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MEMORY-BASED QUESTIONS

MAY 2023 EXAM

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Indian Economy & Indian Financial System

JAIB • May 2023 • Shift 1 • 100 Questions

Q1. The term Hindu Rate of Growth was coined by _____.

‘हिंदू विकास दर’ शब्द किसने दिया था?

- A. Professor Raj Krishna
- B. Amartya Sen
- C. Jagdish Bhagwati
- D. Kaushik Basu
- E. None of these

Correct answer: A. Professor Raj Krishna

Explanation

1. Professor Raj Krishna coined the expression to describe India's relatively slow growth in the pre-reform decades.
2. The expression is commonly associated with average GDP growth of about 3.5% during the early post-independence period; it is a historical label, not a measure of religion.

Q2. Which among the following statement is incorrect with respect to different sectors of the Indian Economy in relation to the COVID pandemic?

कोविड महामारी के संदर्भ में भारतीय अर्थव्यवस्था के विभिन्न क्षेत्रों के बारे में कौन-सा कथन गलत है?

- A. The recovery has been uneven among services, with financial, real estate, and professional services, as well as public administration, defence, and other services, gaining traction and exceeding their respective pre-pandemic levels.
- B. Recovery in the trade, hotel, transportation, communication, and broadcasting-related sectors, has exceeded pre-pandemic levels.
- C. Different sectors of the economy are recovering to varying degrees
- D. Agriculture survived the pandemic's multiple waves, industry and construction are on the rebound
- E. None of these

Correct answer: B. Recovery in the trade, hotel, transportation, communication, and broadcasting-related sectors, has exceeded pre-pandemic levels.

Explanation

1. Recovery after COVID-19 differed across sectors. Contact-intensive activities such as trade, hotels and transport recovered more gradually.
2. Agriculture was relatively resilient, while several financial, professional and public-administration services recovered faster. The claim that every listed contact-intensive sector had already exceeded pre-pandemic levels is incorrect.

Q3. Which among the following is the correct definition of 'Sunrise Sector'?

‘उदीयमान क्षेत्र’ की सही परिभाषा क्या है?

- A. It is the sector which includes all those activities the end purpose of which consists in exploiting natural resources
- B. It is the sector that covers all those activities consisting in varying degrees of processing of raw materials.
- C. It includes all those activities in which an industry that has existed for a long time and that is less successful and making less profit than previously
- D. It is one that is still in its infancy but has the potential for significant growth.
- E. None of these

Correct answer: D. It is one that is still in its infancy but has the potential for significant growth.

Explanation

- 1. A sunrise sector is an emerging industry with substantial growth potential, often supported by innovation and changing demand.
- 2. It differs from a sunset industry, whose activity or profitability is declining. Early-stage growth prospects are the key feature.

Q4. Which among the following is the correct Overall Priority Sector Lending target of Small Finance Banks?

मई 2023 में लघु वित्त बैंकों का समग्र प्राथमिकता क्षेत्र ऋण लक्ष्य कितना था?

- A. 40% of ANBC or CEOBE
- B. 25% of ANBC or CEOBE
- C. 75% of ANBC or CEOBE
- D. 50% of ANBC or CEOBE
- E. None of these

Correct answer: C. 75% of ANBC or CEOBE

Explanation

- 1. In May 2023, Small Finance Banks had a total PSL target of 75% of ANBC or credit-equivalent off-balance-sheet exposure, whichever was higher.
- 2. The comparison base is important: the target is not simply 75% of deposits or total assets. Separate sub-targets also applied within priority-sector lending.

Q5. Under the MSME classification applicable in May 2023, the investment in plant and machinery or equipment and annual turnover ceilings for a Small Enterprise were, respectively:

मई 2023 में लागू वर्गीकरण के अनुसार लघु उद्यम के लिए निवेश और वार्षिक कारोबार की अधिकतम सीमाएँ क्या थीं?

- A. 1 Crore, 5 Crores
- B. 5 Crores, 10 Crores
- C. 10 Crores, 50 Crores
- D. 100 Crores, 250 Crores
- E. None of these

Correct answer: C. 10 Crores, 50 Crores

Explanation

- 1. The 2020 MSME classification, applicable in May 2023, placed a small enterprise at investment up to Rs.10 crore and turnover up to Rs.50 crore.
- 2. Both investment and turnover criteria mattered. The same composite classification applied to manufacturing and service enterprises.

Q6. Which among the following is/are the contribution(s) of the MSME Sector to India?

- 1. Significant export earnings
- 2. Low investment requirements
- 3. Import substitution
- 4. Competitiveness in domestic and export markets

MSME क्षेत्र भारत के लिए कौन-कौन से योगदान करता है?

- 1. निर्यात आय
- 2. कम निवेश आवश्यकता
- 3. आयात प्रतिस्थापन
- 4. घरेलू और निर्यात बाजारों में प्रतिस्पर्धा

- A. 1, 2 and 3 only
- B. 2, 3 and 4 only
- C. 1, 3 and 4 only
- D. 1, 2, 3 and 4
- E. None of these

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

Explanation

- 1. MSMEs contribute to production, employment, exports and the development of local supply chains. They can operate with relatively small initial investments.
- 2. Import substitution and competition in domestic and overseas markets are also important contributions. All four listed features are valid.

Q7. As of May 2023, what was the maximum eligible credit facility covered under the CGTMSE scheme for micro and small enterprises?

मई 2023 में CGTMSE योजना के अंतर्गत पात्र ऋण सुविधा की अधिकतम सीमा कितनी थी?

- A. 1 crore
- B. 2 crores
- C. 5 crores
- D. 10 crores
- E. None of these

Correct answer: C. 5 crores

Explanation

1. The ceiling for eligible credit facilities under CGTMSE was enhanced from Rs.2 crore to Rs.5 crore with effect from 1 April 2023.
2. CGTMSE provides a guarantee to eligible lending institutions; it does not directly sanction loans to enterprises. Guarantee coverage is subject to the scheme's terms and is not automatically 100% of every loan.

Q8. Which among the following is an example of Soft Infrastructure?

निम्नलिखित में से कौन नरम अवसंरचना का उदाहरण है?

- A. Ports
- B. Law-enforcement organisations
- C. Airports
- D. Pipelines
- E. None of these

Correct answer: B. Law-enforcement organisations

Explanation

1. Soft infrastructure consists of institutions and systems that support economic and social activity, such as law enforcement, education and healthcare institutions.
2. Ports, airports and pipelines are physical assets and belong to hard infrastructure. The institutional role distinguishes the correct option.

Q9. Which among the following is/are the characteristic feature(s) of Foreign Institutional Investments?

1. It has long-term perspective.
2. It is generally volatile in nature.
3. It goes into Hedge Funds.

विदेशी संस्थागत निवेश के कौन-से लक्षण सही हैं?

1. दीर्घकालीन दृष्टिकोण
2. सामान्यतः अस्थिर प्रकृति
3. हेज फंड से संबंध

- A. 1 and 2
- B. 2 and 3
- C. 1, 2 and 3
- D. 3 only
- E. None of these

Correct answer: B. 2 and 3

Explanation

1. Foreign portfolio or institutional flows can move quickly in response to interest rates, market conditions and risk sentiment. They are therefore relatively volatile.
2. Institutional investors include funds such as hedge funds. A consistently long-term, stable commitment is more closely associated with strategic FDI than with all institutional portfolio flows.

Q10. Which among the following is/are the function(s) of International Monetary Fund (IMF)?

1. Surveillance over members' economic policies
2. Combating poverty in low-income countries
3. Strengthening the International Monetary System
4. Increasing the global supply of international reserves

IMF के कौन-कौन से कार्य सही हैं?

1. आर्थिक नीतियों की निगरानी
2. कम आय वाले देशों को सहायता
3. अंतरराष्ट्रीय मौद्रिक प्रणाली को मजबूत करना
4. अंतरराष्ट्रीय आरक्षित संसाधनों की आपूर्ति बढ़ाना

- A. 1, 2 and 3 only
B. 2, 3. and 4 only
C. 1, 3 and 4 only
D. 1, 2, 3.and 4
E. None of these

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

Explanation

1. The IMF undertakes economic surveillance, provides financial assistance and capacity development, and promotes international monetary cooperation.
2. Concessional support assists low-income members. Allocations of Special Drawing Rights can supplement members' official reserves, so all the listed functions are represented.

Q11. In India, companies are now free to spend more than the mandated ___ per cent of their net profits on Corporate Social Responsibility (CSR) in any year.

कंपनियों के लिए CSR पर औसत शुद्ध लाभ का न्यूनतम निर्धारित व्यय कितना है?

- A. 1%
B. 2%
C. 3%
D. 4%
E. None of these

Correct answer: B. 2%

Explanation

1. Section 135 of the Companies Act requires eligible companies to spend at least 2% of their average net profits for the three immediately preceding financial years on CSR.
2. A company may spend more than the required amount, subject to applicable rules. The calculation uses the statutory profit measure, not turnover or total assets.

Q12. Under the amended Companies Act, 2013, non-compliance with CSR spending provisions attracts which form of liability?

संशोधित कंपनी अधिनियम में CSR व्यय संबंधी प्रावधानों का पालन न करने पर किस प्रकार का दायित्व होता है?

- A. Criminal prosecution for every shortfall
B. Civil monetary penalty
C. Mandatory imprisonment of every director
D. No legal consequences
E. None of these

Correct answer: B. Civil monetary penalty

Explanation

1. The amended CSR framework provides monetary penalties for specified failures to transfer unspent amounts as required. It treats these defaults through civil penalties.
2. This should be distinguished from a blanket rule that every CSR spending shortfall automatically results in imprisonment. The transfer rules vary for ongoing projects and other unspent amounts.

