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Indian Economy & Indian Financial System

OCTOBER–NOVEMBER 2023

MEMORY–BASED QUESTIONS

Bilingual Questions | Detailed Explanations



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Indian Economy & Indian Financial System

JAIB • October–November 2023 • Shift 2 • 100 Questions

Q1. Which among the following is an example of activity of Quinary Sector?

उच्चतम स्तर के निर्णय लेने वाली कौन-सी गतिविधि पंचमक क्षेत्र का उदाहरण है?

- A. Corporate decision making
- B. Knowledge Center
- C. Health sector
- D. Green Energy

Correct answer: A. Corporate decision making

Explanation

1. The quinary sector covers the highest level of decision-making in business, government and other institutions. Corporate policy decisions are a suitable example.
2. Knowledge processing and research are generally associated with the quaternary sector. Routine services belong to the tertiary sector.
3. The distinction concerns the nature of the activity, rather than the physical location of the organisation.

Q2. In a broader sense, Quaternary sector is a sub-sector of__

व्यापक वर्गीकरण में चतुर्थक क्षेत्र किस मुख्य क्षेत्र का उपक्षेत्र है?

- A. Primary sector
- B. Secondary sector
- C. Tertiary sector
- D. None of the above

Correct answer: C. Tertiary sector

Explanation

1. The quaternary sector is an extension of the tertiary or services sector. It emphasises knowledge, information, research and specialised intellectual services.
2. Primary activities obtain resources from nature. Secondary activities transform materials into manufactured products.
3. Research, data analysis and information services illustrate why knowledge-intensive activities are grouped separately within services.

Q3. Which action finances a fiscal deficit through borrowing?

कौन-सा कार्य उधार लेकर राजकोषीय घाटे का वित्तपोषण करता है?

- A. Issuing government securities
- B. Increasing a depreciation charge
- C. Paying dividends to shareholders
- D. Reclassifying an expense without raising funds

Correct answer: A. Issuing government securities

Explanation

1. Issuing government securities raises borrowed funds from investors. The proceeds can finance the gap between expenditure and non-borrowing receipts.
2. Tax collections are revenue receipts, whereas borrowing creates a liability. They are different sources of budget funding.
3. Changing an accounting classification does not itself bring in cash. Borrowed funds provide financing but also generate future repayment obligations.

Q4. Which among the following initiatives has been launched by SIDBI to improve accessibility of credit and handholding services to MSMEs?

सूक्ष्म, लघु और मध्यम उद्यमों को ऋण तथा मार्गदर्शन प्राप्त करने में सहायता के लिए SIDBI का कौन-सा मंच बनाया गया?

- A. Udyami Mitra Portal
- B. MSME Sambandh
- C. Scheme of Fund for Regeneration of Traditional Industries (SFURTI)
- D. A Scheme for Promotion of Innovation, Rural Industries & Entrepreneurship (ASPIRE)

Correct answer: A. Udyami Mitra Portal

Explanation

1. Udyami Mitra connects enterprise applicants with lenders and support services. Its purpose includes improving access to credit and handholding assistance.
2. Credit assistance is different from a guarantee of automatic loan approval. Lenders still assess the applicant and the proposed activity.
3. MSME Sambandh concerns procurement, while SFURTI and ASPIRE have different enterprise-development objectives.

Q5. The Bharatmala Pariyojana of the Government of India has been launched to develop

भारतमाला परियोजना मुख्यतः किस आधारभूत संरचना के विकास से संबंधित है?

- A. Roads
- B. Rivers
- C. Railways
- D. Ropeways

Correct answer: A. Roads

Explanation

1. Bharatmala is a road and highway development programme. It emphasises corridors, connectivity and efficient movement of goods and people.
2. Better road links can reduce logistics costs and improve access to markets. They support trade and regional economic activity.
3. Road development should be distinguished from programmes specifically directed at ports, aviation or optical-fibre networks.

Q6. Which statements about communication infrastructure are correct?

1. The National Optical Fibre Network originally targeted only metropolitan areas.
2. Production-linked incentives were introduced for electronics manufacturing.
3. Tarang Sanchar is a telecommunications initiative.
4. Foreign-investment rules in telecommunications were liberalised.

संचार आधारभूत संरचना के संबंध में कौन-से कथन सही हैं?

1. राष्ट्रीय ऑप्टिकल फाइबर नेटवर्क मूलतः केवल महानगरों के लिए था।
2. इलेक्ट्रॉनिक्स विनिर्माण के लिए PLI योजना शुरू की गई।
3. तरंग संचार एक दूरसंचार पहल है।
4. दूरसंचार क्षेत्र में विदेशी निवेश के नियम उदार किए गए।

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

Correct answer: B. 2, 3 and 4 only

Explanation

1. The optical-fibre initiative sought broadband connectivity to gram panchayats, rather than only metropolitan areas. Statement 1 is therefore incorrect.
2. Production-linked incentives support electronics manufacturing, and Tarang Sanchar provides information connected with mobile towers and electromagnetic-field compliance.
3. Telecom investment policy was liberalised. These measures address different parts of the communications ecosystem, making statements 2, 3 and 4 the relevant combination.

Q7. Which National Master Plan coordinates multimodal connectivity and infrastructure planning?

विभिन्न परिवहन साधनों तथा आधारभूत संरचना परियोजनाओं के समन्वय हेतु राष्ट्रीय मास्टर प्लान कौन-सा है?

- A. PM Gati Shakti
- B. Bharat Mala
- C. Sagar Mala
- D. PM Gati Saathi

Correct answer: A. PM Gati Shakti

Explanation

1. PM Gati Shakti is the National Master Plan for multimodal connectivity. It was launched in October 2021 and remained relevant to the 2023 exam cycle.
2. It brings infrastructure planning across departments onto an integrated platform. Roads, railways, ports and other networks can be planned together.
3. Its purpose is coordination and more efficient logistics; it is not simply a standalone road-building scheme.

Q8. Which elements can be part of fair globalisation?

1. Economic development
2. Liberalisation
3. Social development
4. Environmental conservation
5. Making privatisation a mandatory objective
6. Inclusion

समावेशी और न्यायसंगत वैश्वीकरण में कौन-से तत्व सम्मिलित हो सकते हैं?

1. आर्थिक विकास
2. उदारीकरण
3. सामाजिक विकास
4. पर्यावरण संरक्षण
5. निजीकरण को अनिवार्य लक्ष्य बनाना
6. समावेशन

- A. 1, 2, 3 and 4 only
- B. 1, 2, 5 and 6 only
- C. 1, 2, 3, 4 and 6 only
- D. All of the above

Correct answer: C. 1, 2, 3, 4 and 6 only

Explanation

1. Fair globalisation combines economic opportunities with social inclusion and environmental responsibility. Growth alone does not ensure that benefits are widely shared.
2. Liberalisation can support international integration, but making privatisation an unavoidable objective is not necessary for fair outcomes.
3. The appropriate combination includes economic development, liberalisation, social development, environmental conservation and inclusion, while excluding the absolute claim in statement 5.

Q9. Which measures protect domestic producers against import competition?

1. Export duty on basmati rice
2. Tax barriers on imports
3. Non-tax barriers on imports
4. Import quotas

आयात प्रतिस्पर्धा से घरेलू उत्पादकों की रक्षा के उपाय कौन-से हैं?

1. बासमती चावल के निर्यात पर शुल्क
2. आयात पर कर बाधाएं
3. आयात पर गैर-कर बाधाएं
4. आयात कोटा

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

Correct answer: B. 2, 3 and 4 only

Explanation

1. Import duties, non-tariff restrictions and import quotas can restrict foreign competition in the domestic market. Statements 2, 3 and 4 describe such measures.
2. An export duty is imposed on goods leaving the country. It is not the same instrument as an import restriction.
3. The wording matters: this question concerns protection against imports, rather than every possible restriction on international trade.

Q10. Which factors formed part of Jagdish Bhagwati's critique of India's pre-reform economic framework?

1. Expansion of international trade
2. Strong bureaucratic controls on production and investment
3. Inward-looking trade and foreign-investment policies
4. Inefficient functioning of public enterprises

जगदीश भगवती के विश्लेषण में भारत की पूर्व आर्थिक समस्याओं से कौन-से कारक संबंधित थे?

1. अंतरराष्ट्रीय व्यापार में वृद्धि
2. उत्पादन और निवेश पर कठोर नौकरशाही नियंत्रण
3. अंतर्मुखी व्यापार और विदेशी निवेश नीतियां
4. सार्वजनिक उद्यमों का अक्षम संचालन

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

Correct answer: B. 2, 3 and 4 only

Explanation

1. Extensive controls, inward-looking policies and inefficient public enterprises can reduce competition and efficient resource allocation. Statements 2, 3 and 4 capture that critique.
2. International trade expansion is not itself one of these restrictive policy failures. Trade can improve specialisation and market access.
3. The question refers to a historical analysis of the pre-reform policy framework, rather than claiming that every public enterprise is inherently inefficient.

Q11. In which year did India begin its major liberalisation, privatisation and globalisation reforms?

भारत में व्यापक उदारीकरण, निजीकरण और वैश्वीकरण सुधारों की शुरुआत किस वर्ष हुई?

- A. 1991
B. 1981
C. 2001
D. 2011

Correct answer: A. 1991

Explanation

1. The major economic reform programme began in 1991. LPG stands for liberalisation, privatisation and globalisation.
2. Industrial delicensing, trade-policy changes and reforms in financial markets were important parts of the programme.
3. Some textbooks divide later years into sub-periods. Those labels should not be confused with the starting year of the 1991 reforms.

Q12. Which among the following were not one of the reforms taken up by the Indian Government after 1991?

निम्न में से कौन-सा उपाय 1991 के बाद के आर्थिक सुधारों का हिस्सा नहीं था?

