETWEEN GROSS DOMESTIC PRODUCT (GDP) AND GROSS NATIONAL PRODUCT (GNP)

Basis	GDP	GNP
Meaning	Value of all final goods and services produced in the domestic territory in a specific time period. Note: From April 2018, RBI decided to use GDP instead of GVA to measure the economic activities.	Value of all finished goods and services owned by a country's residents over a period of time
Method of Calculation	Consumer spending + Government spending + Investments + Net exports.	GDP + NR (Net receipts from abroad or inflows from abroad) – NP (Net payment outflow to foreign assets)
Produced By Whom?	Produced in India by an Indian or foreign national	Only those goods and services produced by Indians whether in India or abroad.
Net Factor Income from Abroad	Exclusion of Net Factor Income Abroad	GNP includes Net Factor Income Abroad
Intermediate Goods	Intermediate goods and services are not included to avoid double counting.	No intermediate goods and services should be included in GNP
Application	To see the strength of country's local economy	To see how the nationals of a country are doing economically

Q98. Which Indian state has the largest number of cotton textile mills? (60-62nd BPSC)

- A. Madhya Pradesh
- B. Maharashtra
- C. Gujarat
- D. West Bengal

Ans. B. Maharashtra

Maharashtra is one of the leading producers of cotton textile in India. Mumbai has rightly got the epithet of 'Cottonopolis of India'. The textile mills are mostly found in the cities of Sholapur, Kolhapur, Pune, Jalgaon, Akola, Sangli, Nagpur, Satara, Wardha, Aurangabad and Amravati.

- Availability of skilled labour and proximity to black soil region is the reason behind cotton production

in this area. Maharashtra ranks first in the number of cotton textile mills in India.

Q99. Which of the following is not a cash crop? (60-62nd BPSC)

- A. Jute
- B. Groundnut
- C. Jowar
- D. Sugarcane

Ans. C. Jowar

Cash crops are the ones that are grown for earning money. Coffee, cocoa, tea, sugarcane, cotton, and spices are some examples of cash crops. Potato is one of the major cash crops that form an important part of the various crop sequences practiced in the region particularly in the high altitude areas.

Cropping Seasons

S. No	Cropping Season	Time Period	Crops	States
1.	Rabi	Sown: October-December Harvested: April-June	Wheat, barley, peas, gram, mustard etc.	Punjab, Haryana, Himachal Pradesh, Jammu and Kashmir, Uttarakhand and Uttar Pradesh
2.	Kharif	Sown: June-July Harvested: September-October	Rice, maize, jowar, bajra, tur, moong, urad, cotton, jute, groundnut, soybean etc.	Assam, West Bengal, coastal regions of Odisha, Andhra Pradesh, Telangana, Tamil Nadu, Kerala and Maharashtra
3.	Zaid	Sown and harvested: March-July (between Rabi and Kharif)	Seasonal fruits, vegetables, fodder crops etc.	Most of the northern and northwestern states

Q100. First Five Year Plan of India was based on the (60-62nd BPSC)

- A. Harrod-Domar Model
- B. Mahalanobis Model
- C. Dadabhai Naoroji Model
- D. J.L Nehru Model

Ans. B. Mahalanobis Model

The first five year plan was based on the Harrod Domar Model. First five year plan was launched for the duration of 1951 to 1956. Its main focus was on the agricultural development of the country.

Q101. Black revolution is related to the (60-62nd BPSC)

- A. Fish Production
- B. Coal Production
- C. Crude Oil Production
- D. Mustard Production

Ans. C. Crude Oil Production

Agricultural revolutions in India			
Revolution	Related with	Commencement/Period	Father of Revolution
Green Revolution	Food Grains Production	1966-67	M.S.Swaminathan
White Revolution	Milk Production	1970-71	Verghese Kurian through Operation Flood
Blue Revolution	Fish and Marine Products	1972-73	Prof. Heera Lal Chaudhary
Yellow Revolution	Oil Seed Production	1986-87	Sam Pitroda through 'Technology Mission On Oil Seeds'
Pink Revolution	Prawn Production/Onion Production/Pharmaceuticals		
Golden Revolution	Apple/Fruits Production		
Round Revolution	Potato Production		
Red revolution	Meat/ Tomato/ Amaranth		
Silver Revolution	Eggs/Poultry Products		
Rainbow Revolution	Overall Development of Agricultural and Allied Sector	2000-2001	Nitish Kumar

Q102. Which of the following tax is levied by the Union and collected and appropriated by states? (60-62nd BPSC)

- A. Stamp Duties
- B. Passenger and Good tax
- C. Estate Duty
- D. Taxes on Newspapers

Ans. A. Stamp Duties

As per Article 268 of Indian Constitution, Stamp Duties are mentioned in the Union List shall be levied by the Government of India but collected and appropriated by the States.