Q13. The study aggregated indicators such as GDP, unemployment rates and price indices to understand how the whole economy functions is called

GDP, बेरोजगारी और मूल्य सूचकांकों जैसे समष्टिगत संकेतकों का अध्ययन क्या कहलाता है?

- A. Microeconomics
- B. New Economics
- C. Macroeconomics
- D. None of the above
- E. None of these

Correct answer: C. Macroeconomics

Explanation

1. Macroeconomics studies the economy as a whole, including national output, employment, inflation and growth.
2. Microeconomics focuses on individual consumers, firms and specific markets. Aggregate indicators identify the macroeconomic approach.

Q14. Who among the following pioneered the principle of 'conspicuous consumption'?

'दिखावटी उपभोग' का सिद्धांत किसने प्रस्तुत किया था?

- A. Thorstein Veblen
- B. Sir Robert Giffen
- C. Adam Smith
- D. Lionel Marshall
- E. None of these

Correct answer: A. Thorstein Veblen

Explanation

1. Thorstein Veblen introduced the idea of conspicuous consumption: spending undertaken to display status or wealth.
2. The concept explains why some purchases serve social signalling rather than only practical needs. It is associated with his analysis of the leisure class.

Q15. Consider the following:

1. Net bank credit to the government.
2. Bank credit to the commercial sector.
3. Net foreign exchange assets of the banking sector.
4. Government's currency liabilities to the public.
5. Net non-monetary liabilities of the banking sector.

Which among the following is correct with respect to the sources of Money Supply (M3) in Indian economy?

निम्नलिखित मदों पर विचार कीजिए:

1. सरकार को निवल बैंक ऋण।
2. वाणिज्यिक क्षेत्र को बैंक ऋण।
3. बैंकिंग क्षेत्र की निवल विदेशी मुद्रा परिसंपत्तियाँ।
4. जनता के प्रति सरकार की मुद्रा देयताएँ।
5. बैंकिंग क्षेत्र की निवल गैर-मौद्रिक देयताएँ।

भारतीय अर्थव्यवस्था में मुद्रा आपूर्ति M3 के स्रोतों के लिए कौन-सा संबंध सही है?

- A. Sources of Money Supply (M3) in Indian economy = 1+2+3+4+5
- B. Sources of Money Supply (M3) in Indian economy = 1+2+3+4-5
- C. Sources of Money Supply (M3) in Indian economy = 1+2-3+4+5
- D. Sources of Money Supply (M3) in Indian economy = 1-2-3-4-5
- E. None of these

Correct answer: B. Sources of Money Supply (M3) in Indian economy = 1+2+3+4-5

Explanation

1. Broad money can be analysed from the banking system's assets and liabilities. Credit to government, credit to the commercial sector and net foreign assets contribute positively.
2. Government currency liabilities are added, while net non-monetary liabilities are deducted. Therefore the expression is $1 + 2 + 3 + 4 - 5$.

Q16. The Consumer Price Index (CPI) and Wholesale Price Index (WPI) are released in India.

भारत में CPI और WPI कितनी बार जारी किए जाते हैं?

- A. Quarterly
- B. Monthly
- C. Yearly
- D. Biennially
- E. None of these

Correct answer: B. Monthly

Explanation

1. The principal all-India CPI and WPI series are published monthly. They track changes in consumer and wholesale prices respectively.
2. A monthly release is distinct from annual inflation, which compares an index with the same month in the preceding year. Frequency of publication and comparison period are different concepts.

Q17. The CPI for December 2022 is 189 and its month-on-month change from November 2022 is -0.1%. What was the CPI for November 2022, approximately?

दिसंबर 2022 का CPI 189 है और नवंबर की तुलना में परिवर्तन -0.1% है। नवंबर का CPI लगभग कितना था?

- A. 188.09
- B. 188.19
- C. 189.19
- D. 189.09
- E. None of these

Correct answer: C. 189.19

Explanation

1. A fall of 0.1% means December CPI equals November CPI multiplied by 0.999. Thus November CPI = $189 / 0.999 = 189.189...$, approximately 189.19.
2. Because the index fell, the previous month's index must be slightly higher than 189. The calculation concerns CPI, not GDP.

Q18. The Liquidity Preference Theory of Interest was propounded by

ब्याज का तरलता वरीयता सिद्धांत किसने दिया था?

- A. J.M. Keynes
- B. Sir Robert Giffen
- C. Adam Smith
- D. Alfred Marshall
- E. None of these

Correct answer: A. J.M. Keynes

Explanation

1. John Maynard Keynes developed the liquidity preference theory of interest. Individuals demand money for transactions, precautionary and speculative purposes.
2. The interest rate is determined by the interaction of money demand and money supply. It is the reward for parting with liquidity.

Q19. Which among the following is/are the characteristic(s) of the Boom of Business Cycle?

1. An accelerated and prolonged increase in demand
2. Demand peaks to levels that exceed sustainable output/production levels
3. Economy heats up and a demand-supply lag becomes apparent

व्यापार चक्र के तेजी चरण की कौन-सी विशेषताएँ सही हैं?

1. मांग में तीव्र वृद्धि
2. टिकाऊ उत्पादन से अधिक मांग
3. मांग और आपूर्ति में अंतर

- A. 1 and 2
- B. 2 and 3
- C. 1, 2 and 3
- D. 3 only
- E. None of these

Correct answer: C. 1, 2 and 3

Explanation

1. During a boom, demand, employment and investment rise strongly. Demand may reach levels that exceed sustainable productive capacity.
2. Capacity constraints can create a lag between demand and supply and increase inflationary pressure. All three statements describe the boom phase.

Q20. The Marginal Cost of Funds Based Lending Rate (MCLR) comprise of which among the following?

- 1. Marginal cost of funds**
- 2. Negative carry on the Cash Reserve Ratio (CRR)**
- 3. Operating costs**
- 4. Tenor premium**

MCLR में कौन-कौन से घटक शामिल होते हैं?

1. सीमांत निधि लागत
2. CRR पर नकारात्मक वहन लागत
3. परिचालन लागत
4. अवधि प्रीमियम

- A. 1, 2 and 3 only
B. 2, 3 and 4 only
C. 1, 3 and 4 only
D. 1, 2, 3 and 4
E. None of these

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

Explanation

1. MCLR comprises marginal cost of funds, negative carry on CRR, operating costs and tenor premium. These components help determine a bank's internal lending benchmark.
2. The tenor premium reflects the additional cost or risk associated with longer loan periods. All four listed components form part of MCLR.

Q21. The Rate of Interest as per Liquidity Preference Theory is determined by which among the following?

- 1. Demand for money**
- 2. Supply of money**
- 3. Rate of savings**

तरलता वरीयता सिद्धांत में ब्याज दर किन कारकों से निर्धारित होती है?

1. मुद्रा की मांग
2. मुद्रा की आपूर्ति
3. बचत दर

- A. 1 and 2 only
B. 2 and 3 only
C. 1, 2 and 3
D. 3 only
E. None of these

Correct answer: A. 1 and 2 only

Explanation

1. In liquidity preference theory, the equilibrium interest rate is obtained where demand for money equals supply of money.
2. The rate of saving is central to other interest theories but is not a separate direct determinant in this monetary formulation. Statements 1 and 2 are correct.

Q22. Which among the following statement(s) is/ are correct?

1. The Liquidity Adjustment Facility (LAF) corridor at present is determined by the MSF as the upper band
2. Standing Deposit Facility (SDF) is the lower band of LAF
3. Repo rate is the centre of the LAF corridor.

LAF गलियारे के बारे में कौन-से कथन सही हैं?

1. MSF ऊपरी सीमा है
2. SDF निचली सीमा है
3. रेपो दर बीच में है

- A. 1 and 2
B. 2 and 3
C. 3 only
D. 1, 2 and 3
E. None of these

Correct answer: D. 1, 2 and 3

Explanation

1. Following the introduction of SDF in April 2022, the standing deposit facility formed the floor and MSF formed the ceiling of the LAF corridor.
2. In May 2023, SDF was 6.25%, repo was 6.50% and MSF was 6.75%. All three statements correctly describe the corridor.

Q23. The funds availed by banks under Targeted Long-Term Repo Operations (TLTRO) 2.0 was supposed to be invested in investment grade bonds, commercial paper, and non-convertible debentures of NBFCs, with at least ___ of the total amount availed going to small and mid-sized NBFCs and MFIs.

TLTRO 2.0 की कम-से-कम कितनी राशि छोटे और मध्यम NBFC तथा MFI की प्रतिभूतियों में लगाई जानी थी?

- A. 10 per cent
B. 50 per cent
C. 60 per cent
D. 80 per cent
E. None of these

Correct answer: B. 50 per cent

Explanation

1. Under TLTRO 2.0, funds were to be deployed in investment-grade bonds, commercial paper and non-convertible debentures of NBFCs.
2. At least 50% was earmarked for small and mid-sized NBFCs and MFIs. The scheme aimed to improve the transmission of liquidity to these institutions.

Q24. Which among the following is the best definition of Primary Deficit?

प्राथमिक घाटे की सही परिभाषा क्या है?

- A. It is the excess of revenue expenditure over revenue receipts.
B. It is the excess of capital expenditure over capital receipts.
C. It is the Revenue deficit minus Grants in Aid for creation of capital assets
D. It is the difference between the fiscal deficit and interest payments.
E. None of these

Correct answer: D. It is the difference between the fiscal deficit and interest payments.

Explanation

1. Primary deficit = fiscal deficit - interest payments. It measures the borrowing requirement after excluding interest on past debt.
2. Revenue deficit is a different measure: revenue expenditure minus revenue receipts. The primary deficit focuses on the current fiscal imbalance net of interest costs.