- A. Strengthening Supervisory System
- B. Banking sector reforms
- C. Financial sector reforms
- D. None of the above

Correct answer: D. None of the above

Explanation

1. Banking reforms, stronger supervision and wider financial-sector reforms all formed part of the post-1991 reform process. None of the first three choices is excluded.
2. Liberalisation does not mean that prudential regulation disappears. Improved supervision can accompany greater market participation.
3. The reforms addressed both financial institutions and the markets through which savings and investment are channelled.

Q13. Which among the following is correct with respect to Economic Development? (Select the most appropriate answer from the options given)

आर्थिक विकास के व्यापक अर्थ का सही वर्णन कौन-सा है?

- A. Increase in National Income
- B. It refers to reduction in poverty & unemployment.
- C. It is single dimensional in nature
- D. GDP, GNI & PCI are the indicators of Economic Development

Correct answer: B. It refers to reduction in poverty & unemployment.

Explanation

1. Economic development includes improvements in living standards, reduced poverty and unemployment, and structural changes. It is broader than an increase in output alone.
2. Economic growth usually concerns an increase in real output or income. Development asks how that increase affects people's opportunities and welfare.
3. Education, health, productive employment and access to essential services help assess development beyond GDP growth.

Q14. Which among the following is the type of FDI which is a sort of investment in which, a parent corporation establishes a subsidiary in the destination country and builds operations from scratch?

जब कोई विदेशी कंपनी नए देश में बिल्कुल नई उत्पादन इकाई स्थापित करती है, तो इसे किस प्रकार का FDI कहते हैं?

- A. Brownfield FDI
- B. Greenfield FDI
- C. Whitefield FDI
- D. Joint Venture

Correct answer: B. Greenfield FDI

Explanation

1. Greenfield FDI creates a new operation, such as a factory or subsidiary built from the beginning. It adds a new productive facility.
2. Brownfield investment usually involves acquiring or expanding an existing facility. The starting point differs from a greenfield project.
3. The distinction concerns the form of investment, not simply whether the investor is foreign.

Q15. Match the indicators with their interpretations.

- A. Savings / Gross Fixed Capital Formation**
B. Gross Fixed Capital Formation / GDP
C. GDP growth rate
D. Operating surplus / GVA
i. Economic growth
ii. Operating-surplus share in value added
iii. Savings support to fixed investment
iv. Fixed-investment share in GDP

संकेतकों और उनके अर्थ का सही मिलान कीजिए।

- A. बचत / सकल स्थिर पूंजी निर्माण**
B. सकल स्थिर पूंजी निर्माण / GDP
C. GDP वृद्धि दर
D. परिचालन अधिशेष / GVA
i. आर्थिक वृद्धि
ii. मूल्यवर्धन में परिचालन अधिशेष की हिस्सेदारी
iii. स्थिर निवेश के लिए बचत का योगदान
iv. GDP में स्थिर निवेश की हिस्सेदारी

A. A-i, B-ii, C-iii, D-iv

B. A-iii, B-iv, C-i, D-ii

C. A-iv, B-ii, C-iii, D-i

D. A-ii, B-i, C-iii, D-iv

Correct answer: B. A-iii, B-iv, C-i, D-ii

Explanation

1. Savings divided by gross fixed capital formation indicates the extent to which investment is supported by savings. It is different from the investment share of GDP.
2. Gross fixed capital formation divided by GDP measures investment in fixed capital relative to output. GDP growth measures the change in economic output.
3. Operating surplus divided by GVA reflects the operating-surplus share of value added. Keeping numerator and denominator visible helps prevent incorrect matching.

Q16. Which among the following is/are the function(s) of Multilateral Investment Guarantee Agency (MIGA)?

1. Encouraging foreign direct investment into developing countries
2. Protecting investors against non-commercial and political risk
3. Advising governments on how to attract investment
4. Sanctioning long-term infrastructure loans

MIGA के कौन-से कार्य सही हैं?

1. विकासशील देशों में विदेशी प्रत्यक्ष निवेश प्रोत्साहित करना
2. राजनीतिक जोखिम से सुरक्षा देना
3. निवेश आकर्षित करने पर सलाह देना
4. सामान्य दीर्घकालीन आधारभूत संरचना ऋण मंजूर करना

A. 1, 2 and 3 only

B. 2, 3 and 4 only

C. 1, 3 and 4 only

D. 1, 2, 3 and 4

Correct answer: A. 1, 2 and 3 only

Explanation

1. MIGA is a World Bank Group institution that promotes investment through political-risk insurance and related support. Statements 1, 2 and 3 describe its role.
2. Its guarantees help address specified non-commercial risks, such as certain government actions affecting an investment.
3. Ordinary infrastructure lending is not MIGA's defining function. Loans and investment guarantees are different forms of development support.

Q17. Which among the following organisation of World Bank provides soft loans to poorest of the poor countries?

विश्व बैंक समूह की कौन-सी संस्था गरीब देशों को रियायती विकास वित्त प्रदान करती है?

- A. International Bank for Reconstruction and Development (IBRD)
- B. International Development Association (IDA)
- C. International Finance Corporation (IFC)
- D. Multilateral Investment Guarantee Agency (MIGA)

Correct answer: B. International Development Association (IDA)

Explanation

1. IDA provides concessional credits and grants to eligible poorer countries. It is commonly described as the World Bank's concessional financing arm.
2. IBRD mainly lends to middle-income and creditworthy lower-income countries. Its financing terms differ from IDA support.
3. A soft loan generally has more favourable terms, such as a low interest rate, long maturity or grace period, than comparable commercial borrowing.

Q18. Which among the following is not one of the functions of the World Trade Organisation (WTO)?

निम्न में से कौन-सा WTO का मुख्य कार्य नहीं है?

- A. Providing guarantees for international loans
- B. Handling trade disputes
- C. Monitoring national trade policies
- D. Technical assistance and training for developing countries

Correct answer: A. Providing guarantees for international loans

Explanation

1. WTO administers trade agreements, supports trade negotiations and provides a framework for resolving trade disputes. It is not an international loan-guarantee agency.
2. TRIPS, TRIMS and the sanitary and phytosanitary agreement concern different areas of trade rules. They should not be confused with lending facilities.
3. The historical Multi-Fibre Arrangement was replaced by the Agreement on Textiles and Clothing and its transitional system ended in 2005.

Q19. Quantity demanded tends to fall as price rises for two reasons. Which among the following are the two reasons for the same?

किसी सामान्य वस्तु की कीमत बढ़ने पर मांग घटने के दो प्रमुख प्रभाव कौन-से हैं?

- A. Substitution effect and Income effect
- B. Production effect and Income effect
- C. Substitution effect and Production effect
- D. Substitution effect and Supply effect

Correct answer: A. Substitution effect and Income effect

Explanation

1. The substitution effect encourages consumers to switch towards relatively cheaper alternatives. The income effect reflects the change in real purchasing power.
2. For a normal good, both effects generally reduce demand when its price rises. The explanation assumes other relevant factors remain unchanged.
3. A price change causes movement along a demand curve. A change in income or preferences can shift the whole curve.

Q20. When prices of a commodity are raised, buyers tend to buy less due to concept of.

अन्य बातें समान रहने पर वस्तु की कीमत बढ़ने से खरीदी जाने वाली मात्रा घटने का संबंध क्या कहलाता है?

- A. Marginal Utility
- B. Law of Demand
- C. Law of Supply
- D. Inflation

Correct answer: B. Law of Demand

Explanation

1. The law of demand describes the usual inverse relationship between price and quantity demanded. It applies with other determinants held constant.
2. A higher price generally reduces the quantity buyers are willing and able to purchase. A lower price usually has the opposite effect.
3. This relationship is represented by a downward-sloping demand curve, subject to recognised exceptions and the assumptions used.

Q21. Which statement about inflation is incorrect?

मुद्रास्फीति के बारे में कौन-सा कथन गलत है?

- A. Cost-push inflation is caused by a fall in production costs
- B. Demand-pull inflation can result from aggregate demand rising faster than supply
- C. An increase in purchasing power can raise demand pressure on prices
- D. WPI tracks prices of a basket of goods at the wholesale level

Correct answer: A. Cost-push inflation is caused by a fall in production costs

Explanation

1. Cost-push inflation arises when production costs rise, rather than fall. Higher input costs can be passed on to purchasers.
2. Demand-pull inflation reflects aggregate demand exceeding the economy's capacity to supply goods and services at existing prices.
3. WPI concerns wholesale goods prices. Different price indices cover different baskets and stages of transactions.

Q22. Which among the following is the correct formula to calculate Velocity of money?

मुद्रा की आय-वेग दर का सामान्य सूत्र क्या है?

- A. Real GDP/Nominal GDP
- B. Nominal GDP/Broad money
- C. Real GDP/Broad money
- D. Narrow money/Broad money

Correct answer: B. Nominal GDP/Broad money

Explanation

1. Income velocity is nominal GDP divided by the selected measure of money stock. Both must relate to a consistent period and definition.
2. It indicates how intensively the money stock supports expenditure on final goods and services. A higher ratio means more nominal output per unit of money.
3. The identity $MV = PY$ links money stock, velocity, price level and real output. It is an accounting relationship, not a guarantee that velocity is constant.

Q23. Which of the following is not a characteristic of Business Cycle?

निम्न में से कौन-सी व्यापार चक्र की सामान्य विशेषता नहीं है?

- A. Non-pervasive in effect
- B. Synchronic
- C. Recurring
- D. Wave-like movement

Correct answer: A. Non-pervasive in effect

Explanation

1. Business cycles recur as broad fluctuations in economic activity and often affect many sectors. They are not normally confined to one isolated industry.
2. Their movements are often described as wave-like, with expansion followed by contraction. The exact length and intensity are not fixed.
3. The claim that effects are non-pervasive conflicts with the economy-wide nature of a business cycle.

Q24. In which among the following phase(s) of a Business Cycle, once economy reaches the peak, a downward tendency in demand is observed. Also, inflation remains low or shows further signs of falling?

शिखर के बाद मांग और आर्थिक गतिविधि में गिरावट वाला व्यापार चक्र का चरण कौन-सा है?