Q103. Bank rate means (60-62nd BPSC)

- A. Interest rate charged by moneylenders
- B. Interest rate charged by Scheduled banks
- C. Rate of Profit of Banking institutions
- D. Official rate of interest charged by Central Bank

Ans. D. Official rate of interest charged by Central Bank

Bank Rate

- ❖ *Rate at which RBI provides long-term borrowings to its clients. Its clients include Central government, state governments, banks, financial institutions, cooperative banks etc.*
- ❖ *An increase in the bank rate symbolises tightening of RBI monetary policy (i.e. Dearer Monetary Policy).*
- ❖ *An increase in bank rate will make borrowing from RBI expensive - discourage banks from borrowing from RBI - money supply will tend to decrease.*
- ❖ *It presently uses it as a penalty rate imposed by RBI on banks for violations of RBI directives.*

Q104. Mahalanobis Plan Model adopted in India in mid-fifties aimed at (56-59th BPSC)

- A. Building a strong defense industry base.
- B. Setting up heavy industries which were capital intensive
- C. Curbing Inflation in the economy
- D. Removing unemployment within a short period.

Ans. B. Setting up heavy industries which were capital intensive

Mahalanobis Plan was India's second five-year plan (1956-61) proposed by Professor Prasanta Chandra Mahalanobis. This plan gave priority to investment goods, as they were crucial for the further economic growth of India.

Q105. The controlling authority of government expenditure is (56-59th BPSC)

- A. The Reserve Bank of India
- B. The Planning Commission
- C. The Finance Ministry
- D. The Finance Commission

Ans. C. The Finance Ministry

The Ministry of Finance, Government of India, is responsible for controlling expenditure and revenue collection. Hence the correct option is (c).

Q106. The Effective Revenue Deficit was introduced in the Union Budget of (56-59th BPSC)

- A. 2010-11
- B. 2011-12
- C. 2009-10
- D. 2012-13

Ans. B. 2011-12

Effective Revenue Deficit was introduced in the Union Budget of 2011-12. The concept has been introduced to ascertain the actual deficit in the revenue account after adjusting revenue the expenditure of Capital nature. Hence, option (b) is the correct answer.

Q107. Interest Payment is an item of (56-59th BPSC)

- A. Revenue Expenditure
- B. Capital Expenditure
- C. Plan Expenditure
- D. None of these

Ans. A. Revenue Expenditure

- The Interest payment liability of government comes under revenue expenditure. Revenue expenditure is that part of government expenditure that does not result in creation of assets. e.g. Payment of Salaries, Wages, Pensions Subsidies and interest etc. Therefore, option (a) is the correct answer.

Q108. Foreign currency which has a tendency of quick migration is called (56-59th BPSC)

- A. Hot Currency
- B. Gold Currency
- C. Soft Currency
- D. Hard Currency

Ans. A. Hot Currency

The currency which has the tendency of quick escape is called hot money or hot currency. It gets transferred to the place where there is a possibility of getting more profit.

In the international market, when the supply is more than that of any currency, then such currency is called easy currency. A currency with the opposite position is called a rare currency.

Q109. Which of the following is not included in the National Food Security Missions? (56-59th BPSC)

- A. Wheat
- B. Rice
- C. Pulses
- D. oilseeds

Ans. D. oilseeds

When the question was asked. Oilseeds is not included in the National Food Security Missions. The mission aims to increase the production of rice, wheat, pulses, coarse, cereals and commercial crops, through area expansion and productivity enhancement. Thus option (a) is the correct answer. But in 2021 The Government of India is promoting the production and productivity of Oilseeds through the National Food Security Mission (Oilseeds) in all districts of India.

National Food Security Mission

❖ **About:**

- **National Food Security Mission (NFSM)** is a **Centrally Sponsored Scheme launched in 2007** based on the recommendations of the agriculture sub- committee of **National Development Council (NDC)**.
 - The committee pointed out the **need for improved agricultural extension services, technology transfer and decentralized planning** as a result of which NFSM was conceptualized as a mission mode program.

❖ **Thrust Areas:**

- Sustainable increase in the production of targeted crops such as **rice, wheat, pulses primarily and then extended to coarse cereals, nutri-cereals, and oilseeds** as well.
- Restoration of soil fertility and productivity at the individual farm level.
- Rise in farm level net income.