Q25. GDP at market prices can be calculated by adding private consumption, government consumption, investment and net exports. Which method is this?

निजी उपभोग, सरकारी उपभोग, निवेश और शुद्ध निर्यात जोड़कर GDP निकालना कौन-सी विधि है?

- A. Expenditure
- B. Value Added
- C. Income
- D. A mix of all the three
- E. None of these

Correct answer: A. Expenditure

Explanation

1. The expenditure method calculates GDP as $C + I + G + (X - M)$, where the terms represent consumption, investment, government spending and net exports.
2. Exports are added and imports deducted because GDP measures domestic production. Income and value-added methods provide alternative approaches to the same aggregate.

Q26. Which among the following bank was not nationalised in 1969 in India?

निम्नलिखित में से किस बैंक का राष्ट्रीयकरण 1969 में नहीं हुआ था?

- A. Allahabad Bank
- B. Bank of Maharashtra
- C. Andhra Bank
- D. Bank of Baroda
- E. None of these

Correct answer: C. Andhra Bank

Explanation

1. Andhra Bank was nationalised in the second round in 1980. Allahabad Bank, Bank of Maharashtra and Bank of Baroda were among the 14 banks nationalised in 1969.
2. The first round occurred on 19 July 1969 and the second involved six banks in April 1980. The distinction is the year of nationalisation.

Q27. Which among the following is/are the recommendations of the Narasimham Committee -1 (1991)?

1. Establishment of a 4-tier hierarchy for banking structure.
2. A phased reduction in Statutory Liquidity Ratio.
3. Phased achievement of 10% Capital Adequacy Ratio.

नरसिम्हम समिति-I की कौन-सी सिफारिशें सही हैं?

1. चार-स्तरीय बैंकिंग संरचना
2. SLR में चरणबद्ध कमी
3. 10% पूंजी पर्याप्तता अनुपात

- A. 1 and 2 only
- B. 2 and 3 only
- C. 1, 2 and 3
- D. 3 only
- E. None of these

Correct answer: A. 1 and 2 only

Explanation

1. The 1991 committee recommended a four-tier banking structure and phased reductions in statutory pre-emptions such as SLR.
2. It recommended phased adoption of an 8% capital adequacy norm, not 10% as stated here. Therefore statements 1 and 2 are correct.

Q28. Whatsapp pay is a

व्हाट्सऐप पे किस प्रकार की कंपनी-आधारित सेवा का उदाहरण है?

- A. Fintech Company
- B. Techfin Company
- C. Neo Bank
- D. Payment gateway
- E. None of these

Correct answer: B. Techfin Company

Explanation

1. A techfin service is offered when an established technology company enters financial services using its existing customer network and technology platform.
2. WhatsApp Pay illustrates this approach. Fintech commonly starts with a financial-service problem and builds a technology-led solution around it.

Q29. As per Section 4 of the RBI Act, the paid-up capital of the Bank shall be

RBI अधिनियम की धारा 4 के अनुसार बैंक की चुकता पूंजी कितनी है?

- A. Rs 2 crores
- B. Rs 5 crores
- C. Rs 10 crores
- D. Rs 15 crores
- E. None of these

Correct answer: B. Rs 5 crores

Explanation

1. Section 4 of the RBI Act specifies capital of Rs.5 crore. This is a statutory capital figure, not the central bank's total assets or reserves.
2. The Reserve Bank began operations in 1935 and was nationalised in 1949. Neither event changes the answer to this statutory-capital question.

Q30. As per Section 13 of the RBI Act, Meetings of the Central Board shall be convened by the Governor at least__ times in each year.

RBI अधिनियम की धारा 13 के अनुसार केंद्रीय बोर्ड की बैठक वर्ष में कम-से-कम कितनी बार होनी चाहिए?

- A. Two
- B. Four
- C. Six
- D. Three
- E. None of these

Correct answer: C. Six

Explanation

1. The Governor must convene Central Board meetings at least six times each year and at least once in each quarter.
2. Both conditions matter: six meetings clustered in one part of the year would not satisfy the quarterly requirement. The correct minimum annual number is six.

Q31. The Minimum loan size for Equipment Finance under the SIDBI Make in India Soft Loan Fund for MSMEs (SIDBI SMILE) is

SIDBI SMILE के अंतर्गत उपकरण वित्त की न्यूनतम ऋण राशि कितनी थी?

- A. Rs. 1 crore
- B. Rs. 10 lakhs.
- C. Rs. 50 lakhs.
- D. Rs. 25 lakhs
- E. None of these

Correct answer: B. Rs. 10 lakhs.

Explanation

1. The SIDBI SMILE product specifies a minimum loan size of Rs.10 lakh for equipment finance. It supports financing needs of eligible MSMEs.
2. The minimum for other purposes is distinct and should not be confused with this equipment-finance threshold. SMILE stands for SIDBI Make in India Soft Loan Fund for MSMEs.

Q32. Which among the following is/are the function(s) of EXIM Bank of India?

1. Financing the import and export of goods and services from countries other than India.
2. Financing the import or export of machines and machinery on lease or hire purchase basis.
3. Providing refinancing services to banks and other financial institutions for their financing of foreign trade.
4. Underwriting shares/debentures of companies, engaged in foreign trade.

EXIM बैंक के कौन-कौन से कार्य सही हैं?

1. तीसरे देशों के व्यापार का वित्त
2. मशीनों का पट्टा या किराया-खरीद वित्त
3. व्यापार वित्त का पुनर्वित्त
4. व्यापार कंपनियों की प्रतिभूतियों का हामीदारी वित्त

- A. 1, 2 and 3 only
B. 2, 3 and 4 only
C. 1, 3 and 4 only
D. 1, 2, 3 and 4
E. None of these

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

Explanation

1. EXIM Bank supports India's international trade through direct finance, refinancing and related financial services, including equipment finance and underwriting within its mandate.
2. Export-import financing can include third-country trade and overseas business support. All four listed functions fall within its broad statutory role.

Q33. As per the Reserve Bank of India (Regulatory Framework for Micro Finance Loans) Directions 2022, a micro finance loan is defined as a collateral-free loan given to a household, having annual household income up to ____.

2022 के RBI निर्देशों के अनुसार सूक्ष्म वित्त ऋण के लिए परिवार की वार्षिक आय की अधिकतम सीमा कितनी थी?

- A. Rs. 3.00 lakh
B. Rs. 5.00 lakh
C. Rs. 5.60 lakh
D. Rs. 4.00 lakh
E. None of these

Correct answer: A. Rs. 3.00 lakh

Explanation

1. The 2022 framework defined a microfinance loan as a collateral-free loan to a household with annual income up to Rs.3 lakh.
2. The common definition applied to rural and urban households. Household income assessment and repayment-obligation limits were essential safeguards.

Q34. Under the former Asset Finance Company classification, income from financing physical assets supporting productive or economic activity had to constitute at least what proportion of total assets and total income?

पुराने परिसंपत्ति वित्त कंपनी वर्गीकरण में उत्पादक भौतिक संपत्तियों के वित्त से संबंधित अनुपात कितना था?

- A. 30%
B. 80%
C. 60%
D. 90%
E. None of these

Correct answer: C. 60%

Explanation

1. Under the former AFC definition, financing physical assets supporting productive or economic activity had to meet the 60% principal-business criterion for assets and income.
2. Examples included machinery, tractors and material-handling equipment. AFC, loan-company and investment-company categories were later merged into NBFC-ICC.

Q35. Which among the following statement(s) is/ are correct with respect to National Asset Reconstruction Company (NARCL) and India Debt Resolution Co. Ltd (IDRCL)?

- 1. NARCL has been set up by banks to aggregate and consolidate stressed assets for their subsequent resolution**
- 2. IDRCL is a service company/operational entity which will manage the asset and engage market professionals and turnaround experts.**
- 3. For NARCL, public sector banks will hold 51% of the equity capital.**
- 4. In the case of IDRCL, public sector banks and public financial institutions together may hold up to 49% of the capital**

राष्ट्रीय परिसंपत्ति पुनर्निर्माण कंपनी (NARCL) और भारतीय ऋण समाधान कंपनी (IDRCL) के बारे में कौन-से कथन सही हैं?

- 1. NARCL की स्थापना बैंकों ने दबावग्रस्त परिसंपत्तियों को एकत्र करके उनके समाधान के लिए की है।**
- 2. IDRCL एक सेवा और परिचालन संस्था है, जो परिसंपत्तियों का प्रबंधन करेगी तथा बाजार और पुनर्गठन विशेषज्ञों की सेवाएँ लेगी।**
- 3. NARCL की इक्विटी पूंजी में सार्वजनिक क्षेत्र के बैंकों की हिस्सेदारी 51% होगी।**
- 4. IDRCL की पूंजी में सार्वजनिक क्षेत्र के बैंकों और सार्वजनिक वित्तीय संस्थानों की संयुक्त हिस्सेदारी अधिकतम 49% होगी।**

- A. 1, 2 and 3 only
B. 2, 3 and 4 only
C. 1, 3 and 4 only
D. 1, 2, 3 and 4
E. None of these

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

Explanation

- 1. NARCL aggregates and acquires stressed assets for resolution; IDRCL provides operational asset-management and resolution support.**
- 2. Public sector banks were to hold 51% of NARCL, while public sector banks and public financial institutions together could hold up to 49% of IDRCL. The listed structure makes all four statements correct.**

Q36. Price Discovery in the financial markets is affected by which among the following?

- 1. Supply and demand**
- 2. Attitudes to risk**
- 3. Volatility**
- 4. Available information**
- 5. Market mechanisms**

वित्तीय बाजारों में मूल्य खोज को कौन-कौन से कारक प्रभावित करते हैं?

