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CIVIL SERVICES PRELIMINARY EXAM

VAJIRAO & REDDY INSTITUTE

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B

Test Booklet Code: 191 Test Booklet No: 580081 Total Ques: 100

1 C

Ex. Gross value added (GVA) is defined as the value of output less the value of intermediate consumption. Value added represents the contribution of labour and capital to the production process. When the value of taxes on products (less subsidies on products) is added, the sum of value added for all resident units gives the value of gross domestic product (GDP). Thus, Gross Domestic Proeduct (GDP) of any nationl represent the sum total of gross value added (GVA) (i.e., without discounting for capital consumption or depreciation) in all the sectors of that economy during the said year after adjusting for taxes and subsidies.

2 A

Ex. Dearness Allowance is the cost of living adjustment allowance which the government pays to to the employees of the public sector as well as pensioners of the same. The Dearness Allowance is paid by the government to its employees and pensioners in a bid to avoid the impact of inflation. Hence statement 1 is correct.
Dearness Allowance can be basically understood as a component of salary which is some fixed percentage of the basic salary, aimed at hedging the impact of inflation. Since DA is directly related to the cost of living, the DA component is different for different employees based on their location. This means DA is different employees in the urban sector, semi-urban sector or the rural sector.
Consumer price index for industrial workers (CPI-W) is used to determine dearness allowance (DA). Hence statement 2 is not correct.

3 A

Ex. The Outlays, Outputs and Outcomes are presented to the Parliament in measurable terms, bringing in greater accountability for the agencies involved in the execution of government schemes and projects. 'Outlay' is the amount that is provided for a given scheme or project in the Budget; while 'Output' refers to the direct and measurable product of program activites, often expressed in physical terms of units. 'Ouctomes' are the collective results or qualitative improvements brought about in the delivery of these services, often expressed in terms of improvements onver ex-ante or earlier indicators and benchmarks. Hence only pair 1 is correctly matched.
From the year 2017-18 onwards, it was decided that the output and outcomes of the schemes of 68 Ministries and Departments will be available along with the financial outlays as a part of the Budget documents.

4 B

Ex.

5 C

Ex.

6 C

Ex. Statement 1 is correct : Sensex, otherwise known as the S&P BSE Sensex index, is the benchmark index of the Bombay Stock Exchange (BSE) in India. Sensex is composed of 30 of the largest and most actively-traded stocks on the BSE, providing an accurate guage of India's economy. Initially compiled in 1986, the Sensex is the oldest stock index in India.
Statement 2 is correct : Sensex is calculated by assigning proportional weightage to all the stocks using "Market Capitalisation-Weightaged" methodology in which weights are assigned according to the size of the company. Larger the size, higher the weightage.

7 D

Ex.

8 A

Ex.

9 C

Ex.

10 B

Ex.

11 A

Ex.

12 B

Ex.

13 A

Ex.

14 A

Ex.

15 B

Ex. Gross National Product (GNP) is the money value of all the goods and services produced within the domestic territoery of a country in an accounting year corrected for net income from abroad. GNP º GDP + Factor income earned by the domestic factors of production employed in the rest of the world - Factor income earned by the factors of production of the rest of the world employed in the domestic economy Hence,
GDNP ≡ GDP + Net factor income from aboradf. So when net factor income from abroad is zero the Gross Domestic Product will be eqaul to Gross National Product. In absence of the governments indirect taxes and subsidies, the total value of final goods and services produced in the economy, GDP, become identically equal to the National Income.

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16 C

Ex. It is a situation in an economy when inflation and unemployment both are at higher levels- contrary to conventional belief. Such a situation first arose in 1970s in the US economyand in many Euro American economies. This took place as a result of Oil price increases of 1973 and 1979. When the economy is passing through the cycle of stagnation and the government shuffles wiht the economic policy, a sudden and temporary rice rise is seen in some of the goods. Staglfation is bascially combination of high inflation and low growth.

17 D

Ex.

18 A

Ex.

19 B

Ex.

20 C

Ex.

21 A

Ex.

22 B

Ex.

23 B

Ex.

24 C

Ex.

25 B

Ex.

26 A

Ex.

27 C

Ex. Angel tax is a term used to refer to the income tax payable on capital raised by unlisted comapnies via issue of shares where the share price is seen in excess of the fair market value of the shares sold. The excess realisation is treated as income and taxed accordingly. The tax was introduced in the 2012 Union Budget by then finance minister Pranab Mukherjee to arrest laundering of funds. It has come to be called angel tax since it largely impacts angle investments in startups.