Q110. Ad hoc Treasury Bill system of meeting Budget deficit in India was abolished on (56-59th BPSC)

- A. 1st April, 1992
- B. 1st April, 1994
- C. 31st March, 1996
- D. 31st March, 1997

Ans. D. 31st March, 1997

Ad hoc Treasury Bill System was completely closed in 1997-98. The system of ad hoc Treasury Bills to finance budget deficit will be discontinued with effect from April 1, 1997.

Q111. R.N Malhotra Committee is associated with (56-59th BPSC)

- A. Sick Industries
- B. Tax reforms
- C. Insurance Sector
- D. Banking Sector

Ans. C. Insurance Sector

In 1993 under the chairmanship R.N. Malhotra a former governor of R.B.I. a committee was setup named as R.N. Malhotra Committee to make recommendations for reforms in the Insurance sector. Therefore option (c) is the correct answer.

Q112. Service Tax in India was introduced in the year (56-59th BPSC)

- A. 1994-95
- B. 1996-97
- C. 1998-99
- D. 1991-92

Ans. A. 1994-95

The Service Tax was introduced in India on July 1, 1994 at the recommendations of Dr. Raja Chelliah Committee on tax reforms.

Q113. Convertibility of the rupee implies: (56-59th BPSC)

- A. Being able to convert rupee notes into gold
- B. Free permitting the conversion of rupee to other major currencies and vice versa.
- C. Allowing the value of the rupee to be fixed by market forces.
- D. Developing an international market for currencies in India

Ans. B. Free permitting the conversion of rupee to other major currencies and vice versa.

Convertibility of currency means when the currency of a country free can be converted into the foreign exchange at the market determined rate of exchange. The exchange rate is determined by the demand for supply of a currency. In simple word the convertibility of rupee means that who have a foreign exchange. (example, US. Dollar, Pound Starlings etc.) can get them converted into rupees and vice versa at the market determined rate of exchange. The rupee is both convertible on current account and capital account

Q114. In which of the years was the trade balance favourable to India? (56-59th BPSC)

- A. 1970-71 and 1974-75
- B. 1972-73 and 1976-77
- C. 1972-73 and 1975-76
- D. 1971-72 and 1976-77

Ans. B. 1972-73 and 1976-77

After 1950-51, the balance of trade has been in India's Favor only in two financial years, 1972-73 and 1976-77.

The difference between all imports and exports of a country is called balance of payments.

Q115. Consider the following agreements:

1. ISLFTA [India-Sri Lanka Free Trade Agreement].
2. SAFTA [South Asian Free Trade Area].
3. CECA [Comprehensive Economic Cooperation Agreement between India and Singapore].
4. SAPTA [South Asian Preferential Trade Arrangement]

Which one of the following is the correct chronological order of the above agreements? (56-59th BPSC)

- A. 1,3,2,4
- B. 4,1,2,3
- C. 2,1,4,3
- D. 1,2,3,4

Ans. B. 4,1,2,3

South Asian Preferential Trade Arrangement (SAFTA)-1993

India-Sri Lanka Free Trade Agreement (ISLFTA) – 1998

South Asia Free Trade Area (SAFTA) - 2004

India-Singapore Economic Cooperation Agreement (CECA)-2005

Q116. During which year was the annual average growth rate (at constant prices) of agriculture and allied sector negatives? (56-59th BPSC)

- A. 2002-03
- B. 2003-04
- C. 2005-06
- D. 2006-07

Ans. A. 2002-03

The annual average growth rate (at constant prices) of agriculture and allied sectors had turned negative in 2002-03.

Q117. Consider the following statements:

1. Bank rate is the rate of interest which RBI charges its clients on their short-term borrowings.
2. Repo rate is the rate of interest which RBI charges its clients on their long-term borrowing.

Which of the statements given above is/are correct? (56-59th BPSC)

- A. Only 1
- B. Only 2
- C. Both 1 and 2
- D. Neither 1 nor 2

Ans. D. Neither 1 nor 2

Bank rate is the interest rate that the Reserve Bank of India charges from its customers on their long-term borrowings while repo rate is the interest rate that the Reserve Bank of India charges on its short-term borrowings from its borrowers

Q118. Financial Sector reforms in India consists of (56-59th BPSC)

- A. Lowering down of CRR and SLR
- B. Entry of Private Firms in Private sector
- C. Deregulation of rate of interest
- D. All of the above

Ans. D. All of the above

- ❖ Reduction in CRR and SLR has given banks more financial resources for lending to the agriculture, industry and other sectors of the economy.
- ❖ The system of administered interest rate structure has been done away with and RBI no longer decides interest rates on deposits paid by the banks.