- 1. मांग और आपूर्ति।**
- 2. जोखिम के प्रति दृष्टिकोण।**
- 3. अस्थिरता।**
- 4. उपलब्ध जानकारी।**
- 5. बाजार की कार्यप्रणाली।**

- A. 1, 2, 3 and 4 only
B. 1, 2. and 5 only
C. 2, 3 and 4 only
D. 1, 2, 3, 4 and 5
E. None of these

Correct answer: D. 1, 2, 3, 4 and 5

Explanation

- 1. Price discovery reflects supply and demand, available information, risk attitudes, volatility and market mechanisms. Prices emerge as buyers and sellers interact.**
- 2. Changes in any of these factors can change the equilibrium price. All five listed factors influence the process.**

Q37. In May 2023, the fortnightly daily-average borrowing limit for scheduled commercial banks in the call and notice money market was what percentage of capital funds?

मई 2023 में अनुसूचित वाणिज्यिक बैंकों की कॉल और नोटिस मनी उधारी की पाक्षिक दैनिक-औसत सीमा पूंजी निधि का कितना प्रतिशत थी?

- A. 100%
- B. 125%
- C. 225%
- D. 150%
- E. None of these

Correct answer: A. 100%

Explanation

1. Before the June 2023 amendment, the call/notice borrowing limit for scheduled commercial banks was 100% of capital funds on a fortnightly daily-average basis.
2. The limit on any single day was 125%. Do not confuse the average limit with the maximum permitted for an individual day.

Q38. Which among the statement(s) given below is/are correct?

1. A Reverse repo transaction involves the buying of securities and lending of short-term surplus in the 1st leg and selling the security at a predetermined rate in the 2nd leg.
2. Seller promises to repurchase in a Repo transaction.
3. The seller of the security receives funds, while the buyer of the security receives collateral for the funds that has been lent in a Repo transaction.
4. Repo is a repurchase agreement, entered into between eligible counterparties for borrowing and lending of funds, on a collateralised basis.

निम्नलिखित में से कौन-से कथन सही हैं?

1. रिवर्स रेपो में पहले चरण में प्रतिभूतियाँ खरीदकर अल्पकालीन अतिरिक्त निधि उधार दी जाती है और दूसरे चरण में प्रतिभूतियाँ पूर्वनिर्धारित दर पर बेची जाती हैं।
2. रेपो में विक्रेता प्रतिभूतियों को पुनः खरीदने का वादा करता है।
3. रेपो में प्रतिभूति विक्रेता को निधि मिलती है तथा खरीदार को दी गई निधि के बदले संपार्श्विक मिलता है।
4. रेपो पात्र पक्षों के बीच संपार्श्विक के आधार पर निधि उधार लेने और देने का पुनर्खरीद समझौता है।

- A. 1, 2 and 3 only
- B. 2, 3 and 4 only
- C. 1, 3 and 4 only
- D. 1, 2, 3 and 4
- E. None of these

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

Explanation

1. A repo is a collateralised borrowing arrangement: securities are sold with an agreement to repurchase them at a later date. The seller receives funds and the buyer receives collateral.
2. Viewed from the buyer or lender's side, the same arrangement is a reverse repo. All four statements correctly describe its two legs and economic substance.

Q39. Which among the following is/are the services provided by the intermediary in a Tri-party Repo Contract?

1. Collateral selection
2. Payment and settlement
3. Custody and management

त्रिपक्षीय रेपो में मध्यस्थ कौन-कौन सी सेवाएँ देता है?

1. संपार्श्विक चयन
2. भुगतान और निपटान
3. अभिरक्षा और प्रबंधन

- A. 1 and 2
B. 2 and 3
C. 1, 2 and 3
D. 3 only
E. None of these

Correct answer: C. 1, 2 and 3

Explanation

1. The triparty agent facilitates collateral selection, settlement, custody and collateral management between the borrower and lender.
2. The third party performs operational functions while the repo remains a collateralised lending transaction. All three services are relevant.

Q40. The tenors of the term repos conducted by the RBI under Long Term Repo Operations (LTRO) were between

RBI के LTRO के अंतर्गत अवधि रेपो की मूल अवधियाँ क्या थीं?

- A. 1-year and 3-year
B. 2-year and 4-year
C. 5-year and 10-year
D. 3-year and 5-year
E. None of these

Correct answer: A. 1-year and 3-year

Explanation

1. The RBI introduced LTROs of one-year and three-year tenors at the policy repo rate in 2020. They supplied durable liquidity to banks.
2. The aim was to reduce funding costs and improve transmission to lending rates. These were longer than ordinary overnight or short-term repo operations.

Q41. Which among the following is/are the prime objective(s) of Targeted Long Term Repo Operations (TLTRO) of RBI?

1. Providing liquidity to the corporate bond market.
2. Supporting the merchants.
3. Supporting MSME sector.

RBI के लक्षित दीर्घकालीन रेपो परिचालन (TLTRO) का मुख्य उद्देश्य कौन-सी सूचीबद्ध मद थी?

1. कॉर्पोरेट बॉन्ड बाजार में तरलता उपलब्ध कराना।
2. व्यापारियों को सहायता देना।
3. MSME क्षेत्र को सहायता देना।

- A. 1 and 2
B. 2 and 3
C. 1, 2 and 3
D. 1 only
E. None of these

Correct answer: D. 1 only

Explanation

1. TLTRO liquidity had to be directed to specified investment-grade corporate debt rather than remaining unrestricted general-purpose funds.
2. Its primary immediate purpose was to improve liquidity and functioning of corporate bond markets. General support to every merchant or MSME was not the original direct investment mandate, so only statement 1 is correct.

Q42. Which of the following, once issued and listed, can be traded in the secondary market?

1. Equity shares
2. Preference shares
3. Shares allotted through a rights issue
4. Shares allotted as bonus shares

जारी और सूचीबद्ध होने के बाद कौन-सी प्रतिभूतियाँ द्वितीयक बाजार में खरीदी-बेची जा सकती हैं?

1. इक्विटी शेयर
2. अधिमानी शेयर
3. राइट्स से आवंटित शेयर
4. बोनस से आवंटित शेयर

- A. 1, 2 and 3 only
B. 2, 3 and 4 only
C. 1, 3 and 4 only
D. 1, 2, 3 and 4
E. None of these

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

Explanation

1. The secondary market allows investors to trade existing securities after issuance. Listed equity and preference shares can be transferred there.
2. A rights or bonus allotment occurs at issuance, but the resulting listed shares can subsequently trade in the secondary market. All four listed categories can therefore qualify.

Q43. Under a T+1 settlement cycle, shares are bought on Friday, 23 December 2022. Assuming there is no intervening weekday settlement holiday, when will settlement occur?

T+1 निपटान में शुक्रवार, 23 दिसंबर 2022 को खरीदे गए शेयर कब निपटेंगे, यदि बीच में कोई कार्यदिवस अवकाश नहीं है?

- A. 23rd December 2022
B. 24th December 2022
C. 25th December 2022
D. 26th December 2022
E. None of these

Correct answer: D. 26th December 2022

Explanation

1. T+1 means settlement on the next settlement working day, not after 24 calendar hours. Saturday and Sunday are excluded.
2. The next working day after Friday, 23 December 2022 is Monday, 26 December 2022. This answer uses the T+1 assumption expressly stated in the question.

Q44. State Development Loans are generally issued by auction, which is carried out by the Reserve Bank of India and pay interest at the coupon rate.

राज्य विकास ऋण पर कूपन ब्याज कितनी बार दिया जाता है?

- A. Quarterly
B. Half-yearly
C. Monthly
D. Yearly
E. None of these

Correct answer: B. Half-yearly

Explanation

1. State Development Loans are state-government securities generally auctioned through the RBI. Coupon interest is ordinarily paid half-yearly.
2. Principal is repaid at maturity. The frequency of interest payment differs from the maturity or the auction frequency.

Q45. Which among the following Securitie(s) is/are eligible under the RBI Retail Direct Scheme?

1. Government of India Treasury Bills
2. Government of India dated securities
3. Sovereign Gold Bonds (SGB)
4. AAA rate Corporate Bonds.

RBI रिटेल डायरेक्ट योजना में कौन-सी प्रतिभूतियाँ पात्र थीं?

1. ट्रेजरी बिल
2. केंद्र सरकार की दिनांकित प्रतिभूतियाँ
3. स्वर्ण बॉन्ड
4. AAA कॉर्पोरेट बॉन्ड

- A. 1, 2 and 3 only
B. 2, 3 and 4 only
C. 1, 3 and 4 only
D. 1, 2, 3 and 4
E. None of these

Correct answer: A. 1, 2 and 3 only

Explanation

1. Retail Direct provides access to government securities, including Treasury Bills, dated Government of India securities, SDLs and Sovereign Gold Bonds.
2. AAA corporate bonds are not government securities merely because they carry a high credit rating. Statements 1, 2 and 3 are correct.

Q46. Which of the following bond theorems is not correct?

निम्नलिखित में से कौन-सा बॉन्ड प्रमेय गलत है?

- A. The price of a bond is inversely related to the change in interest rate.
- B. The increase in the price of a bond when the interest rate goes down by a certain percentage, is greater than the decrease in its price when the interest rate goes up by the same percentage.
- C. Longer the term to maturity of a bond, lower will be its price sensitivity.
- D. Between two bonds of same maturity but different coupons, the bond with the lower coupon will experience more price sensitivity than the one with higher coupon.
- E. None of these

Correct answer: C. Longer the term to maturity of a bond, lower will be its price sensitivity.

Explanation

- 1. For otherwise comparable bonds, longer maturity generally means greater sensitivity to changes in market yield. The statement claiming lower sensitivity is incorrect.
- 2. Bond prices move inversely to yields, and lower-coupon bonds usually have higher interest-rate sensitivity. Convexity explains the asymmetry between comparable price gains and losses.