28 C

Ex.

29 C

Ex. Statements 1 and 2 are correct: Market Stabilization scheme (MSS) is a monetary policy intervention by the RBI to withdraw excess liquidity (or money supply) by selling government securities in the economy. The MSS was introduced in April 2004.
MSS is used when there is high liquidity in the system. The issued securities are government bonds and they are called as Market Stabilisation Bonds (MSBs). To carry out the MSS, the government lends its bonds or securities (MSBs) to the RBI. In this way, the RBI becomes a debtor to the government equal to the value of the MSBs. The money obtained under MSS should be kept with the RBI. It should not be transferred to the government. This is because, if it is transferred, government will spend the money in the economy thereby adding to liquidity.

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30 D

Ex. An NPA refers to a loan or lease that is not meeting its stated principal and interest payments. A loan is an asset for a bank as the interest payments and the repayment of the principal amount create a stream of cash flows. According to RBI, bad loans have impaired monetary policy transmission in India as banks were unable to increase their lending rates and protect net interest margins (NIMs). When the gross NPA ratio was high and rising, banks were not able to protect their NIMs as in a competitive environment, there are limits up to which banks can charge extra credit risk premia. NIMs of public sector banks, which had large NPA/stressed assets, were negatively impacted. NIMs are the difference between the yield a bank earns on loans and that it pays on deposits.

31 A

Ex. Statemnt 1 is correct: National Companies Law Tribuna (NCLT) and National Companies Law Appellate Tribunal (NCLAT) were set up under Companies Act, 2013.
Statement 2 is not correct : National Companies Law Appellate Tribunal (NCLAT) can hear appeals against the orders of National Company Law Tribunal(s) (NCLT). NCLAT is also the Appellate Tribunal for hearing appearl against the orders passed by NCLT(s) under Insolvency and Bankruptcy Code, 2016 (IBC) NCLAT is also the Appeallate Tribunal for hearing appeals against the order passed by Insolvency and Bankruptcy and Board of India. NCLAT is also the Appellate Tribunal to hear and dispose of appeals against any direction issued or decision made or order passed by the Competition Commission of India (CCI).

32 A

Ex.

33 D

Ex. After the economic crisis of 1991, India agreed to the conditionalities of World Bank and IMF and announched the New Economic Policy (NEP). The NEP consisted to wide ranging economic reforms like deregulation of industrial sector, financial sector reforms, tax reforms and foreign exchange reforms. The major objectives of the NEP are as follows :
* Reforming and correct the weakness that had developed in the balance of payments. Thus, there was a need to maintain sufficient foreign exchange reserves to prevent another balance of payments crisis.
* Bringing inflation under control.
* Improving the efficiency of the economy.
* Increasing its international competitiveness by removing the rigidities in various segment of the India economy.
Hence, all the statements are correct.

34 D

Ex.

35 A

Ex.

36 C

Ex.

37 A

Ex. * Telephone denisty or teledensity is the number of telephone connectiosn for every hundred individual living within an area. Hence statement 1 is correct.
* The overall teledensity in India is less than 100%. Hence statement 2 is not correct.
3. Recent Trends : It marginally decreased to 91.56% in September 2017, compared with 93.71% in August 2017.
* Urban teledensity in September 2017 was 168.2%, compared with 174% in August 2017, whereas rural teledensity was flat at 56.3% representing an untapped growth opportunity.

38 B

Ex.

39 D

Ex. * Godavari-Cauvery interlinking project aims to take the backwaters of the Godavari upthe Cauvery river in Tamil nadu through Krishna and Penna. Hence statement 1 is not correct.
* To solve the crisis, the Centre has decided to link up the above rivers and once the Cabinet gives its nod, funds will be raised from the World Bank or the Asian Development Bank. It will mitigate the scarcity of water in A.P., Karnataka, and Tamil Nadu. Hence statement 2 is not correct.
* A special technology of using steel pipes would be used for linking Godavari and Cauvery. It will result in lower water evaporation losses and is expected to save the project cost significantly.

40 B

Ex.