- A. Stagnant phase
- B. Recession
- C. Depression
- D. Boom

Correct answer: B. Recession

Explanation

1. Recession is the contractionary phase following a peak. Output, spending and employment opportunities tend to weaken.
2. Inflation may ease as demand declines, but that outcome is not automatic in every episode. Supply shocks can produce different price behaviour.
3. The peak is a turning point, while recession describes the subsequent period of declining activity.

Q25. Which business-cycle phase is characterised by a deep and prolonged contraction?

1. Extremely weak aggregate demand
2. Comparatively low inflation or deflationary pressure
3. A rapid reduction in employment opportunities

कौन-सा व्यापार चक्र चरण गहरे और लंबे संकुचन को दर्शाता है?

1. अत्यंत कमजोर समग्र मांग
2. अपेक्षाकृत कम मुद्रास्फीति या अपस्फीति का दबाव
3. रोजगार अवसरों में तेज गिरावट

- A. Recession phase
- B. Depression phase
- C. Stagnation phase
- D. Recovery phase

Correct answer: B. Depression phase

Explanation

1. Depression describes a particularly deep and prolonged economic downturn. Very weak demand and extensive unemployment are typical features.
2. It is more severe than an ordinary, relatively short recession. The terminology should not be applied to every small fall in output.
3. Recovery begins when activity starts rising from depressed levels; it is different from the low point itself.

Q26. The provisions related to the Statutory Liquidity Ratio (SLR) to be maintained by banks has been mentioned in which among the following Act? (Select the most appropriate answer from the options given below)

बैंकों के वैधानिक तरलता अनुपात का मुख्य कानूनी प्रावधान किस अधिनियम में है?

- A. Reserves and Ratios Act
- B. Banking Regulation Act
- C. RBI Act
- D. Negotiable Instruments Act

Correct answer: B. Banking Regulation Act

Explanation

1. SLR is provided for under Section 24 of the Banking Regulation Act, 1949. It requires prescribed liquid assets against specified liabilities.
2. Eligible assets include cash, gold and approved securities, subject to the applicable rules. The operational percentage is prescribed by RBI.
3. CRR for scheduled banks is associated with Section 42 of the RBI Act, 1934. The two reserve requirements have different legal provisions.

Q27. What is the statutory upper limit for SLR under Section 24 of the Banking Regulation Act?

बैंकिंग विनियमन अधिनियम के अंतर्गत SLR निर्धारित करने की वैधानिक अधिकतम सीमा कितनी है?

- A. 10 per cent
- B. 40 per cent
- C. 60 per cent
- D. 80 per cent

Correct answer: B. 40 per cent

Explanation

1. The statutory ceiling is 40% of the relevant demand and time liabilities. This ceiling is different from the actual SLR percentage prescribed for a particular date.
2. A ceiling indicates the maximum permitted by the legal provision. It does not mean banks maintained 40% SLR in October 2023.
3. Questions on reserve requirements must distinguish statutory limits, operational rates and eligible assets.

Q28. Banks are not required to publish the internal benchmark/ MCLR for which of the following maturities?

RBI की अनिवार्य MCLR अवधि सूची में निम्न में से कौन-सी अवधि शामिल नहीं है?

- A. One month
- B. Two months
- C. Three months
- D. Six months

Correct answer: B. Two months

Explanation

1. The minimum published MCLR tenors include overnight, one month, three months, six months and one year. Two months is not one of the compulsory standard tenors.
2. MCLR is an internal lending benchmark based on prescribed components of banks' funding and operating costs.
3. A bank may publish additional tenors. Absence from the compulsory list does not mean publication of an additional tenor is prohibited.

Q29. Which of the following is not one of the benchmarks suggested by RBI for considering External Benchmark Lending Rates w.e.f. 1st October 2019?

अक्टूबर 2019 से लागू बाहरी ऋण बेंचमार्क व्यवस्था में कौन-सा दर विकल्प निर्दिष्ट मानक नहीं था?

- A. LAF Reverse repo rate
- B. GOI 3-months Treasury Bill Yield published by FBIL
- C. RBI policy Repo Rate
- D. GOI 6-months Treasury Bill Yield published by FBIL

Correct answer: A. LAF Reverse repo rate

Explanation

1. The RBI policy repo rate and specified FBIL-published government Treasury-bill yields are among the permitted benchmarks. The LAF reverse repo rate is not one of the listed standard options.
2. External benchmarking links lending rates to an independently observable reference. It differs from a bank's internal cost-based MCLR.
3. A reference rate and the spread charged to a borrower are separate parts of the final lending rate.

Q30. Which among the following is the purpose of Reverse Repo Rate?

रिवर्स रेपो सुविधा का प्रमुख तरलता उद्देश्य क्या है?

- A. Funding banks when required
- B. Bill Discounting Rate
- C. Absorb excess liquidity present with the banks
- D. All of the above

Correct answer: C. Absorb excess liquidity present with the banks

Explanation

1. A reverse repo transaction absorbs liquidity when banks place funds with RBI against securities under the applicable arrangement.
2. It is distinct from repo, through which RBI provides funds against eligible collateral. The direction of funds is reversed.
3. By October 2023, SDF formed the standing floor of the LAF corridor. That change should not be confused with the basic liquidity-absorption purpose of reverse repo.

Q31. Which statement about the Standing Deposit Facility (SDF) and reverse repo is correct?

SDF और SLR के संबंध में कौन-सा कथन सही है?

- A. SDF requires RBI to provide securities as collateral
- B. Securities received under reverse repo are excluded from SLR in every case
- C. SDF requires no collateral, and eligible SDF balances count towards SLR
- D. SDF is a loan facility through which RBI lends to banks

Correct answer: C. SDF requires no collateral, and eligible SDF balances count towards SLR

Explanation

1. SDF absorbs funds without providing securities as collateral. It is a collateral-free standing deposit facility.
2. Balances held with RBI under SDF are eligible for SLR maintenance as cash, while they are not eligible for CRR maintenance.
3. Collateral requirements and reserve eligibility are separate issues. A transaction can be collateral-free yet create an eligible SLR balance.

Q32. Which statement about GDP is incorrect?

GDP के बारे में कौन-सा कथन गलत है?

- A. Regional output can differ within a country
- B. Aggregate GDP by itself shows how income is distributed among individuals
- C. GDP at market prices includes the effect of product taxes less subsidies
- D. Factor-cost measures relate output value to factor incomes

Correct answer: B. Aggregate GDP by itself shows how income is distributed among individuals

Explanation

1. GDP is an aggregate measure of production. It does not, by itself, show how income or output is distributed among people.
2. Two economies can have similar GDP while showing very different inequality, living standards and access to services.
3. Per-capita figures, distribution measures and social indicators supplement GDP when assessing economic welfare.

Q33. Which among the following is not one of the components of calculation of GDP by Income Approach?

राष्ट्रीय आय की आय-पद्धति में निम्न में से कौन-सा व्यय मद सीधे आय-घटक नहीं है?

- A. Compensation of employees
- B. Property income
- C. Production taxes and depreciation on capital
- D. Government consumption

Correct answer: D. Government consumption

Explanation

1. Government final consumption is an expenditure-approach item. Compensation of employees and operating surplus are income-side components.
2. The production, income and expenditure approaches measure the same underlying economic activity from different perspectives.
3. Care is needed when moving between net and gross measures, or between factor-cost and market-price conventions.

Q34. Which formula correctly converts GVA at factor cost into GVA at basic prices?

मूल कीमत पर GVA प्राप्त करने का सही संबंध क्या है?

- A. GVA at factor cost + production taxes + production subsidies
- B. GVA at factor cost + production taxes - production subsidies
- C. GVA at factor cost - production taxes + production subsidies
- D. GVA at factor cost - production taxes - production subsidies

Correct answer: B. GVA at factor cost + production taxes - production subsidies

Explanation

1. GVA at basic prices equals GVA at factor cost plus production taxes minus production subsidies. These are taxes and subsidies on production.
2. Product taxes and product subsidies are used when moving from GVA at basic prices to GDP at market prices.
3. Confusing production taxes with product taxes produces an incorrect formula even when the signs appear similar.

Q35. Which among the following is not one of the components of Non-Tax Revenue of the Indian Government?

सरकार की गैर-कर प्राप्तियों में निम्न में से कौन-सा मद शामिल नहीं है?

- A. Interest Receipts
- B. Dividend and Profits
- C. Customs
- D. External Grants

Correct answer: C. Customs

Explanation

1. Customs duties are tax revenue. Interest receipts, dividends, profits and certain grants are classified separately from tax receipts.
2. Non-tax revenue does not mean borrowing. Borrowing is a debt-creating capital receipt rather than a revenue receipt.
3. Classification depends on the nature of the receipt, not merely on the department that collects it.

Q36. GST compensation cess is classified as which type of government receipt?

GST क्षतिपूर्ति उपकर किस प्रकार की सरकारी प्राप्ति है?

- A. Tax revenue
- B. Non-tax revenue
- C. Debt capital receipt
- D. Recovery of loans

Correct answer: A. Tax revenue

Explanation

1. GST compensation cess is a tax levy. It should not be described as non-tax revenue simply because its proceeds have a specified purpose.
2. The cess was designed to fund compensation-related obligations under the applicable GST framework. A levy and the use of its proceeds are different concepts.
3. Corporation tax, customs and Union excise duties are other examples of central tax receipts.

Q37. Which body primarily regulates real estate rather than banking, securities or insurance?

निम्न में से कौन-सी संस्था मुख्यतः अचल संपत्ति क्षेत्र की नियामक है?

- A. RBI
- B. SEBI
- C. IRDAI
- D. RERA

Correct answer: D. RERA

Explanation

1. RERA is concerned with regulation of the real-estate sector. It is a regulator, so saying it is not any kind of regulatory body is incorrect.
2. RBI, SEBI and IRDAI regulate major parts of the financial system. Their mandates differ from the real-estate authority's mandate.
3. The correct distinction is between sectors regulated, rather than between regulation and no regulation.