Q119. Which of the following is not a component of Bharat Nirman? (56-59th BPSC)

- A. Rural Housing
- B. Rural Electrification
- C. Agro-based Industries
- D. Rural Telephony

Ans. C. Agro-based Industries

The components of Bharat Nirman are:- Water supply, housing, irrigation, rural electrification, roads, rural telephone. It does not include agro-based industries.

Q120. Match Column A with Column B and select the correct answer using the codes given below:

Column A (Year)	Column B (Institution/Event)
--------------------	------------------------------

- | | |
|----------------|--|
| A. 1955 | 1. Export-Import Bank of India |
| B. 1964 | 2. Industrial Development Bank of India (IDBI) |
| C. 1982 | 3. Industrial Credit and Investment Corporation of India (ICICI) |
| D. 1987 | 4. Board of Industrial and Financial Reconstruction (BIFR) |

(56-59th BPSC)

- A. (A-1) (B-2) (C-3) (D-4)
B. (A-2) (B-3) (C-1) (D-4)
C. (A-3) (B-2) (C-1) (D-4)
D. (A-4) (B-1) (C-2) (D-3)

Ans. C. (A-3) (B-2) (C-1) (D-4)

- ❖ Industrial Credit and Investment Corporation of India (ICI) - 1955
- ❖ Industrial Development Bank of India (IDBI) – 1964
- ❖ Export-Import Bank of India (EXIM) – 1982,
- ❖ Board of Industrial and Financial Reconstruction (BIFR) – 1987

Q121. Commercial sources of energy purely consists of (53-55th BPSC)

- A. Power, coal, oil, gas hydroelectricity and uranium.
B. Coal, oil, firewood, vegetable waste and agricultural waste.
C. Power, coal, animal dung and firewood.
D. Coal, Gas, Oil and Firewood.

Ans. D. Coal, Gas, Oil and Firewood.

India's Energy sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power, to viable non-conventional sources such as wind, solar, agricultural and domestic waste.

Q122. When did the first oil crisis/energy crisis occur in India? (53-55th BPSC)

- A. During the 1950's and 1960's
B. During the 1930's and 1940's
C. During 1990's and 2000's
D. During 1970's and 1980's

Ans. D. During 1970's and 1980's

The first oil/energy crisis in India occurred during the 1970s and 1980s. In 1974, India conducted the first nuclear test in Pokhran, due to which India had to undergo a period of global sanctions. After that the Indo-Pak war also created a crisis.

Q123. Which type of economy does India have? (53-55th BPSC)

- A. Socialist
B. Gandhian
C. Mixed
D. Free

Ans. C. Mixed

Types of Economic Systems

- **Capitalist economy:** In a capitalist system, the products manufactured are divided among people, not according to what they want but on the basis of purchasing power, which is the ability to buy products and services. This means an individual needs to have the money with him to buy the goods and services. The low-cost housing for the underprivileged is much required but will not include demand in the market because the needy do not have the buying power to back the demand. Therefore, the commodities will not be manufactured and provided as per market forces.
- **Socialist economy:** This economy system acknowledges the three inquiries in a different way. In a socialist society, the government determines what products are to be manufactured in accordance with the requirements of the society. It is believed that the government understands what is appropriate for the citizens of the country. Therefore, the passions of individual buyers are not given much attention. The government concludes how products are to be created and how the product should be disposed of. In principle, sharing under socialism is assumed to be based on what an individual needs and not what they can buy. A socialist system does not have a separate estate because everything is controlled by the government.
- **Mixed economy:** Mixed systems have characteristics of both the command and the market economic system. For this purpose, the mixed economic systems are also known as dual economic systems. However, there is no sincere method to determine a mixed system. Sometimes, the word represents a market system beneath the strict administrative control in certain sections of the economy. Indian economy is a mixed economy because here both private and public sector co-exist and both work under the general guidance of economic planning.

Q124. When was "Speed Post Service" launched by the Indian Post Department as competition to the "Courier Service"? (53-55th BPSC)

- A. 1988
- B. 1987
- C. 1989
- D. 1986

Ans. D. 1986

The speed post service was introduced in India in 1986 by the department of India Post. It is used for the purpose of the faster delivery of parcels, letters, cards, documents, and other important stuff.

Q125. We witnessed the first telephones in India in which year? (53-55th BPSC)

- A. 1951
- B. 1981
- C. 1851
- D. 1861

Ans. C. 1851

The first telephone in India was introduced in 1851, which was done between Calcutta and Diamond Harbour

Q126. Consider the following reasons for financial sickness of State Electricity Boards [SEBs] in India

1. Sale of power to agricultural and domestic consumers below the cost of production.
2. Transmission and distribution losses are very high.
3. Lack of commercial autonomy for SEBs.
4. State Governments have implemented social subsidy policies through SEBs.