Q47. Which among the following is not an Alternate Reference Rate suggested to be used by various central Banks in substitution of LIBOR?

LIBOR के स्थान पर प्रयुक्त वैकल्पिक संदर्भ दरों में कौन-सी सूचीबद्ध दर सही नहीं है?

- A. SOFR
- B. SONIA
- C. SOFIA
- D. ESTR
- E. None of these

Correct answer: C. SOFIA

Explanation

- 1. SOFR is the US secured overnight benchmark, SONIA is the sterling overnight benchmark and euro STR is the euro short-term rate.
- 2. SOFIA is not one of the listed established replacement benchmarks. The names should be distinguished carefully because similar abbreviations can be misleading.

Q48. Which of the following are categories of FEDAI member banks?

- 1. Forex brokers
- 2. Public sector banks
- 3. Private sector banks
- 4. Foreign banks

FEDAI के सदस्य बैंकों की श्रेणियाँ कौन-सी हैं?

- 1. विदेशी मुद्रा दलाल
- 2. सार्वजनिक क्षेत्र के बैंक
- 3. निजी बैंक
- 4. विदेशी बैंक

- A. 1, 2 and 3 only
- B. 2, 3 and 4 only
- C. 1, 3 and 4 only
- D. 1, 2, 3 and 4
- E. None of these

Correct answer: B. 2, 3 and 4 only

Explanation

- 1. FEDAI membership includes banks authorised to deal in foreign exchange, including public sector, private sector and foreign banks.
- 2. Forex brokers may be accredited for relevant operations, but broker accreditation is not the same as membership as a bank. Statements 2, 3 and 4 are correct.

Q49. Which among the following is/are the function(s) of the Foreign Exchange Dealers' Association of India (FEDAI)?

1. Training of bank personnel in the areas of foreign exchange
2. Accreditation of forex brokers
3. Announcement of daily and periodical rates to member banks.

FEDAI के कौन-कौन से कार्य सही हैं?

1. बैंक कर्मियों का प्रशिक्षण
2. विदेशी मुद्रा दलालों की मान्यता
3. सदस्य बैंकों के लिए दर संबंधी सूचना

- A. 1 and 2 only
B. 2 and 3 only
C. 1, 2 and 3
D. 3 only
E. None of these

Correct answer: C. 1, 2 and 3

Explanation

1. FEDAI supports the foreign-exchange market through operating conventions, training, broker-related arrangements and rate information.
2. All three functions contribute to orderly market practices. FEDAI is an industry association, while statutory foreign-exchange regulation rests with the relevant authorities.

Q50. Which among the following country is not a member of Asian Clearing Union (ACU)?

निम्नलिखित में से कौन-सा देश एशियाई समाशोधन संघ का सदस्य नहीं है?

- A. Bangladesh
B. India
C. Afghanistan
D. Iran
E. None of these

Correct answer: C. Afghanistan

Explanation

1. Bangladesh, India and Iran are members of the Asian Clearing Union. Afghanistan is not a member.
2. The ACU facilitates settlement of eligible intra-regional payments. Membership should not be inferred merely from a country's location in Asia.

Q51. Under the historical four-category classification of merchant bankers, which category could act as an underwriter, adviser or consultant to an issue, but not as an issue manager?

व्यापारी बैंकों के पुराने चार-श्रेणी वर्गीकरण में कौन-सी श्रेणी हामीदार, सलाहकार या परामर्शदाता बन सकती थी, पर निर्गम प्रबंधक नहीं?

- A. Category I Merchant Bank
B. Category II Merchant Bank
C. Category III Merchant Bank
D. Category IV Merchant Bank
E. None of these

Correct answer: C. Category III Merchant Bank

Explanation

1. In the historical classification, Category III merchant bankers could act as underwriters, advisers and consultants but could not undertake issue management.
2. Category I had the broadest issue-management role. The question concerns the former classification, not the later registration framework.

Q52. Which statements about merchant bankers are correct?

- 1. A merchant banker may act as lead manager to an issue by its associate.**
- 2. A lead merchant banker must not associate with an unregistered merchant banker.**
- 3. A merchant banker must appoint a compliance officer.**

व्यापारी बैंकरों के बारे में कौन-से कथन सही हैं?

1. सहयोगी कंपनी का मुख्य निर्गम प्रबंधक बन सकता है
2. अपंजीकृत व्यापारी बैंकर से नहीं जुड़ना चाहिए
3. अनुपालन अधिकारी नियुक्त करना चाहिए

- A. 1 and 2 only
B. 2 and 3 only
C. 1 and 3 only
D. 1, 2 and 3
E. None of these

Correct answer: B. 2 and 3 only

Explanation

1. A lead merchant banker should not associate with an unregistered merchant banker, and a compliance officer must monitor regulatory compliance.
2. A merchant banker is restricted from lead-managing an issue by an associate, subject to the applicable regulatory exceptions. Therefore statements 2 and 3 are correct.

Q53. Which among the following statement is incorrect with respect to a Derivative?

व्युत्पन्न के बारे में कौन-सा कथन गलत है?

- A. It is a financial instrument whose value changes in response to the change in the underlying entity.
B. It is a financial instrument that requires high initial net investment
C. It is a financial instrument that is settled at a future date.
D. None of the above
E. None of these

Correct answer: B. It is a financial instrument that requires high initial net investment

Explanation

1. A derivative's value depends on an underlying asset, rate, index or other variable, and settlement occurs at a future date.
2. It generally requires no initial net investment or a smaller investment than other contracts with similar market exposure. A mandatory high initial net investment is not its defining feature.

Q54. Which among the following statement is incorrect with respect to the Forward contracts?

अग्रिम अनुबंध के बारे में कौन-सा कथन गलत है?

- A. Forward contracts necessarily have standardised, fixed maturities
B. Forward contracts can be negotiated directly between counterparties
C. Forward contracts are traded over the counter
D. Forward counterparties are in direct contact
E. None of these

Correct answer: A. Forward contracts necessarily have standardised, fixed maturities

Explanation

1. A forward contract is privately negotiated over the counter, allowing parties to tailor quantity, quality, maturity and other terms.
2. Standardised fixed maturities are characteristic of exchange-traded futures, not an essential feature of all forwards. The counterparties usually deal directly and face counterparty risk.

Q55. In which among the following kind of International Factoring, the import factor comes into focus only if the buyer defaults in making the payment?

किस अंतरराष्ट्रीय फैक्ट्रिंग प्रणाली में आयात फैक्टर की भूमिका मुख्यतः खरीदार के भुगतान चूकने पर आती है?

- A. Single Factor System
- B. Double Factor System
- C. Direct Import Factor System
- D. Triple Factor System
- E. None of these

Correct answer: A. Single Factor System

Explanation

1. In the single-factor system described here, the export factor handles the principal relationship and the import factor's role becomes prominent on buyer default.
2. This differs from a two-factor system, where export and import factors routinely divide collection, credit protection and other responsibilities. The allocation of roles distinguishes the systems.

Q56. Which among the following entities are the participants in Trade Receivables Discounting System (TReDS)?

- 1. MSME sellers
- 2. Corporate buyers
- 3. Government Departments
- 4. Public Sector Undertakings
- 5. NBFC factors

TReDS में कौन-कौन भाग ले सकते हैं?

- 1. MSME विक्रेता
- 2. कॉर्पोरेट खरीदार
- 3. सरकारी विभाग
- 4. सार्वजनिक उपक्रम
- 5. NBFC फैक्टर

- A. 1, 2 and 3 only
- B. 1, 3, 4 and 5 only
- C. 1, 2, 3, 4 and 5
- D. 2, 4. and 5 only
- E. None of these

Correct answer: C. 1, 2, 3, 4 and 5

Explanation

1. TReDS connects eligible MSME sellers and their buyers with financiers. Buyers can include corporates, government departments and public sector undertakings.
2. Banks and eligible NBFC factors can provide finance through the platform. All five categories listed can participate in their respective roles.

Q57. Which among the following is/are not the feature(s) of Venture Capital Finance?

1. They are high risk investments made with an intention of making high profits.
2. Investments are generally done in innovative projects.
3. The investments are made in brown field entities.
4. The provider of venture capital can participate in the management of the company.

उद्यम पूंजी की कौन-सी सूचीबद्ध विशेषता सही नहीं है?

1. उच्च जोखिम और लाभ की संभावना
2. नवीन परियोजनाएँ
3. स्थापित ब्राउनफील्ड इकाइयाँ
4. प्रबंधन में भागीदारी

- A. 1, 2 and 4 only
B. 1 and 2 only
C. 3 only
D. 3 and 4 only
E. None of these

Correct answer: C. 3 only

Explanation

1. Venture capital typically supports young, innovative businesses with high growth potential and high risk. The investor may also participate in management and strategy.
2. Investment in established brownfield entities is not the characteristic emphasis of venture capital. Hence statement 3 is the exception.

Q58. Which among the following is/are the exit routes for Venture Capital Finance?

1. Buy back of Shares by the Promoters
2. Liquidation of the Investee Company
3. Initial Public Offering

उद्यम पूंजी निवेश से बाहर निकलने के कौन-कौन से तरीके हैं?

1. प्रवर्तकों द्वारा पुनर्खरीद
2. निवेश प्राप्त कंपनी का परिसमापन
3. प्रारंभिक सार्वजनिक निर्गम

- A. 1 and 2 only
B. 2 and 3 only
C. 1 and 3 only
D. 1, 2 and 3
E. None of these

Correct answer: D. 1, 2 and 3

Explanation

1. A venture-capital investor may exit through a promoter buyback, IPO, trade sale or other transfer. Liquidation is also an exit outcome when the company is wound up.
2. All three listed routes are possible, although liquidation is generally less desirable than a successful sale or listing. The question asks what is possible, not what is most profitable.