41 A

Ex. AFI. Hence statement 3 is not correct.
its members and partners, central banks and other financial regulatory institutions from developing countries. Hence statement 1 is correct.
* AFI's members serve to give gvoice to the opportunities and challengs facing the unbanked. The network includes members from more than 90 countries working together to accelerate the adoption of proven and innovative financial inclusion policy solutions with the ultimate aim of making financial services more accessible to world's unbanked. Hence statement 2 is correct.
* The network includes members from more than 90 countries working together to accelerate the adoption of proven and innovative financial inclusion policy solutions with the ultimate aim of making financial services more accessible to India is one of the principal member countries to AFI. RBI is a member institution of

42 D

Ex.

43 B

Ex. * The Food Corporation of India was setup under the Food Corporation Act 1964. The Food Corporation of India (FCI) is the nodal agency at the centre that is responsible for transporting food grains to the state godowns.
Specifically, FCI is responsible for:
* procurring grains at the MSP from farmers,
* maintaining operational and buffer stocks of grains to ensure food security,
* allocating grains to states,
* distributing and transporting grains tot he state depots, and
* selling the grains to states at the central issue price to be eventually passed on to the beneficiaries.
* Distribution of foodgrains throughout the country for public distribution system.

44 C

Ex.

45 D

Ex. All the public sector establishments and those private sector establishments which employ 10 hired workers or more are called formal sector establishments and those who work in such establishments are formal sector workers. All other enterprises adn workers working in those enterprises fromt he informal sector. Thus, informal sector includes millions of farmers, agricultural labourers, owners of small enterprises and people working in those enterprises as also the self-employed who do not have any hired workers. It also includes all non-farm ausal wage labourers who work for more than one employer such as construction workers and headload workers.

46 D

Ex.

47 B

Ex.

48 A

Ex.

49 C

Ex.

50 B

Ex.

51 B

Ex.

52 C

Ex.

53 A

Ex.

54 A

Ex.

55 A

Ex.

56 D

Ex.

57 B

Ex.

58 C

Ex.

59 A

Ex.

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60 B
Ex.

61 A
Ex.

62 B
Ex.

63 C
Ex.

64 B
Ex.

65 B
Ex.

66 A
Ex.

67 B
Ex.

68 B
Ex.

69 B
Ex.

70 C
Ex.

71 D
Ex.

72 C
Ex.

73 D
Ex.

74 A
Ex.

75 B
Ex.

76 B
Ex.

77 D
Ex.

78 C
Ex.

79 A
Ex.

80 D
Ex.

81 B
Ex.

82 C
Ex.

83 D
Ex.

84 C
Ex. On January 30,2020 Assam Rifles (military unit) has constructed a war memorial "Veer Samriti" in Nagaland, Kohima for 357 Army & Assam Rifles, died while fighting against insurgency against north-eastern state. The memorial has been built at Mokochung, Nagaland (one of the cultural & intellectual center), which was planned & executed by Inspector General Assam Rifles (North), will be inaugurated soon.

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85 D
Ex. 'Women with Wheels' cab service was started at Indira Gandhi International Airport (IGIA), New Delhi. The service was initiated by 'Sakha cabs' for the safety of women. The taxis are operated by women drivers and the services are provided only to women or men with family. The cab had been installed with GPS (Global Positoning System) and panic button to help the women drivers & women passengers. Sakha Consulting wings also provide women cab service in Indore, Jaipur and Kolkata.

86 C
Ex. Affairs.
(KMRC) is set to complete its East-West Project, which runs partly under the Hooghly river, West Bengal, by March 2022. It will be India's first underwater metro. The new metro rail is expected to carry about 900,000 people daily & will take less than a minute to cross a 520-meter underwater tunnel. 74% of the East-West metro project is owned by India's Railway & remaining 26% by the nation's Ministry of Housing & Urban

87 A
Ex. On January 27, 2020 agriculture post-harvest management company- National Collateral Managemen Services Limited (NCML) has released its 1st estimate of for 2019-20 rabi crop production. The year 2020 is expected to make record food grain production led by the wheat crop along with corn and jowar while Oilseed and pulses may have lower production.

88 D
Ex. The World Health Organisation (WHO) has declared th global risk of Noval Coronavirus (2019-nCoV) that cause serious illnesses ranging from the common cold to Middle East Respiratory Syndrome (MERS-CoV) and SEvere Acute Respiratory Syndrome (SARS-CoV) from moderate to high.

89 D
Ex. On January 25, 2020 Arunachal Pradesh state council for science & Technology (APSC&T) with partnership with National Innovation Foundation organised the 1st evern Innovation festival at science centre IG Park, Itanagar Arunachal Pradesh. The two days festival aims to encourage the cultural innovation among the people and students of Arunachal Pradesh.