Q38. Which feature most clearly distinguishes foreign portfolio investment from direct investment?

विदेशी पोर्टफोलियो निवेश को प्रत्यक्ष विदेशी निवेश से सबसे स्पष्ट रूप से कौन-सी विशेषता अलग करती है?

- A. Investment in securities without the lasting management influence associated with FDI
- B. Automatic ownership of all government enterprises
- C. Investment exclusively in physical factories
- D. A guarantee of fixed returns from the government

Correct answer: A. Investment in securities without the lasting management influence associated with FDI

Explanation

1. Foreign portfolio investment usually provides exposure to securities without the lasting management influence associated with direct investment.
2. FDI involves a lasting interest and influence in an enterprise. Portfolio investment focuses more on financial assets and investment returns.
3. Both can supply foreign capital, but their objectives, ownership relationship and sensitivity to market conditions can differ.

Q39. Which among the following do not fall under the provisions of the Banking Regulation Act, 1949?

किस श्रेणी के सहकारी संस्थानों पर बैंकिंग विनियमन अधिनियम सामान्य सहकारी बैंकों की तरह लागू नहीं होता?

- A. Scheduled Commercial Banks
- B. State Cooperative Banks
- C. Private Banks
- D. State Co-operative Agriculture and Rural Development Banks (SCARDBs)

Correct answer: D. State Co-operative Agriculture and Rural Development Banks (SCARDBs)

Explanation

1. State co-operative agriculture and rural development banks are distinguished from co-operative banks to which the banking provisions apply. Their activities and legal treatment differ.
2. The name bank alone is insufficient to identify the regulatory framework. The institution's statutory category must be checked.
3. Scheduled commercial banks, private commercial banks and covered state co-operative banks are not the correct exclusions here.

Q40. Which designation is not a statutory member category on RBI's Central Board?

निम्न में से कौन-सा पद RBI के केंद्रीय निदेशक मंडल का मान्य पद नहीं है?

- A. RBI Governor
- B. RBI Deputy Governor
- C. Executive Governor of RBI
- D. Central Government nominee

Correct answer: C. Executive Governor of RBI

Explanation

1. RBI's central board includes the Governor, Deputy Governors and other directors provided for in the RBI Act. Executive Governor is not the designated board position.
2. The number of Deputy Governors is subject to the statutory maximum of four. Board membership and executive departmental titles are different matters.
3. An Executive Director is a recognised senior position within RBI, but it should not be confused with a Deputy Governor or an invented Executive Governor title.

Q41. Arrange these development financial institutions in order of establishment.

1. IDBI
2. EXIM Bank
3. IFCI
4. SIDBI

इन विकास वित्त संस्थाओं को स्थापना के कालक्रम में व्यवस्थित कीजिए।

1. IDBI
2. EXIM Bank
3. IFCI
4. SIDBI

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

Correct answer: B. 3-1-2-4

Explanation

1. IFCI was established in 1948, IDBI in 1964, EXIM Bank in 1982 and SIDBI in 1990. The correct order is IFCI, IDBI, EXIM and SIDBI.
2. These institutions were created for different development-finance functions. The order cannot be inferred merely from their current names.
3. Timeline questions become easier when each institution is linked to its establishment year and principal mandate.

Q42. Which institution was established under the Export-Import Bank of India Act, 1981?

कौन-सी संस्था निर्यात-आयात बैंक अधिनियम, 1981 के अंतर्गत स्थापित हुई थी?

- A. EXIM Bank
B. NABARD
C. DICGC
D. IDBI

Correct answer: A. EXIM Bank

Explanation

1. EXIM Bank was established under the Export-Import Bank of India Act, 1981 and commenced operations in 1982. It supports India's international trade.
2. IDBI originally had a relationship with RBI, while NABARD's creation involved agricultural-credit functions transferred from existing institutions.
3. Institutional histories should distinguish establishment by statute, initial ownership and later changes in ownership.

Q43. Which EXIM Bank facility specifically offers buyer's credit to eligible overseas sovereign governments under the National Export Insurance Account?

राष्ट्रीय निर्यात बीमा खाते के अंतर्गत पात्र विदेशी सरकारों को खरीदार ऋण देने वाली EXIM Bank सुविधा कौन-सी है?

- A. Buyer's Credit under NEIA
B. Foreign-currency savings deposit
C. PMJJBY
D. Bharatmala

Correct answer: A. Buyer's Credit under NEIA

Explanation

1. Buyer's Credit under NEIA provides credit to eligible overseas sovereign governments and government-owned entities for purchases of Indian goods and services.
2. The financing supports project exports on deferred payment terms. The borrower is the overseas buyer rather than automatically the Indian exporter.
3. Lines of credit are another export-finance mechanism. The specific NEIA wording identifies the buyer's-credit programme in this question.

Q44. Which among the following Development Financial Institutions is not a Specialised Financial Institutions?

निम्न में से कौन-सी संस्था पारंपरिक वर्गीकरण में विशेष क्षेत्रीय विकास वित्त संस्था के बजाय निवेश संस्था थी?

- A. EXIM Bank
B. UTI
C. NABARD
D. TFCI

Correct answer: B. UTI

Explanation

1. UTI was created to mobilise savings through investment products and develop collective investment. It is traditionally classified as an investment institution.
2. EXIM Bank supports external trade, NABARD supports agriculture and rural development, and TFCI focuses on tourism finance.
3. The classification is based on the main institutional function, rather than the fact that all these organisations deal with finance.

Q45. Which SIDBI facility for MSMEs provides a repayment period of up to ten years, subject to its terms?

SIDBI की कौन-सी MSME वित्त सुविधा अपने नियमों के अधीन दस वर्ष तक की पुनर्भुगतान अवधि प्रदान करती है?

- A. SMILE
- B. SMILE Equipment Finance
- C. SPEED
- D. Loan under partnership with OEM

Correct answer: A. SMILE

Explanation

1. SMILE is SIDBI's Make in India Soft Loan Fund for MSMEs. The scheme's term-loan structure allowed a repayment period extending up to ten years, subject to conditions.
2. A maximum tenure does not mean every applicant receives the longest possible repayment schedule. Project viability and sanction terms matter.
3. The moratorium is part of the overall repayment design and should not be added a second time to the maximum tenure.

Q46. Eligible bank lending to Self-Help Groups is classified under which broad category?

बैंकों के पात्र स्वयं सहायता समूह ऋणों की प्राथमिकता क्षेत्र में स्थिति के बारे में कौन-सा कथन सही है?

- A. Priority-sector lending
- B. Only capital-market investment
- C. Prohibited lending
- D. Insurance premium

Correct answer: A. Priority-sector lending

Explanation

1. Eligible bank lending to self-help groups can qualify under priority-sector norms. Certain eligible SHG advances are also included in the weaker-sections category.
2. SHG lending links group savings, credit discipline and access to formal finance. It is different from automatic approval of every group loan.
3. Collateral, limits and classification conditions depend on the applicable framework. Refinance percentages should not be treated as a universal constant.

Q47. Which among the following is not a kind of Micro Finance Institution (MFIs)?

सूक्ष्म वित्त संस्थाओं के सामान्य संस्थागत वर्गीकरण में कौन-सी श्रेणी मान्य श्रेणी नहीं है?

- A. Not for profit MFIs
- B. Mutual benefit MFIs
- C. For profit MFIs (NBFC-MFIs)
- D. Green MFIs

Correct answer: D. Green MFIs

Explanation

1. Microfinance providers can be organised as not-for-profit, mutual-benefit or for-profit institutions. NBFC-MFIs fall within the regulated for-profit category.
2. Green MFI is not one of these standard organisational categories merely because environmental finance is an emerging activity.
3. A provider's organisational form should be distinguished from the purpose of an individual loan.

Q48. For an existing registered NBFC-MFI in the North-Eastern region, what minimum NOF applied before the later SBR glide-path increases, in the October 2023 context?

अक्टूबर 2023 में संक्रमण व्यवस्था के अंतर्गत उत्तर-पूर्वी क्षेत्र के पहले से कार्यरत NBFC-MFI के लिए पूर्व NOF स्तर कितना था?

- A. 1 crore
- B. 2 crores
- C. 3 crores
- D. 5 crores

Correct answer: B. 2 crores

Explanation

1. The transitional framework recognised a Rs.2 crore NOF level for existing NBFC-MFIs in the North-Eastern region. The corresponding general existing level was Rs.5 crore.
2. The glide path required higher capital by March 2025 and Rs.10 crore by March 2027. New entrants and existing institutions must not be confused.
3. This is a dated transition question, not a statement that Rs.2 crore remains the permanent requirement.

Q49. Which statement about the NBFC framework introduced by the 1997 RBI Act amendments is incorrect?

1997 के NBFC नियामक ढांचे के बारे में कौन-सा कथन गलत है?

- A. Making it mandatory for NBFCs to obtain a Certificate of Registration (COR) from RBI.
- B. Making it mandatory for NBFCs to maintain a minimum level of Net-Owned Funds (NOF).
- C. Requiring all NBFCs to create a reserve fund and to transfer a sum, which is not less than 10% of their profits every year
- D. Empowering RBI to file winding up petitions against NBFCs

Correct answer: C. Requiring all NBFCs to create a reserve fund and to transfer a sum, which is not less than 10% of their profits every year

Explanation

1. Section 45-IC requires transfer of at least 20% of net profit to the reserve fund, subject to the statutory framework. A claim of only 10% is incorrect.
2. The 1997 reforms strengthened registration, minimum capital and RBI's powers over NBFCs. These were important changes to Chapter III-B.
3. A reserve-fund transfer is different from minimum net owned funds. One concerns annual profit allocation; the other concerns capital eligibility.

Q50. Which among the following entities regulates Chit Fund Companies?

चिट फंड कंपनियों के पंजीकरण और प्रशासन में मुख्य भूमिका किसकी होती है?