Q59. An airline owner wants to use an aircraft on lease. Which among the following is the most appropriate kind of leasing?

विमान का उपयोग करने के लिए एयरलाइन को कौन-सा पट्टा सबसे उपयुक्त माना जाता है?

- A. Direct Leasing
B. Sale and Lease Back
C. Finance Lease
D. Operating Lease
E. None of these

Correct answer: D. Operating Lease

Explanation

1. An operating lease allows an airline to use an aircraft for an agreed period without purchasing it outright. Ownership remains with the lessor.
2. It can reduce upfront investment and provide fleet flexibility. Finance leases and sale-and-leaseback arrangements serve different commercial or financing purposes.

Q60. Under the traditional off-balance-sheet treatment of an operating lease, what happens to the lessee's reported debt-equity ratio when the lease itself adds neither debt nor equity?

पुराने ऑफ-बैलेंस-शीट परिचालन पट्टा लेखांकन में, यदि ऋण और इक्विटी दोनों नहीं बढ़ते, तो ऋण-इक्विटी अनुपात पर क्या प्रभाव होगा?

- A. Debt equity ratio increases
- B. Debt equity ratio decreases
- C. Debt equity ratio remains unchanged
- D. It cannot be determined
- E. None of these

Correct answer: C. Debt equity ratio remains unchanged

Explanation

1. If neither reported debt nor equity changes, the debt-equity ratio remains unchanged under the stated traditional treatment.
2. This result depends on the accounting assumption. Under Ind AS 116, most leases produce a right-of-use asset and lease liability, which can change the reported ratio.

Q61. Which among the following is not a feature of Hire Purchase?

1. Hire purchaser does not become the owner of the asset even after paying the last instalment.
2. Only the interest element included in the hire-purchase instalments are in nature of revenue expenditure.
3. Hire purchaser cannot claim for depreciation.
4. Hire purchaser can claim interest payment from the taxable income.

किराया-खरीद की कौन-सी विशेषताएँ गलत हैं?

1. अंतिम किस्त के बाद भी स्वामित्व नहीं मिलता
2. ब्याज राजस्व व्यय है
3. मूल्यहास नहीं ले सकता
4. ब्याज की कर कटौती मिल सकती है

- A. 1 and 4 only
- B. 1 and 3 only
- C. 1, 2 and 3 only
- D. 4 only
- E. None of these

Correct answer: B. 1 and 3 only

Explanation

1. A hire purchaser normally acquires ownership after all agreed payments and exercise of the purchase option. The interest component is treated separately from the asset's capital cost.
2. For the conventional tax treatment tested here, the hirer can claim depreciation and eligible interest deductions. Statements 1 and 3 are therefore incorrect.

Q62. In the broad textbook classification, credit ratings are grouped into investment grade, non-investment grade and which third category?

निवेश श्रेणी और गैर-निवेश श्रेणी के अतिरिक्त व्यापक ऋण रेटिंग वर्गीकरण की तीसरी श्रेणी कौन-सी है?

- A. Sovereign grade
- B. Default grade
- C. Listed grade
- D. Promoter grade
- E. None of these

Correct answer: B. Default grade

Explanation

1. The broad classification distinguishes investment grade, non-investment or speculative grade, and default grade. Default indicates failure to meet contractual obligations.
2. Individual rating symbols provide finer distinctions within the categories. The number of symbols is different from the number of broad categories.

Q63. A fund is an open-ended debt scheme investing in government securities across maturity.

विभिन्न परिपक्वताओं वाली सरकारी प्रतिभूतियों में निवेश करने वाला खुला ऋण फंड क्या कहलाता है?

- A. Gilt fund
- B. Conservative Hybrid Fund
- C. Fund of Funds
- D. Floater Fund
- E. None of these

Correct answer: A. Gilt fund

Explanation

1. A gilt fund invests predominantly in government securities across maturities. These securities have sovereign credit backing.
2. Gilt funds still face interest-rate and market-price risk. Low credit risk does not mean their net asset value cannot fluctuate.

Q64. Mr. Rajesh owns a restaurant, which he bought three year ago, for Rs. 50 lakhs. He had bought fire insurance worth Rs. 40 lakhs. His restaurant caught fire and he suffered a loss of Rs. 50 lakhs. The amount of compensation to be paid by the insurance company is

50 लाख रुपये का रेस्तराँ 40 लाख रुपये का बीमित है और आग से 50 लाख रुपये की पूरी हानि होती है। क्षतिपूर्ति कितनी होगी?

- A. 35 lakhs
- B. 40 lakhs
- C. 32 lakhs
- D. None of the above
- E. None of these

Correct answer: B. 40 lakhs

Explanation

1. With total loss of Rs.50 lakh and a sum insured of Rs.40 lakh, the maximum claim is Rs.40 lakh, subject to policy terms.
2. Under the average clause, $\text{claim} = \text{loss} \times \frac{\text{sum insured}}{\text{asset value}} = 50 \times \frac{40}{50} = \text{Rs.40 lakh}$. Insurance does not pay more than the agreed sum insured.

Q65. The risk coverage under the Prime Minister Jeevan Jyoti Bima Yojana (PMJJBY) is ____ in case of death of the insured, due to any reason.

PMJJBY में बीमित व्यक्ति की किसी भी कारण से मृत्यु पर जोखिम कवर कितना था?

- A. Rs. 1 lakh
- B. Rs. 2 lakhs.
- C. Rs. 5 lakhs.
- D. Rs. 10 lakhs
- E. None of these

Correct answer: B. Rs. 2 lakhs.

Explanation

1. PMJJBY provides life insurance cover of Rs.2 lakh for death due to any cause, subject to scheme conditions. It is a renewable term-life scheme.
2. The sum assured should not be confused with the annual premium. PMJJBY is distinct from PMSBY, which provides accident-related cover.

Q66. The lock-in period for the Public Provident Fund (PPF) Scheme is ____ years.

लोक भविष्य निधि खाते की मूल अवधि कितने वर्ष है?

- A. 5 years
- B. 10 years
- C. 15 years
- D. 20 years
- E. None of these

Correct answer: C. 15 years

Explanation

1. The PPF account matures after 15 years, calculated from the end of the financial year in which it was opened. Extensions are possible in five-year blocks.
2. Limited withdrawals or premature closure can be permitted under specified rules, so maturity should not be confused with an absolute ban on every earlier withdrawal.

Q67. An Indian citizen residing in London, aged 30 and not an income-tax payer, wishes to join APY. Which statement is correct?

लंदन में रहने वाला 30 वर्षीय भारतीय नागरिक, जो आयकरदाता नहीं है, APY में कब शामिल हो सकता है?

- A. NRIs are never eligible for APY
- B. He may join if he satisfies the eligibility rules and has a savings bank or post-office savings account
- C. He needs permission from EPFO
- D. He needs individual permission from SEBI and RBI
- E. None of these

Correct answer: B. He may join if he satisfies the eligibility rules and has a savings bank or post-office savings account

Explanation

1. An eligible NRI who remains an Indian citizen may join APY if the scheme's conditions are met and a savings-bank or post-office savings account is available.
2. The entry age is 18 to 40 years. From October 2022, an income-tax payer could not newly join; the question expressly states that this applicant is not one.

Q68. Which of the following is NOT a valid property-sector classification of REITs?

REIT के निम्न संपत्ति-क्षेत्र वर्गों में से कौन-सा अमान्य है?

- A. Residential REITs
- B. Healthcare REITs
- C. Office REITs
- D. Industrial REITs
- E. None of these

Correct answer: E. None of these

Explanation

1. Residential, healthcare, office and industrial properties can all form sector-based REIT classifications. None of the four is inherently invalid.
2. This classification differs from the equity, mortgage and hybrid distinction, which describes the investment structure. The correct answer is None of these.

Q69. Which among the following is not one of the category into which World Bank classifies economies based upon Per Capita Income (PCI)?

विश्व बैंक की प्रति व्यक्ति आय आधारित अर्थव्यवस्था श्रेणियों में कौन-सी श्रेणी नहीं है?

- A. Low Income
- B. Lower Middle-Income
- C. Upper Middle-Income
- D. Upper Higher Income
- E. None of these

Correct answer: D. Upper Higher Income

Explanation

1. The World Bank uses low-income, lower-middle-income, upper-middle-income and high-income categories, based on GNI per capita.
2. Upper Higher Income is not an official category name. Classification thresholds are periodically updated, but the four group names remain distinct.

Q70. Banking belongs to which among the following sectors?

बैंकिंग किस आर्थिक क्षेत्र में आती है?

- A. Primary Sector
- B. Secondary Sector
- C. Tertiary Sector
- D. Quinary Sector
- E. None of these

Correct answer: C. Tertiary Sector

Explanation

1. Banking provides financial services and belongs to the tertiary or service sector. It facilitates saving, lending, payments and risk management.
2. The primary sector extracts natural resources, while the secondary sector manufactures or processes goods. Banking is not classified by whether its customers are farmers or factories.

Q71. Which of the following CAMELS component descriptions is incorrectly matched?

CAMELS के निम्न घटकों में कौन-सा गलत मिलान है?

- A. C - Capital adequacy
- B. A - Asset quality
- C. M - Money
- D. E - Earnings
- E. None of these

Correct answer: C. M - Money

Explanation

1. In the Indian supervisory framework tested here, CAMELS refers to Capital adequacy, Asset quality, Management, Earnings, Liquidity and Systems and controls.
2. M represents Management, not Money. The other displayed pairs correctly identify their respective components.