90 D
Ex. On January 27, 2020, The Andhra Pradesh (AP) cabinet chaired by the Chief Minister (CM) Yeduguri Sandinti Jaganmohan Reddy has approved the abolition of the legislative council which the government feels is a majo hurdle for passing crucial bills. This approval came afte AP government failed to pass 2 important bills (Andhra Pradesh Decentralization and Inclusive development of All Regions Bill-2020 for the tri-capital system & and the AP Capital Region Development Authority (CRDA) Act (Repeal) Bill) in the upper house of the legislature.

91 A
Ex.

92 C

Ex. On December 31, 2019 NITI (National Institution for Transforming India) Aayog has released the 2nd edition of Sustainable Development Goals (SDG) India Index and dashboard for the year 2019 in New Delhi.The index gives a brief analysis on the progress made by states and union territories(UTs) towards achieving the 2030 SDG targets.

93 D

Ex. On December 30, 2019, the Union Minister for Environment, Forest and Climate Change(MoEFCC), Shri Prakash Javadekar released the biennial "India State of Forest Report (ISFR)", in New Delhi. The report assesses forest and tree resources in India biennially and is published by the Forest Survey of India (FSI). The ISFR-2019 is the 16th report in the series since 1987. As per the recent assessment made, the total forest and tree cover of the country now stands at 80.73 million hectares which is 24.56% of the geographical area of the country.

94 C

Ex. On December 30, 2019 the Minister of State (Independent Charge) for Civil Aviation Shri Hardeep Singh Puri, launched the Biometric enabled Centralised Access Control System (CACS) and 'e-BCAS Project Training Module' in New Delhi. These 2 projects were launched to enhance security and to improve ease of doing business at airports. The project is envisaged to achieve "paperless office" under e-Governance initiative of Govt. of India and was approved by the Ministry of Civil Aviation (MoCA) at an estimated cost of Rs.21.69 crore.

95 A

Ex. On December 28, 2019 the Ministry of Statistics and Programme Implementation(MOSPI) has set up a standing committee on economic statistics (SCES) in order to develop methodologies in conducting surveys on industry, services sector and employment in place of multiple panels on these issues. The committee which consists of 28 members will be headed by India's first chief statistician Pronab Sen. The first meeting of the SCES is scheduled on January 6, 2020.

96 D

Ex. On December 26, 2019 the Ministry of External Affairs (MEA)has included Madagascar and Comoros in the Indian Ocean Region (IOR) Division. The IOR division looks after India's maritime neighbours such as Sri Lanka, Maldives, Mauritius and the Seychelles. Previously these two nations were looked after by East and South Africa Division of the MEA. Madagascar and Comoros are also the members of the Indian Ocean Rim Association (IORA) and International Solar Alliance (ISA). Comoros is a member of Arab League and the Organization of Islamic Countries (OIC) and is situated on the northern tip of the strategic Mozambique Channel in the Western Indian Ocean.

97 D

Ex. On November 30, 2019 inaugural meeting of India-Japan Foreign and Defence Ministerial Dialogue, which is the "two-plus-two" (2+2) dialogue between India and Japan, was held in New Delhi. The dialogue was held with the aim of boosting bilateral security and defence cooperation and is expected to strengthen "India-Japan Special Strategic and Global Partnership".

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98 C

Ex. On November 29, 2019 the government has extended the deadline for enrolling to the mandatory FASTag for toll payments on national highways to December 15, 2019. The National Electronic Toll Collection (NETC) programme, under MoRT&H, has been implemented on a Pan-India basis of FASTag in ensuring seamless movement of traffic and collection of user fee as per the notified rates, using passive radio frequency identification (RFID) technology.

99 A

Ex. As per the Union Minister of Minority Affairs Shri Mukhtar Abbas Naqvi, India has become the 1st country where the entire process of Haj 2020 has gone 100% digital after he signed a bilateral agreement for the pilgrimage with the Saudi Haj Minister Dr Mohammad Saleh bin Taher Benten in Jeddah, Saudi Arabia on December 1, 2019.

100 C

Ex. On December 1, 2019, Saudi Arabia became the first country in the Arab world to head G20 (Group of 20) after it took over from Japan. The G20 summit for 2020 will be held in Riyadh, Saudi Arabia under the theme of "Realising Opportunities of the 21st Century for All", from 21-22 November, 2020. It will also focus on three aims namely, empowering people, safeguarding the planet, and shaping new frontiers.