- A. Ministry of Corporate Affairs, Gol
- B. RBI
- C. SEBI
- D. Respective State Governments

Correct answer: D. Respective State Governments

Explanation

1. Chit funds are administered under the applicable legislation through state authorities. They are not regulated like ordinary RBI-registered lending NBFCs.
2. A chit arrangement pools periodic contributions and allocates the fund according to the agreed method. That does not make it a bank deposit.
3. Participants should distinguish the chit organiser, the subscribers and the statutory registrar's role.

Q51. Which among the following entities regulates NBFC-Venture Capital Funds?

प्रतिभूति बाजार से संबंधित उद्यम पूंजी निधियों का प्रमुख नियामक कौन है?

- A. Ministry of Corporate Affairs, Gol
- B. RBI
- C. SEBI
- D. Respective State Governments

Correct answer: C. SEBI

Explanation

1. SEBI regulates venture-capital and alternative-investment structures under the applicable securities-market framework.
2. Venture funding supplies risk capital to businesses with growth potential. It differs from a guaranteed-return deposit or an ordinary secured retail loan.
3. The fund's securities-market registration and an entity's separate NBFC status are different regulatory questions.

Q52. What is the target minimum NOF for NBFC-ICC, NBFC-MFI and NBFC-Factor under the SBR glide path ending in March 2027?

स्केल-आधारित विनियमन में NBFC-ICC, NBFC-MFI और NBFC-Factor के लिए चरणबद्ध रूप से प्राप्त किया जाने वाला NOF लक्ष्य कितना था?

- A. Rs.10 crore
- B. Rs.5 crore
- C. Rs.8 crore
- D. Rs.2 crore

Correct answer: A. Rs.10 crore

Explanation

1. The revised framework specified a Rs.10 crore NOF requirement for these categories. Existing institutions received a glide path to reach it by March 2027.
2. Intermediate milestones differed by category and, for existing MFIs, by region. A single transition figure cannot be applied to every institution.
3. NOF is a capital measure. It is not the same as total assets, turnover or the value of outstanding loans.

Q53. Which statement about insurance brokers is incorrect?

बीमा ब्रोकर के बारे में कौन-सा कथन गलत है?

- A. They require registration with IRDAI
- B. They are bound by prescribed conduct requirements
- C. They may represent only one insurer
- D. They can assist clients in insurance placement

Correct answer: C. They may represent only one insurer

Explanation

1. An insurance broker is not restricted to representing only one insurance company in the same way suggested by the incorrect statement. Brokers assist clients in arranging insurance.
2. Licensing and conduct requirements are prescribed by IRDAI. The intermediary's role must be distinguished from that of a tied agent.
3. Advice, placement and other permitted activities depend on the applicable broker category and regulations.

Q54. In the October 2023 policy framework, what was the permitted FDI ceiling for insurance intermediaries?

अक्टूबर 2023 के संदर्भ में बीमा मध्यस्थों में अनुमत विदेशी निवेश सीमा कितनी थी?

- A. 26%
- B. 74%
- C. 49%
- D. 100%

Correct answer: D. 100%

Explanation

1. The permitted FDI ceiling for insurance intermediaries was 100%, subject to applicable conditions. This differed from the ceiling for insurance companies.
2. Insurance intermediaries include eligible entities such as brokers and other specified service providers. They are not themselves identical to insurers.
3. Questions must specify the type of entity. Applying an insurer's FDI ceiling to an intermediary produces an incorrect answer.

Q55. Under the RBI money-market directions applicable in 2023, which of these could participate as both borrower and lender?

अक्टूबर 2023 में निम्न में से कौन-सी बैंक श्रेणी कॉल, नोटिस और टर्म मनी बाजार में उधार लेने तथा देने के लिए पात्र थी?

- A. Regional Rural Banks
- B. Individual households
- C. Non-financial companies
- D. Unregistered moneylenders

Correct answer: A. Regional Rural Banks

Explanation

1. RRBs had been permitted to participate as both borrowers and lenders since the RBI's December 2020 change. They were eligible in the 2023 framework.
2. An older statement excluding all RRB borrowing is therefore incorrect for this exam period. Their participation remained subject to prudential limits.
3. The participant's eligibility and its borrowing limit are separate issues and must both be considered.

Q56. Under the applicable tri-party repo framework, what minimum paid-up equity capital is required of an eligible other regulated entity applying to act as a tri-party agent?

RBI के त्रिपक्षीय रेपो निर्देशों के अंतर्गत त्रिपक्षीय एजेंट के आवेदक की न्यूनतम चुकता इक्विटी पूंजी कितनी होनी चाहिए?

- A. Rs. 5 crores
- B. Rs. 10 crores
- C. Rs. 25 crores
- D. Rs. 50 crores

Correct answer: C. Rs. 25 crores

Explanation

1. The minimum paid-up equity capital specified for a tri-party agent applicant was Rs.25 crore under the relevant framework.
2. A tri-party agent provides specified services supporting repo transactions, including collateral-related administration. It is not merely an unsecured lender.
3. Capital eligibility does not replace authorisation or operational requirements. The applicant must satisfy the full regulatory framework.

Q57. Under RBI's 2017 commercial-paper directions applicable in October 2023, what was the minimum permitted credit rating?

अक्टूबर 2023 में लागू 2017 CP निर्देशों के अंतर्गत न्यूनतम अल्पकालीन क्रेडिट रेटिंग कौन-सी थी?

- A. A1
- B. A2
- C. A3
- D. A4

Correct answer: C. A3

Explanation

1. The minimum rating was A3 under the 2017 commercial-paper framework. The question is tied to the rules applicable to the exam period.
2. Credit ratings assess an issuer's ability to meet financial obligations. They do not remove market or liquidity risk.
3. Issuer eligibility, denomination, maturity and rating are separate requirements for commercial paper.

Q58. The minimum amount that can be invested in a Certificate of deposit (CD) should be

2021 के CD निर्देशों के अनुसार प्रमाणपत्र जमा का न्यूनतम मूल्यवर्ग कितना था?

- A. Rs.5 lakh
- B. Rs.10 lakh
- C. Rs.15 lakh
- D. Rs.20 lakh

Correct answer: A. Rs.5 lakh

Explanation

1. The minimum denomination was Rs.5 lakh, with subsequent amounts in multiples of Rs.5 lakh. The applicable date is important.
2. Older study material may show a different minimum under an earlier framework. Historical figures should not be mixed across versions.
3. A denomination is the unit in which the instrument is issued; it is not necessarily the investor's entire portfolio value.

Q59. is an unsecured money market instrument issued in the form of a promissory note issued by private companies.

निजी कंपनियों द्वारा वचनपत्र के रूप में जारी किया जाने वाला असुरक्षित मुद्रा बाजार साधन कौन-सा है?

- A. Corporate Bonds
- B. Certificate of Deposit
- C. Call Money
- D. Commercial Paper (CP)

Correct answer: D. Commercial Paper (CP)

Explanation

1. Commercial paper is an unsecured short-term instrument issued by eligible entities. Its creditworthiness depends on the issuer and the applicable conditions.
2. A certificate of deposit is a different instrument issued by eligible deposit-taking institutions. Treasury bills are government instruments.
3. The absence of specific collateral does not mean CP is risk-free; credit assessment remains important.

Q60. What maximum share of the notified Treasury-bill auction amount was allocated to retail individual investors bidding non-competitively in the 2023 framework?

गैर-प्रतिस्पर्धी ट्रेजरी बिल नीलामी में आवंटन के लिए सामान्यतः कितने प्रतिशत आरक्षण का प्रावधान था?

- A. 1 percent
- B. 15 percent
- C. 10 percent
- D. 5 percent

Correct answer: D. 5 percent

Explanation

1. The non-competitive bidding arrangement for Treasury bills reserved up to 5% of the notified amount under the relevant scheme.
2. Non-competitive applicants do not quote their own competitive yield in the same manner as competitive bidders. Allocation follows the scheme's pricing rules.
3. This overall reservation must not be confused with an individual investor's investment limit or with a reservation in every government-security auction.

Q61. Which definition of term money is correct?

टर्म मनी का सही अर्थ कौन-सा है?

- A. Term money refers to borrowing/lending of funds for a period exceeding 14 days and upto 'one year on an uncollateralised basis
- B. Term money refers to borrowing/lending of funds for a period exceeding 7 days and upto 'one year on an collateralised basis
- C. Term money refers to borrowing/lending of funds for a period exceeding 7 days and upto 'one year on an uncollateralised basis
- D. Term money refers to borrowing/lending of funds for a period exceeding 14 days and upto one year on a collateralised basis

Correct answer: A. Term money refers to borrowing/ lending of funds for a period exceeding 14 days and upto 'one year on an uncollateralised basis

Explanation

- 1. Term money is unsecured borrowing or lending for a period exceeding 14 days and up to one year. This is the 2021 RBI definition relevant to the exam.
- 2. Call money is overnight. Notice money covers periods up to 14 days excluding overnight borrowing or lending.
- 3. The tenor and unsecured nature are both required. A secured repo with the same duration is not automatically term money.

Q62. What is notice money?

नोटिस मनी का सही अर्थ कौन-सा है?

- A. Unsecured borrowing or lending overnight
- B. Unsecured borrowing or lending for 2 to 14 days
- C. Unsecured borrowing or lending for more than 14 days up to one year
- D. Only collateralised intraday lending

Correct answer: B. Unsecured borrowing or lending for 2 to 14 days

Explanation

- 1. Notice money is unsecured borrowing or lending for tenors up to and including 14 days, excluding overnight. It is commonly expressed as two to fourteen days.
- 2. A statement requiring the period to exceed two days incorrectly excludes a two-day transaction. Overnight transactions belong to call money.
- 3. The upper limit is inclusive. A period exceeding fourteen days falls within term money, subject to its maximum tenor.

Q63. Which statements are correct?

- 1. Rapid economic growth can coexist with high inequality.
- 2. The World Inequality Report 2022 reported that the poorest half of the world owned about 2% of total wealth.
- 3. Environmental migration can always be separated easily from economic and social causes.
- 4. Jobless growth means output grows without a corresponding increase in employment.