Q72. The Foreign Direct Investment that is based on an agreement in which a foreign company and a local company join up to share investment, technology, profits, and so on is

विदेशी और स्थानीय कंपनियाँ निवेश, तकनीक तथा लाभ साझा करने के लिए साथ आती हैं। यह कौन-सा निवेश रूप है?

- A. Greenfield FDI
- B. Brownfield FDIs
- C. Joint Venture
- D. None of the above
- E. None of these

Correct answer: C. Joint Venture

Explanation

1. A joint venture is an arrangement in which parties combine resources and share control, risks and benefits of a business activity.
2. A greenfield investment creates new operations, while a brownfield investment acquires or uses existing operations. The collaborative ownership arrangement identifies the joint venture.

Q73. The Sustainable Development Goals were announced in September 2015 by which among the following?

सितंबर 2015 में सतत विकास लक्ष्यों को किस निकाय ने अपनाया था?

- A. United Nations General Assembly
- B. United Nations Educational, Scientific and Cultural Organization
- C. United Nations Development Programme
- D. Indian Government
- E. None of these

Correct answer: A. United Nations General Assembly

Explanation

1. The United Nations General Assembly adopted the 2030 Agenda for Sustainable Development in September 2015. It contains 17 SDGs.
2. The goals address economic, social and environmental development. Adoption by the General Assembly is distinct from implementation support by UNDP and other agencies.

Q74. Which of the following is the correct full form of OSOWOG initiative of the Indian Government?

OSOWOG पहल का सही पूरा नाम क्या है?

- A. One Sun, One World, One Grid
- B. One Sun, One World, One Goal
- C. One Source, One World, One Grid
- D. None of the above
- E. None of these

Correct answer: A. One Sun, One World, One Grid

Explanation

1. OSOWOG stands for One Sun, One World, One Grid. It envisages cooperation and grid connectivity to make renewable, particularly solar, energy more widely available.
2. The idea takes advantage of different time zones and regional generation patterns. Grid connectivity is the distinguishing element.

Q75. Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses. This definition of Economic is called

अर्थशास्त्र को वैकल्पिक उपयोग वाले दुर्लभ साधनों और उद्देश्यों के संबंध का अध्ययन बताने वाली परिभाषा क्या कहलाती है?

- A. Wealth Definition of Economy
- B. Scarcity Definition of Economy
- C. Welfare Definition of Economy
- D. Modern Definition of Economy
- E. None of these

Correct answer: B. Scarcity Definition of Economy

Explanation

1. Lionel Robbins' scarcity definition focuses on unlimited wants and scarce resources with alternative uses. Economic choice arises because resources cannot satisfy every want.
2. It differs from Adam Smith's wealth definition and Marshall's welfare approach. Scarcity and choice are the central ideas.

Q76. What was the Marginal Standing Facility (MSF) rate in May 2023?

मई 2023 में सीमांत स्थायी सुविधा की ब्याज दर कितनी थी?

- A. 6.25%
- B. 6.5%
- C. 6.75%
- D. 3.35%
- E. None of these

Correct answer: C. 6.75%

Explanation

1. The MSF rate in May 2023 was 6.75%, while the policy repo rate was 6.50%. MSF was the upper bound of the LAF corridor.
2. The SDF rate was 6.25%. These are historical May 2023 figures and the rates should not be substituted with rates from a later cycle.

Q77. Which among the following is the correct relationship between Gross Domestic Product (GDP), Net Domestic Product (NDP) and Depreciation?

GDP, NDP और मूल्यहास के बीच सही संबंध क्या है?

- A. $NDP = GDP - Depreciation$
- B. $NDP = GDP + Depreciation$
- C. $GDP = NDP - Depreciation$
- D. None of the above
- E. None of these

Correct answer: A. $NDP = GDP - Depreciation$

Explanation

1. Net Domestic Product = Gross Domestic Product - depreciation, also called consumption of fixed capital.
2. Gross output includes the allowance for capital used up in production; net output deducts it. The same price basis must be used for both GDP and NDP.

Q78. In the original RRB shareholding structure, what was the equity allocation among the Central Government, State Government and sponsor bank?

RRB की मूल शेयरधारिता संरचना में केंद्र, राज्य और प्रायोजक बैंक का हिस्सा कितना था?

- A. 50% : 15% : 35%
- B. 15% : 50% : 35%
- C. 50% : 35% : 15%
- D. 35% : 15% : 50%
- E. None of these

Correct answer: A. 50% : 15% : 35%

Explanation

1. The original RRB equity pattern was 50% Central Government, 15% State Government and 35% sponsor bank.
2. The ordering of the three stakeholders is essential. Later capital-raising provisions should not be confused with the original standard pattern asked here.

Q79. Which among the following statement(s) is/ are correct with respect to Payment Banks in India?

1. Payment banks can accept deposits of up to Rs. 3 lakh per customer.
2. The money received as deposits can be invested in government securities which are eligible for inclusion in Statutory Liquidity Ratio (SLR).
3. They are permitted to issue debit cards, although not credit cards.
4. Payment banks cannot lend.

मई 2023 में भुगतान बैंकों के बारे में कौन-से कथन सही थे?

1. प्रति ग्राहक 3 लाख रुपये जमा
2. पात्र सरकारी प्रतिभूतियों में निवेश
3. डेबिट कार्ड जारी करना
4. ऋण नहीं देना

- A. 1, 2 and 3 only
- B. 2, 3 and 4 only
- C. 1,3 and 4 only
- D. 1, 2, 3 and 4
- E. None of these

Correct answer: B. 2, 3 and 4 only

Explanation

1. In May 2023, the maximum end-of-day deposit balance per individual customer was Rs.2 lakh, so the Rs.3 lakh statement is incorrect.
2. Payments banks could invest deposits under the prescribed government-securities framework, issue debit cards but not credit cards, and could not undertake lending. Statements 2, 3 and 4 are correct.

Q80. As per which Section of the Banking Regulation Act, 1949 RBI gives license to banks?

बैंकिंग विनियमन अधिनियम की किस धारा के अंतर्गत RBI बैंकिंग लाइसेंस देता है?

- A. Section 20
- B. Section 21
- C. Section 22
- D. Section 24
- E. None of these

Correct answer: C. Section 22

Explanation

1. Section 22 of the Banking Regulation Act, 1949 requires a banking company to obtain a licence from the RBI to carry on banking business.
2. Licensing involves assessment of statutory conditions, including the ability to meet depositors' claims and conduct business prudently. This differs from Section 22 of the RBI Act, which concerns banknotes.

Q81. How much was the minimum deposit of banks that were Nationalisation in 1969?

1969 में राष्ट्रीयकृत बैंकों के लिए जमा राशि की न्यूनतम सीमा कितनी थी?

- A. Rs 25 crores
- B. Rs 50 crores
- C. Rs 100 crores
- D. Rs 200 crores
- E. None of these

Correct answer: B. Rs 50 crores

Explanation

1. The 14 major commercial banks nationalised in July 1969 each had deposits of at least Rs.50 crore.
2. The deposit threshold for the six banks nationalised in 1980 was different. The question specifically concerns the first round in 1969.

Q82. Which among following is the maximum period of lending for notice money?

नोटिस मनी की अधिकतम अवधि कितनी होती है?

- A. 1 day
- B. 2 days
- C. 14 days
- D. 28 days
- E. None of these

Correct answer: C. 14 days

Explanation

1. Notice money covers unsecured borrowing or lending for more than one day and up to 14 days. Overnight funds are call money.
2. Term money begins beyond 14 days and extends up to one year under the relevant market definition. The upper limit here is 14 days.

Q83. Which among the following is not a duration of the Treasury Bills issued by the Indian Government?

निम्नलिखित में से कौन-सी भारतीय ट्रेजरी बिल की मानक अवधि नहीं है?

- A. 91-day
- B. 182-day
- C. 364-day
- D. 271-day
- E. None of these

Correct answer: D. 271-day

Explanation

1. Standard Treasury Bills in India are issued with 91-day, 182-day and 364-day maturities. They are short-term government securities.
2. A 271-day bill is not one of these standard maturities. Treasury Bills are issued at a discount and redeemed at face value rather than paying regular coupons.

Q84. If a company wants to borrow USD 10 lakhs, for a period of 6 months, 3 months from now, what type of FRA should it buy?

तीन महीने बाद शुरू होने वाली छह महीने की डॉलर उधारी के लिए कौन-सा FRA उपयुक्त है?

- A. 3x6
- B. 6x3
- C. 6x9
- D. 3x9
- E. None of these

Correct answer: D. 3x9

Explanation

1. A 3 x 9 FRA starts in three months and ends in nine months, covering the six-month period between those dates.
2. The two numbers identify the start and end times from today, not the start and length. A 3 x 6 FRA would cover only a three-month borrowing period.

Q85. The exclusive section of the Income Tax Act which provides tax benefits for health insurance is स्वास्थ्य बीमा के लिए कर लाभ देने वाली आयकर अधिनियम की धारा कौन-सी है?

- A. Section 80D
- B. Section 80A
- C. Section 88C
- D. Section 80C
- E. None of these

Correct answer: A. Section 80D

Explanation

1. Section 80D provides eligible deductions for health-insurance premiums and specified medical or preventive-health expenditure, subject to conditions.
2. Section 80C covers a different group of savings and investments. Deduction amounts depend on the taxpayer's situation and the applicable tax regime.

Q86. When is the budget usually presented in India?

भारत में केंद्रीय बजट सामान्यतः किस तारीख को प्रस्तुत किया जाता है?

- A. January 1
- B. February 1
- C. April 1
- D. Last day of February
- E. None of these

Correct answer: B. February 1

Explanation

1. The Union Budget is normally presented on 1 February. The date was advanced from the last working day of February beginning in 2017.
2. Earlier presentation allows the parliamentary approval process to be completed before the financial year begins on 1 April.