Which of the above are correct? (53-55th BPSC)

- A. 1, 2 and 3
- B. 1, 2, 3 and 4
- C. 1, 3 and 4
- D. 2, 3 and 4

Ans. B. 1, 2, 3 and 4

Q127. Consider the following about the "Rolling Plan".

1. A plan for the current year which includes the annual budget.
2. A plan for a fixed number of years, say 3, 4 or 5.
3. It is revised every year as per requirements of the economy.
4. A prospective plan for 10, 15 and 20 years.

Which of the above are correct? (53-55th BPSC)

- A. 1 and 2
- B. 1 and 3
- C. 2 and 3
- D. 1, 2, 3 and 4

Ans. B. 1 and 3

- ❖ The Janata Party government had ended the Fifth Five Year Plan prematurely i.e. in four years (1974-78) and started a new plan from April 1, 1978.
- ❖ This plan was named 'Chal Yojana' or rolling plan.
- ❖ Under this plan there is a plan for the current year which includes the annual budget.
- ❖ It is revised every year according to the needs of the economy.

Q128. The one rupee note bears the signature of the (48-52nd BPSC)

- A. Secretary, Ministry of Finance
- B. Governor, RBI
- C. Finance Minister
- D. None of the above

Ans. A. Secretary, Ministry of Finance

Under Section 22 of the Reserve Bank of India Act, RBI has the sole right to issue currency notes of various denominations except one rupee note. The One Rupee note is issued by the Ministry of Finance and it bears the signatures of the Finance Secretary.

Q129. The period of plan-holiday in India was (48-52nd BPSC)

- A. 1962-65
- B. 1966-69
- C. 1968-72
- D. 1972-75

Ans. B. 1966-69

The period of plan holiday in India was 1966-69. The unfortunate failure of the Third Five Year Plan which ended on March 31, 1966, resulted in the suspension of the Three Year Plan and the introduction of Three Year Plans in its place. This is called planning holiday

Q130. If the Cash Reserve Ratio is lowered by the RBI, its impact on credit creation will be (48-52nd BPSC)

- A. Increase it
- B. Decrease it
- C. No impact
- D. None of these

Ans. A. Increase it

Cash Reserve Ratio (C. R. R.) refers to the number of money banks have to keep with the central bank. If RBI reduces the cash reserve ratio, credit creation will increase.

Q131. Second Green revolution will be related with (48-52nd BPSC)

- A. HYVS
- B. Wheat
- C. Rice
- D. Bio-technology

Ans. D. Bio-technology

The second green revolution is related to the use of biotechnology.

In the Second Green Revolution, by promoting the use of pesticides, organic and compost fertilizers were used along with chemicals and rain water harvesting was made.

Adequate standards for agro-diversity and food security have been prepared in biodiesel.

Apart from this, the special emphasis of the government policy on plantation and new varieties of food crops was named as the Second Green Revolution.

Q132. The eleventh plan's objective is (48-52nd BPSC)

- A. Removal of poverty
- B. Inclusive growth
- C. Growth with Social Justice
- D. Development of Minorities

Ans. B. Inclusive growth

The main aim of this plan is to achieve sustainable and inclusive growth by promoting reforms in various sectors. The objectives of the Eleventh Five Year Plan are to eradicate poverty, provide employment opportunities, promote education and health care, and increase agricultural productivity.

Q133. Fiscal deficit is (48-52nd BPSC)

- A. Total Expenditure -Total receipt
- B. Revenue Expenditure-Revenue Receipt
- C. Capital Expenditure-Capital receipt-Borrowings
- D. Sum of budget deficit and Government's market borrowing and liabilities.

Ans. D. Sum of budget deficit and Government's market borrowing and liabilities.

Fiscal deficit is the excess of total expenditure of the government over revenue receipts, grants and nondebt capital receipts.

Fiscal Deficit = Budget Expenditure (Revenue Expenditure + Capital Expenditure) - Receipts Excluding Debt (Revenue Receipts + Capital Receipts Excluding Debt).



क्या मिलेगा?

- (a) आसान भाषा में Concept Classes
- (b) परीक्षा के लिए महत्वपूर्ण और तैयार Notes
- (c) नियमित Practice के लिए Test Series
- (d) अनुभवी शिक्षकों का पूरा मार्गदर्शन
- (e) Current Affairs Magazine (मासिक करेंट अफेयर्स मैगज़ीन)
- (f) Bihar Special (बिहार की विशेष जानकारी - इतिहास, भूगोल, अर्थव्यवस्था, कला एवं संस्कृति, योजनाएं आदि)

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