कौन-से कथन सही हैं?

- 1. तेज वृद्धि के साथ आय असमानता भी हो सकती है।
- 2. विश्व असमानता रिपोर्ट 2022 में वैश्विक निचले आधे हिस्से की संपत्ति हिस्सेदारी लगभग 2% बताई गई।
- 3. पर्यावरण-प्रेरित पलायन को अन्य कारणों से अलग करना हमेशा आसान है।
- 4. रोजगारविहीन वृद्धि में उत्पादन बढ़ सकता है, जबकि रोजगार स्थिर रहता है।

A. 1, 2 and 3 only

B. 2, 3 and 4 only

C. 1, 2 and 4 only

D. 1, 2,3 and 4

Correct answer: C. 1, 2 and 4 only

Explanation

- 1. Rapid output growth does not guarantee equal distribution. The World Inequality Report 2022 placed the global bottom half's wealth share at around 2%.
- 2. Migration can reflect interacting environmental, political, economic and social causes. Statement 3 makes an unjustified absolute claim.
- 3. Jobless growth means that output expands without comparable employment creation. Statements 1, 2 and 4 are the appropriate combination.

Q64. For an ordinary book-built IPO under the standard allocation route, which category sequence corresponds to at least 35%, at least 15% and at most 50% of the net public offer?

सामान्य स्वैच्छिक बुक-बिल्ट सार्वजनिक निर्गम में 35%, 15% और 50% का आवंटन क्रमशः किन श्रेणियों से जुड़ा था?

- A. Retail individual investors; non-institutional investors; QIBs
- B. QIBs; retail individual investors; non-institutional investors
- C. Non-institutional investors; QIBs; retail individual investors
- D. Retail individual investors; QIBs; non-institutional investors

Correct answer: A. Retail individual investors; non-institutional investors; QIBs

Explanation

1. Under the ordinary book-building route, at least 35% was available to retail individual investors and at least 15% to non-institutional investors, with no more than 50% for QIBs.
2. Different eligibility routes and special issue conditions can prescribe a different allocation structure. The question specifically uses the ordinary route.
3. Category reservations are shares of the net offer, not guaranteed allotment to each individual applicant.

Q65. What recovery pattern describes a sharp decline followed by a quick, sharp economic rebound?

तेज गिरावट के बाद तेज आर्थिक सुधार किस प्रकार की रिकवरी कहलाता है?

- A. V-shaped
- B. U-shaped
- C. L-shaped
- D. K-shaped

Correct answer: A. V-shaped

Explanation

1. A V-shaped recovery involves a sharp decline followed by a relatively quick and strong rebound. The shape refers to the broad path of activity over time.
2. A U-shaped recovery involves a longer weak phase. An L-shaped path describes persistently depressed activity.
3. Different sectors may recover at different speeds, so an aggregate recovery label does not imply identical outcomes for all households or industries.

Q66. Transaction permitted in Central Govt securities that have been notified but not yet actually issued are known as "When Issued". In this context, identify the correct statement

अक्टूबर 2023 के सरकारी प्रतिभूति नियमों में पात्र NRI की 'व्हेन-इश्यूड' स्थिति के बारे में कौन-सा कथन सही था?

- A. NRIs are eligible to undertake only Long position
- B. NRIs are eligible to undertake only Short position
- C. OCIs can undertake both Long & Short positions
- D. HUFs can undertake both Long & Short positions

Correct answer: A. NRIs are eligible to undertake only Long position

Explanation

1. When-issued trading concerns a security announced for issuance before its actual issue. Eligible NRIs were permitted to undertake long positions under the applicable conditions.
2. A long position means agreeing to acquire the security. It is different from a short position, which involves selling exposure.
3. Participant eligibility and position restrictions must be checked separately; rules for other institutional categories need not be identical.

Q67. A government-security trade is made on Friday, 23 December 2022, for T+1 settlement. If Saturday and Sunday are non-settlement days and Monday is a settlement day, when does it settle?

शुक्रवार 23 दिसंबर 2022 को किए गए सरकारी प्रतिभूति सौदे का मानक T+1 कार्यदिवस निपटान कब होगा, यदि अगला कार्यदिवस सोमवार है?

- A. 23rd December 2022
- B. 24th December 2022
- C. 25th December 2022
- D. 26th December 2022

Correct answer: D. 26th December 2022

Explanation

1. T+1 refers to the next settlement working day, not necessarily the next calendar date. With a non-working weekend, the next working day is Monday, 26 December.
2. Saturday, 24 December, was the fourth Saturday, and 25 December was Sunday. The stated working-day assumption therefore matters.
3. Always use the settlement calendar for date calculations. Simply adding one calendar day can give an incorrect result.

Q68. Which among the following is an instrument used by companies to raise funds to supply long-term investment products, for long-term investors?

कंपनी द्वारा दीर्घकालीन धन जुटाने हेतु जारी किया जाने वाला ऋण साधन कौन-सा है?

- A. Corporate Bonds
- B. Sovereign Bonds
- C. Government Securities
- D. State Development Loans

Correct answer: A. Corporate Bonds

Explanation

1. Corporate bonds are debt instruments issued by companies. Investors receive the cash flows specified in the bond terms.
2. Government securities and state development loans are issued by government entities, not ordinary private companies.
3. A bond investment involves issuer credit risk and interest-rate risk. A long maturity alone does not make every bond identical.

Q69. Which are principal dealing participants in the foreign-exchange market?

1. RBI
2. Authorised dealers
3. Customers
4. SEBI acting as an FX dealer

भारतीय विदेशी मुद्रा बाजार में सीधे प्रमुख लेन-देनकर्ताओं के कौन-से समूह शामिल हैं?

1. RBI
2. अधिकृत डीलर
3. ग्राहक
4. SEBI को विदेशी मुद्रा डीलर मानना

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

Correct answer: A. 1, 2 and 3 only

Explanation

1. RBI, authorised dealers and customers are principal groups participating in foreign-exchange transactions. Statements 1, 2 and 3 identify them.
2. SEBI regulates securities-market activities, including relevant exchange-traded products, but is not ordinarily classified as a foreign-exchange dealer.
3. A regulator's jurisdiction and its role as a trading participant are different concepts.

Q70. Which among the following is the enforcement authority of the Foreign Exchange Management Act, 1999?

FEMA उल्लंघनों की जांच और प्रवर्तन का प्रमुख प्राधिकरण कौन है?

- A. Foreign Exchange Department, State Bank of India.
- B. Directorate of Enforcement, Department of Revenue, Ministry of Finance
- C. Capital Market Division, Ministry of Commerce
- D. None of the above

Correct answer: B. Directorate of Enforcement, Department of Revenue, Ministry of Finance

Explanation

1. The Directorate of Enforcement, under the Department of Revenue in the Ministry of Finance, handles FEMA enforcement within its mandate.
2. RBI issues important foreign-exchange regulations and directions. Rule-making and enforcement are different functions.
3. Authorised dealers undertake permitted foreign-exchange business subject to regulation; they are not substitutes for the enforcement authority.

Q71. Under FEMA, which forum hears appeals against orders of Adjudicating Authorities and the Special Director (Appeals)?

FEMA के अंतर्गत पात्र निर्णयों के विरुद्ध अपील किस निकाय में सुनी जाती है?

- A. Authorised Dealer
- B. Enforcement Directorate
- C. Appellate Tribunal
- D. Competent Authority

Correct answer: C. Appellate Tribunal

Explanation

1. The Appellate Tribunal hears appeals under the relevant FEMA provisions, including specified decisions of adjudicating authorities and the Special Director (Appeals).
2. The Directorate of Enforcement investigates and enforces cases; it is not the appellate tribunal hearing those appeals.
3. The route of appeal depends on the authority that made the decision and the statutory provision concerned.

Q72. A standard spot foreign-exchange transaction usually settles on which basis?

विदेशी मुद्रा के सामान्य स्पॉट सौदे का निपटान कब होता है?

- A. Same business day
- B. One business day after the trade
- C. One month after the trade
- D. Two business days after the trade

Correct answer: D. Two business days after the trade

Explanation

1. The usual foreign-exchange spot settlement convention is T+2 business days, subject to currency-pair and market exceptions.
2. Same-day settlement is normally described as cash or today settlement. Next-day settlement is tomorrow settlement.
3. Spot does not universally mean settlement on the same calendar day. Working days and the relevant currencies' holidays must be considered.

Q73. Which among the following is the Alternate Reference Rate of USA suggested to be used by various central Banks in substitution of LIBOR?

अमेरिकी डॉलर LIBOR के विकल्प के रूप में प्रमुख संदर्भ दर कौन-सी है?

- A. SOFR
- B. SONIA
- C. SOFIA
- D. ESTR

Correct answer: A. SOFR

Explanation

1. SOFR is the Secured Overnight Financing Rate used as a major US-dollar alternative reference rate. It is based on the overnight Treasury-repo market.
2. SONIA relates to sterling, while the euro short-term rate relates to the euro. Reference rates must be matched to their currency and market.
3. Changing a benchmark also requires attention to tenor, compounding and contractual fallback arrangements.

Q74. Which of the following is not one of the 6 currencies in the US Dollar Index?

निम्न में से कौन-सी मुद्रा अमेरिकी डॉलर सूचकांक की छह-मुद्रा टोकरी में शामिल नहीं है?

- A. Chinese Yuan
- B. Swiss Franc
- C. British Pound
- D. Swedish Kroner

Correct answer: A. Chinese Yuan

Explanation

1. The US Dollar Index basket contains the euro, Japanese yen, British pound, Canadian dollar, Swedish krona and Swiss franc. The Chinese yuan is not included.
2. The index compares the dollar with a specified weighted basket. It is not a basket of every major trading partner's currency.
3. A country's importance in world trade does not automatically mean its currency belongs to this particular index.