Q87. The Narasimham Committee, established for reforms in the banking sector, delivered its findings in two phases. In which years were these recommendations made?

नरसिम्हम समिति की दो प्रमुख बैंकिंग सुधार रिपोर्टें किन वर्षों में आई थीं?

- A. 1991 and 1998
- B. 1992 and 2001
- C. 1993 and 1999
- D. 1993 and 1998
- E. None of these

Correct answer: A. 1991 and 1998

Explanation

1. The first Narasimham Committee report was submitted in 1991, and the second major banking-sector reform report in 1998.
2. The first focused on financial-system reforms, while the second addressed further banking-sector strengthening, including prudential norms and asset quality.

Q88. Which of the following accurately describes a Floater Mutual Fund?

फ्लोटर म्यूचुअल फंड का सही वर्णन क्या है?

- A. A fund focusing on fixed-interest bonds
- B. A fund exclusively investing in stocks
- C. A fund mainly investing in floating-rate debt securities
- D. A fund dedicated to government bonds
- E. None of these

Correct answer: C. A fund mainly investing in floating-rate debt securities

Explanation

1. A floater fund is a debt scheme investing mainly in floating-rate instruments, including permitted instruments converted to floating-rate exposure through swaps.
2. The interest paid by a floating-rate security changes with its benchmark. This differs from a fixed-rate bond whose coupon remains unchanged.

Q89. Under which legislation is foreign exchange governed in India?

भारत में विदेशी मुद्रा का विनियमन किस अधिनियम से होता है?

- A. The Foreign Exchange Management Act, 2001
- B. The Foreign Exchange Management Act, 1999
- C. The Foreign Exchange Regulation Act, 2001
- D. The Foreign Exchange Regulation Act, 1998
- E. None of these

Correct answer: B. The Foreign Exchange Management Act, 1999

Explanation

1. FEMA, 1999 provides the legal framework for foreign-exchange management in India. It came into force on 1 June 2000, replacing FERA.
2. Its approach facilitates external trade and payments while promoting orderly development and maintenance of the foreign-exchange market.

Q90. Goods valued at Rs.60 lakh are insured for Rs. 45 lakh and are completely destroyed by fire. Under the average clause, what is the insurance claim, subject to policy terms?

60 लाख रुपये का माल 45 लाख रुपये का बीमित है और पूरी तरह नष्ट हो जाता है। दावा कितना होगा?

- A. 50 lakhs
- B. 45 lakhs
- C. 40 lakhs
- D. 55 lakhs
- E. None of these

Correct answer: B. 45 lakhs

Explanation

1. For total destruction of goods worth Rs.60 lakh insured for Rs.45 lakh, the claim is capped at the sum insured of Rs.45 lakh, subject to policy terms.
2. Under the average clause, $\text{claim} = 60 \times 45 / 60 = \text{Rs.45 lakh}$. A partial loss would require applying the same underinsurance proportion to that smaller loss.

Q91. In the context of marketing, the phrase 'Primary Territory' denotes:

विपणन में 'प्राथमिक क्षेत्र' का क्या अर्थ है?

- A. The market segment the company aspires to dominate
- B. The market segment the company envisions venturing into next
- C. The region where the company registers the bulk of its sales
- D. The region where the company has established its manufacturing facilities
- E. None of these

Correct answer: C. The region where the company registers the bulk of its sales

Explanation

1. A primary sales territory is the geographical area from which a business receives the major share of its sales or customers.
2. It differs from an area targeted for future expansion and from the location of a manufacturing plant. Existing sales concentration determines the primary territory.

Q92. In the context of Indian banking, Priority Sector Lending is associated with providing credit to:

प्राथमिकता क्षेत्र ऋण का मुख्य उद्देश्य किन क्षेत्रों को ऋण उपलब्ध कराना है?

- A. Major industrial entities
- B. Public sector undertakings
- C. Economic sectors that might face challenges in securing timely and sufficient financing
- D. International corporations operating in India
- E. None of these

Correct answer: C. Economic sectors that might face challenges in securing timely and sufficient financing

Explanation

1. PSL directs banking credit toward sectors that may not otherwise obtain timely and adequate finance, including agriculture, MSMEs and specified weaker sections.
2. Eligibility depends on the prescribed categories and conditions. The purpose is broader access to productive credit, not preferential finance for all large corporations.

Q93. Which statement does not accurately reflect the features of a Hire Purchase agreement?

किराया-खरीद समझौते की कौन-सी बात अनिवार्य विशेषता नहीं है?

- A. Ownership transfer of the goods occurs post the final payment
- B. The goods can be taken back in case the hirer defaults on an installment
- C. An extensive initial payment is mandatory to initiate the contract
- D. The hirer holds the privilege to utilize the goods right from the start of the contract
- E. None of these

Correct answer: C. An extensive initial payment is mandatory to initiate the contract

Explanation

1. Hire purchase permits use of an asset while instalments are paid, with ownership usually passing after the agreed final payment and purchase option.
2. Repossession can follow default under the contract. A very large initial payment is not a universal mandatory feature of every hire-purchase agreement.

Q94. Which of the following best characterizes venture capital?

उद्यम पूंजी का सबसे सही वर्णन क्या है?

- A. Funding granted to nascent, high-potential, expanding startup firms
- B. Credits given by financial institutions to small-scale enterprises
- C. Capital supplied by governmental bodies to industry sectors
- D. Investments made by stockholders to an organization
- E. None of these

Correct answer: A. Funding granted to nascent, high-potential, expanding startup firms

Explanation

1. Venture capital provides risk capital to young businesses with substantial growth potential, often where conventional bank finance is difficult to obtain.
2. Returns commonly depend on an eventual exit through sale or listing. It is not simply an ordinary loan to any small business.

Q95. What does the abbreviation NNP stand for in the context of economics?

अर्थशास्त्र में NNP का पूरा नाम क्या है?

- A. National New Profit
- B. Net Neighbourhood Product
- C. Net National Product
- D. Next National Profit
- E. None of these

Correct answer: C. Net National Product

Explanation

1. NNP means Net National Product. It is obtained by deducting depreciation from Gross National Product.
2. GNP measures output attributable to residents, including net factor income from abroad. NNP removes the amount of fixed capital consumed during production.

Q96. How is the fiscal deficit best defined in the context of public finance?

राजकोषीय घाटे की सही परिभाषा क्या है?

- A. Total expenditure minus all receipts, including borrowings
- B. Total receipts minus total expenditure
- C. Revenue receipts minus interest payments
- D. Total expenditure minus revenue receipts and non-debt capital receipts
- E. None of these

Correct answer: D. Total expenditure minus revenue receipts and non-debt capital receipts

Explanation

1. Fiscal deficit is total government expenditure minus revenue receipts and non-debt capital receipts. Borrowings are excluded from receipts for this calculation.
2. It represents the government's overall borrowing requirement. Interest payments are included; subtracting them gives the primary deficit.

Q97. The PM Gati Shakti Plan pertains to:

पीएम गति शक्ति योजना मुख्यतः किससे संबंधित है?

- A. Universal health coverage for all inhabitants
- B. Encouraging digital transactions and broadening financial inclusion
- C. Enhancing infrastructural growth and improving connectivity
- D. Boosting entrepreneurial ventures and fostering startups
- E. None of these

Correct answer: C. Enhancing infrastructural growth and improving connectivity

Explanation

1. PM Gati Shakti is a national master plan for integrated multimodal infrastructure connectivity. It coordinates planning across ministries and different transport modes.
2. Better connectivity and coordinated execution aim to reduce logistics bottlenecks and costs. It is not primarily an insurance or payment scheme.

Q98. In the realm of monetary economics, what do the terms M1 and M2 denote?

मौद्रिक अर्थशास्त्र में M1 और M2 क्या दर्शाते हैं?

- A. Various indicators of stock market dynamics
- B. Distinct stages of public debt
- C. Distinct categorizations of the money stock
- D. Different evaluations of fiscal shortfall
- E. None of these

Correct answer: C. Distinct categorizations of the money stock

Explanation

1. M1 and M2 are measures of the money stock. In the traditional Indian aggregates, M1 includes currency with the public, demand deposits with banks and other deposits with the RBI.
2. M2 adds savings deposits with post-office savings banks to M1. They are monetary aggregates rather than fiscal-deficit measures.

Q99. What were the principal objectives set during COP26?

COP26 के चार प्रमुख वैश्विक लक्ष्य कौन-से थे?

- A. Net zero by 2030, education, taxation and trade
- B. Net zero by mid-century, adaptation, finance and collaboration
- C. Net zero by 2040, defence, trade and youth engagement
- D. Net zero by 2050, taxation, agriculture and stock-market regulation
- E. None of these

Correct answer: B. Net zero by mid-century, adaptation, finance and collaboration

Explanation

1. The four broad COP26 goals were net zero by mid-century and keeping 1.5 degrees within reach, adaptation, mobilisation of finance, and working together.
2. Mitigation addresses emissions, while adaptation protects communities and habitats from climate impacts. Finance and collaboration support both.

Q100. What was the principal context and purpose of NITI Aayog's Strategy for New India @75?

नीति आयोग की 'न्यू इंडिया @75' रणनीति का मुख्य उद्देश्य क्या था?

- A. Setting ecological targets for 2075
- B. Setting development priorities around the 75th anniversary of independence
- C. Launching a pension scheme for citizens aged 75
- D. Replacing all Sustainable Development Goals
- E. None of these

Correct answer: B. Setting development priorities around the 75th anniversary of independence

Explanation

1. Strategy for New India @75 set out development priorities connected with the 75th anniversary of independence and the 2022-23 horizon.
2. It grouped recommendations under Drivers, Infrastructure, Inclusion and Governance. The title does not refer to achieving goals in the year 2075.