Q75. For a fixed-coupon bond, how do market price and yield generally move, other things equal?

अन्य बातें समान रहने पर किसी निश्चित-कूपन बॉन्ड की कीमत और प्रतिफल में क्या संबंध होता है?

- A. In the same direction
- B. In opposite directions
- C. They have no relationship
- D. Both necessarily become zero

Correct answer: B. In opposite directions

Explanation

1. Bond prices and yields generally move inversely. A rise in the required yield lowers the present value of the bond's fixed future cash flows.
2. This relationship is not a claim that equity prices and bond yields always move in one direction. Broader market correlations vary.
3. The coupon rate is fixed by the instrument's terms, while the market yield changes with the price paid and prevailing conditions.

Q76. Under the merchant-banker rules applicable to the 2023 exam context, the lead Category-I merchant banker's minimum underwriting obligation was what percentage of total underwriting commitment, or Rs. 25 lakh, whichever was less?

श्रेणी-I लीड मर्चेन्ट बैंकर की न्यूनतम अंडरराइटिंग बाध्यता के संबंध में कौन-सा मानक लागू था?

- A. 2%
- B. 5%
- C. 10%
- D. 15%

Correct answer: B. 5%

Explanation

1. The prescribed commitment was 5% of total underwriting commitment or Rs.25 lakh, whichever was lower, under the relevant rule.
2. Underwriting is a commitment linked to subscription shortfalls, subject to the agreement. It differs from merely advising on issue documents.
3. The percentage and rupee cap must both be considered. Applying only one can give the wrong minimum amount.

Q77. All OTC trades in CDs shall be reported within of the trade on the reporting platform of Clearcorp Dealing Systems (India) Ltd. (CDSIL)

2021 के CD निर्देशों के अनुसार द्वितीयक बाजार के OTC सौदे कितने समय में रिपोर्ट किए जाने चाहिए?

- A. 5 minutes
- B. 10 minutes
- C. 15 minutes
- D. 20 minutes

Correct answer: C. 15 minutes

Explanation

1. Secondary-market CD transactions were to be reported with timestamps within 15 minutes of execution on the prescribed reporting platform.
2. Execution means the point at which the price is agreed. Reporting time is different from the settlement date.
3. Accurate reporting supports market transparency and oversight; it does not itself complete the transfer of funds and securities.

Q78. For a certificate of deposit issued at a discount, how does the investor earn the return?

छूट पर जारी और अंकित मूल्य पर भुगतान किए जाने वाले CD में निवेशक की आय कैसे बनती है?

- A. It is purchased below face value and redeemed at face value
- B. It is purchased at face value and redeemed below face value
- C. It must be redeemed below its purchase price
- D. It never provides any investment return

Correct answer: A. It is purchased below face value and redeemed at face value

Explanation

1. For a discount-issued CD, the investor pays less than face value and receives face value at maturity. The difference represents the return before relevant costs.
2. The 2021 framework also permitted fixed or floating coupon structures. Discount issuance is an available form, not the only possible CD structure.
3. Issue price, face value and yield are distinct terms. They should not be used interchangeably.

Q79. Which distinction between forwards and futures is correct?

निम्न में से कौन-सा कथन वायदा और अग्रिम अनुबंधों का सही अंतर बताता है?

- A. Forwards are generally OTC contracts; futures are standardised exchange-traded contracts
- B. Both must be privately negotiated OTC contracts
- C. Forwards must always be exchange-traded
- D. Futures have no clearing or margin arrangements

Correct answer: A. Forwards are generally OTC contracts; futures are standardised exchange-traded contracts

Explanation

1. A forward is generally negotiated between counterparties in the over-the-counter market. Its terms can be tailored to their needs.
2. Futures are standardised contracts traded on exchanges and supported by clearing and margin arrangements.
3. Both are derivatives whose values depend on an underlying asset or reference variable. Their market structure and risk-management arrangements differ.

Q80. In a plain-vanilla interest-rate swap, what do the counterparties normally exchange?

साधारण ब्याज दर स्वेप में प्रतिपक्ष सामान्यतः किसका विनिमय करते हैं?

- A. Fixed-rate and floating-rate interest cash flows
- B. Ownership of two stock exchanges
- C. Physical currency notes only
- D. The entire principal at every interest payment

Correct answer: A. Fixed-rate and floating-rate interest cash flows

Explanation

1. An interest-rate swap exchanges interest cash flows calculated on an agreed notional principal. A common structure swaps fixed-rate payments for floating-rate payments.
2. The notional amount determines the payment calculations. In a standard same-currency interest-rate swap, it is ordinarily not exchanged.
3. Swaps can help manage interest-rate exposure. They differ from contracts whose main purpose is buying or selling an underlying asset on a future date.

Q81. If a corporate has to borrow, for a period of 3 months, 6 months from now, it is referred to as a FRA.

छह महीने बाद शुरू होकर तीन महीने तक चलने वाले FRA का संकेत क्या होगा?

- A. 3x6
- B. 3x9
- C. 6x9
- D. 9x 12

Correct answer: C. 6x9

Explanation

1. A 6x9 FRA starts six months from now and ends nine months from now. The borrowing period is therefore three months.
2. The first number indicates the starting time and the second indicates the ending time, both measured from the present.
3. It is not a six-month loan lasting nine additional months. Subtracting the starting number from the ending number gives the covered tenor.

Q82. Which statement about financing processed through TReDS is correct?

TReDS पर वित्तपोषित MSME व्यापार प्राप्तियों में MSME के प्रति रिकॉर्स की स्थिति क्या होती है?

- A. Transactions are without recourse to the MSME seller
- B. Every transaction is with recourse to the MSME seller
- C. Transactions necessarily require the MSME to guarantee the buyer's payment
- D. TReDS is an insurance policy

Correct answer: A. Transactions are without recourse to the MSME seller

Explanation

1. Transactions processed under TReDS are without recourse to the MSME seller under the framework. The financier's claim follows the accepted receivable arrangement.
2. TReDS allows eligible MSME receivables from buyers to be financed through competing financiers. It is a platform for trade-receivable financing.
3. Without recourse concerns the specified debtor-payment risk; it should not be confused with permission to submit false or invalid invoices.

Q83. Venture Capital investments are generally opportunities

उद्यम पूंजी निवेश सामान्यतः किस जोखिम-प्रतिफल स्वरूप से जुड़ा है?

- A. High-risk low-return
- B. Low-risk high-return
- C. Low-risk Low-return
- D. High-risk high-return

Correct answer: D. High-risk high-return

Explanation

1. Venture capital commonly involves high risk and the possibility of high returns. Young enterprises may have uncertain revenues and unproven business models.
2. Potential high returns are not guaranteed returns. Many investments can fail or remain illiquid for a long period.
3. Risk capital differs from ordinary interest-bearing lending because the investor often participates in equity and business growth.

Q84. The classification of Mutual Funds into open-ended and close-ended schemes is done based on which among the following criteria?

खुले और बंद-अवधि म्यूचुअल फंडों का वर्गीकरण मुख्यतः किस आधार पर होता है?

- A. Maturity
- B. Asset under Management
- C. Size of the scheme
- D. Net Asset Value (NAV)

Correct answer: A. Maturity

Explanation

1. The classification concerns the scheme's maturity and ability to accept subscriptions and redemptions. Open-ended schemes do not have a fixed maturity in the same way.
2. Close-ended schemes have a specified maturity and their units may be traded through the relevant listing arrangement.
3. This classification is different from an equity-versus-debt classification, which concerns the underlying asset portfolio.

Q85. How is a mutual fund's NAV per unit calculated?

म्यूचुअल फंड की प्रति यूनिट NAV की गणना का मूल सूत्र क्या है?

- A. Net assets of the scheme / units outstanding
- B. Gross sales / employees
- C. Total liabilities / units outstanding
- D. Fund expenses / investors

Correct answer: A. Net assets of the scheme / units outstanding

Explanation

1. NAV per unit is net assets divided by units outstanding. Net assets deduct the scheme's liabilities and relevant provisions from assets.
2. Changes in portfolio value, accrued income, expenses and liabilities can affect NAV. NAV is not simply the original issue price.
3. Calculation precision should follow the applicable scheme and regulatory disclosure rules; a universal equity-versus-debt decimal rule should not be assumed.

Q86. Which among the following was established by the Indian Government to develop the Mutual Funds sector in India?

भारत में म्यूचुअल फंड उद्योग की प्रारंभिक वृद्धि के लिए स्थापित प्रमुख संस्था कौन-सी थी?

- A. SEBI
- B. UTI
- C. RBI
- D. FIMMDA

Correct answer: B. UTI

Explanation

1. UTI was established in 1963 and its first scheme, Unit Scheme 1964, helped develop mutual-fund investment in India.
2. AMFI is an industry association and SEBI is the securities regulator. Their functions differ from UTI's original institutional role.
3. The institution's establishment and the launch of its first scheme occurred in different years.

Q87. The PMJJBY is available to people in the age group of years

PMJJBY में प्रारंभिक प्रवेश की आयु सीमा क्या थी?

- A. 18-50
- B. 18-55
- C. 18-58
- D. 21-50

Correct answer: A. 18-50

Explanation

1. PMJJBY was open for entry to eligible persons aged 18 to 50 years. Cover could continue to age 55 subject to scheme conditions and renewal.
2. Entry age and maximum continuation age are different. Using 55 as the initial upper entry age is incorrect.
3. The scheme provides life cover and should not be confused with the accident-only focus of PMSBY.

Q88. How many digits are there in an EPFO Universal Account Number (UAN)?

EPFO द्वारा आवंटित UAN कितने अंकों का होता है?

- A. 10
- B. 11
- C. 12
- D. None of the above

Correct answer: C. 12

Explanation

1. The Universal Account Number is a twelve-digit number allotted by EPFO. It helps link an employee's provident-fund memberships across employment changes.
2. A member can have multiple establishment-linked member IDs associated with the same UAN. A job change does not require treating each membership as an unrelated identity.
3. UAN is different from a bank account number, PAN or an insurance-policy number.

Q89. Under the Atal Pension Yojana (APY) the minimum guaranteed pension of ___ per month is provided after the subscriber attains the age of 60 years.

APY के अंतर्गत 60 वर्ष की आयु के बाद गारंटीकृत न्यूनतम मासिक पेंशन किन विकल्पों में उपलब्ध होती थी?

- A. Rs. 1000 to Rs. 2000
- B. Rs. 500 to Rs. 3000
- C. Rs. 100 to Rs. 2000
- D. Rs. 1000 to Rs. 5000

Correct answer: D. Rs. 1000 to Rs. 5000

Explanation

1. APY offers pension slabs of Rs.1,000, Rs.2,000, Rs. 3,000, Rs.4,000 or Rs.5,000 per month, according to the chosen contribution arrangement.
2. The contribution depends on entry age and the pension selected. The pension starts after attaining sixty years, subject to the scheme.
3. The entry-age range is eighteen to forty years. It should not be confused with the age when pension becomes payable.

Q90. Which REIT primarily owns income-producing properties and earns rental income?

संपत्ति के स्वामित्व से किराया आय अर्जित करने वाली व्यापक REIT श्रेणी क्या कहलाती है?

- A. Equity REIT
- B. Mortgage REIT
- C. Money-market mutual fund
- D. Commercial paper

Correct answer: A. Equity REIT

Explanation

1. An equity REIT owns or operates income-producing real estate. Rental income and property performance are central to its economic exposure.
2. Mortgage REITs are associated with real-estate financing, while hybrid classifications combine approaches. These are broad conceptual categories.
3. Office, residential, healthcare and industrial describe property sectors. An industrial-property portfolio is not inherently excluded from being a REIT.

Q91. Insurance Regulatory and Development Authority of India (IRDAI) has committed to enable 'Insurance for All' by where every citizen has an appropriate life, health and property insurance cover and every enterprise is supported by appropriate insurance solutions and also to make Indian insurance sector globally attractive.

IRDAI का 'सभी के लिए बीमा' लक्ष्य किस वर्ष से जुड़ा है?

- A. 2027
- B. 2047
- C. 2050
- D. 2070

Correct answer: B. 2047

Explanation

1. IRDAI's Insurance for All vision is associated with 2047. It concerns wider availability of appropriate life, health and property protection.
2. The objective includes coverage and suitable products, not merely higher premium collections. Distribution and grievance redressal also matter.
3. A vision target should not be confused with a guarantee that every risk will automatically be insured without eligibility or policy conditions.

Q92. Under the ISEC scheme, eligible institutions obtain working-capital finance at what concessional interest rate?

ISEC योजना के अंतर्गत पात्र खादी संस्थान द्वारा वहन की जाने वाली रियायती ब्याज दर कितनी थी?

- A. 2%
- B. 6%
- C. 4%
- D. 5%

Correct answer: C. 4%

Explanation

1. Eligible khadi institutions bear a concessional interest rate of 4% under ISEC. The difference between the bank's actual lending rate and this rate is met as subsidy under the scheme.
2. Four percent is the beneficiary's interest burden, not a universal four-percentage-point subsidy. The subsidy varies with the actual interest charged.
3. For example, if the applicable bank rate is 10%, the difference is six percentage points, subject to the scheme's eligibility and process.

Q93. Which among the following international organisations have been supporting the Swachh Bharat Mission and National Rural Livelihoods Project in India?

स्वच्छ भारत तथा ग्रामीण आजीविका जैसे भारतीय विकास कार्यक्रमों को किस अंतरराष्ट्रीय संस्था ने वित्तीय समर्थन दिया?

- A. IMF
- B. WTO
- C. World Bank
- D. None of the above

Correct answer: C. World Bank

Explanation

1. The World Bank has supported sanitation and rural-livelihood projects in India. Such support can combine financing with implementation assistance.
2. WTO focuses on trade rules, while IMF has a different macroeconomic and balance-of-payments mandate. These organisations are not interchangeable.
3. The institution providing support must be identified from the programme and financing arrangement, not simply from the word international.

Q94. Under the 2023 priority-sector framework, loans for eligible healthcare facilities under Ayushman Bharat in Tier II to Tier VI centres could qualify under social infrastructure up to what amount per borrower?

अक्टूबर 2023 के PSL नियमों में पात्र केंद्रों पर स्वास्थ्य सुविधाएं बनाने हेतु प्रति उधारकर्ता ऋण की सीमा कितनी थी?

- A. 5 crore
- B. 10 crore
- C. 50 lakhs
- D. 20 lakhs

Correct answer: B. 10 crore

Explanation

1. Eligible bank loans up to Rs.10 crore per borrower for healthcare facilities, including under Ayushman Bharat in Tier II to Tier VI centres, qualified under the relevant social-infrastructure provision.
2. This is a lending-classification limit, not the health-insurance benefit available to an individual family.
3. Location, purpose and borrower conditions must be satisfied. Every healthcare-related loan does not automatically meet this provision.

Q95. Under RBI's May 2023 arrangements for withdrawal of Rs.2,000 notes, what was the exchange limit at a bank at one time?

मई 2023 में घोषित व्यवस्था के अनुसार बैंक शाखा में एक बार में कितने मूल्य के Rs.2,000 नोट बदले जा सकते थे?

- A. Rs. 6000
- B. Rs. 10,000
- C. Rs. 20,000
- D. Rs. 15,000

Correct answer: C. Rs. 20,000

Explanation

1. The announced exchange limit was Rs.20,000 at a time, beginning on 23 May 2023. That equals ten notes of Rs.2,000.
2. Withdrawal from circulation was distinct from immediate loss of legal-tender status. Deposits and exchanges also followed different procedural rules.
3. The question concerns the initial bank-branch arrangement. Later deadlines and RBI-office arrangements should not be substituted for that historical rule.

Q96. Under Section 26(2) of the RBI Act, who can declare a banknote denomination to cease being legal tender?

RBI अधिनियम के अंतर्गत किसी बैंकनोट मूल्यवर्ग की वैध मुद्रा स्थिति समाप्त करने का अधिकार किसे है?

- A. Central Government, on recommendation of RBI's Central Board
- B. SEBI acting alone
- C. Each commercial bank independently
- D. IRDAI

Correct answer: A. Central Government, on recommendation of RBI's Central Board

Explanation

1. Under Section 26(2), the Central Government may make the declaration by notification on the recommendation of RBI's Central Board.
2. The recommendation and the final declaration are separate statutory steps. The authority is not identified by naming a banknote denomination.
3. Withdrawal from circulation and cessation of legal-tender status are different actions; one does not automatically establish the other.

Q97. Which are pillars of Foreign Trade Policy 2023?

1. Incentives to remission
2. Export promotion through collaboration
3. Ease of doing business
4. E-commerce and districts as export hubs

विदेश व्यापार नीति 2023 के प्रमुख स्तंभों में कौन-से शामिल थे?

1. प्रोत्साहन से कर-राहत की ओर
2. सहयोग द्वारा निर्यात संवर्धन
3. व्यापार में सुगमता
4. ई-कॉमर्स तथा जिलों को निर्यात केंद्र बनाना

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

Correct answer: D. 1, 2, 3 and 4

Explanation

1. FTP 2023 emphasised remission, collaborative export promotion, ease of doing business and emerging areas. The listed statements reflect these approaches.
2. Collaboration included exporters, states, districts and Indian missions. Emerging areas included e-commerce and districts as export hubs.
3. The policy also sought simpler processes and lower transaction costs. These are trade-policy measures, not monetary-policy tools.

Q98. Which uses fit RBI's 2023 framework for green-deposit proceeds?

1. Energy efficiency
2. Pollution prevention and control
3. General health infrastructure merely because it is socially useful
4. Conservation of ecosystems and biodiversity

RBI के हरित जमा ढांचे के अंतर्गत पात्र उपयोग कौन-से हैं?

1. ऊर्जा दक्षता
2. प्रदूषण की रोकथाम
3. सामान्य स्वास्थ्य आधारभूत संरचना
4. प्राकृतिक पारिस्थितिकी और जैव विविधता संरक्षण

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

Correct answer: C. 1, 2 and 4 only

Explanation

1. The green-deposit framework earmarks funds for eligible green activities, including energy efficiency, pollution prevention and biodiversity-related work. Statements 1, 2 and 4 fit that purpose.
2. General health infrastructure does not become an eligible green use merely because it is socially beneficial. Green and social objectives are distinct classifications.
3. The framework became effective from 1 June 2023. Allocation, monitoring and disclosure requirements support the intended use of funds.

Q99. What is the formula for primary deficit?

प्राथमिक घाटे का सही सूत्र कौन-सा है?

- A. Revenue deficit + interest payments
- B. Fiscal deficit + interest payments
- C. Revenue deficit - interest payments
- D. Fiscal deficit - interest payments

Correct answer: D. Fiscal deficit - interest payments

Explanation

1. Primary deficit equals fiscal deficit minus interest payments. It isolates the deficit after excluding interest on past borrowing.
2. If fiscal deficit is Rs.500 crore and interest payments are Rs.150 crore, primary deficit is Rs.350 crore.
3. Revenue deficit and effective revenue deficit use different components. They should not be substituted into the primary-deficit formula.

Q100. What is the defining use of proceeds of a green bond?

हरित बॉन्ड से जुटाई गई राशि का मुख्य उपयोग क्या होता है?

- A. Financing eligible environmental projects
- B. Unrestricted household consumption
- C. Only shareholder dividends
- D. Only debt unrelated to environmental projects

Correct answer: A. Financing eligible environmental projects

Explanation

1. Green bonds earmark proceeds for eligible environmental projects such as renewable energy, clean transport or pollution control.
2. The green label concerns use of proceeds and the applicable disclosure framework. It does not automatically remove credit risk or guarantee a higher return.
3. A conventional bond and a green bond may share the same debt structure while differing in the specified project allocation and reporting obligations.