



DAILY QUIZ AUGUST-2017
ECONOMIC DEVELOPMENT

1. ECONOMIC DEVELOPMENT-KEY

Q1.Ans: B

Right to privacy is conditional but not absolute right. Aadhaar, which collect all personal data, can be misused without proper safeguards.

Q2.Ans: D

Core inflation reflects the long-term trend in a particular price level
Core inflation is most often calculated using the consumer price index (CPI), which eliminates products — usually those in the energy and food sectors — that can have temporary price shocks

Q3.Ans: A

It will be cheaper for banks to borrow money when RBI reduces the repo rate. The inflation may increase due to more availability of money. Money becomes cheaper. The lending rate decrease decision is taken by individual banks, not RBI

Q4.Ans:D

It is chaired by RBI governor. Only the Members appointed by the Central Government have the tenure of four years. The decision is taken by majority

Q5.Ans: A

IWT designates the rivers Jhelum and Chenab as well as the Indus as the “Western Rivers” to which Pakistan has unrestricted use.

Q6.Ans: B

Though Indus originates from Tibet, China has been kept out of the Treaty.

Q7.Ans D

Explanation:

The government on Friday announced the launch of its second exchange-traded fund (ETF), Bharat 22, which will comprise 22 stocks including those of central public sector enterprises (CPSEs), public sector banks and its holdings under the Specified Undertaking of Unit Trust of India (SUUTI).

It is a well-Diversified portfolio with 6 sectors (Basic Materials, Energy, Finance, FMCG, Industrials & Utilities)

Q8.Ans: D

Explanation:

Mutual fund in India first introduced in 1963, when the Government of India launched Unit Trust of India (UTI). A mutual fund is a professionally-managed investment scheme, usually run by an asset management company that brings together a group of people and invests their money in stocks, bonds and other securities. All the mutual funds are registered with SEBI. They function within the provisions of strict regulation created to protect the interests of the investor.

Q9.Ans: D

Explanation

- The Inland Waterways Authority of India (IWAI) aims revive this canal
- The special purpose vehicle for the project involves the Visakhapatnam Port Trust also

Q10. Ans: B**Q11. Ans A**

Explanation:

The government is keen on developing Chabahar Port in Iran and is hopeful of starting operations by 2018.

Talks are on for building railways and roads through Chabahar till Afghanistan and then we have access to Russia.

The trilateral pact between India, Iran and Afghanistan envisages establishment of Transit and Transport Corridor the three countries

Q12.Ans D

Explanation:

Its objective is to reform the real estate sector in India, encouraging greater transparency, citizen centricity, accountability and financial discipline.

Under this law, a developer will have to maintain 70% money collected from homebuyers in a separate account, to avoid diversion of funds

It came into effect from May 1 this year, and the builders had three months to register their new and ongoing projects with their respective state RERAs, and registration is mandatory for all commercial and residential real estate projects where the land is over 500 square meters.

Q13.Ans A

The Association of Southeast Asian Nations Is a regional intergovernmental organization comprising ten Southeast Asian states which promotes Pan-Asianism, intergovernmental cooperation and facilitates economic, political, military, educational and cultural integration amongst its members and Asian states, formed on 8 August 1967 .

The EU traces its origins from the European Coal and Steel Community (ECSC) and the European Economic Community (EEC), established, respectively, by the 1951 Treaty of Paris and 1957 Treaty of Rome.

A significant milestone in the development of the Non-Aligned Movement was the 1955 *Bandung Conference*, a conference of Asian and African states hosted by Indonesian president Sukarno, who gave a significant contribution to promote this movement.

The conference adopted a "declaration on promotion of world peace and cooperation

Q14. Ans: D

Key Differences:

Look East Policy:

1. Driven by economic interests
2. Limited to South East Asia

Act East Policy

1. Driven by economic and security interests
2. More extended: South East Asia + East Asia
3. Underlines current geopolitics of the region

Q15. Ans C

Explanation

The new ₹2000 note with the obverse side featuring a portrait of Mahatma Gandhi, the Ashoka Pillar Emblem, and the signature of Reserve Bank of India Governor.

It has Braille print on it, to assist the visually challenged in identifying the currency.

The reverse side features of Mangalyaan is on the Indian currency of highest denomination because it is a tribute to ISRO which has made us, the Indians proud.

The ₹500 banknote of the Mahatma Gandhi New Series is stone grey coloured. with the obverse side featuring a portrait of Mahatma Gandhi as well as the Ashoka Pillar Emblem, with a signature of the governor of Reserve Bank of India. The reverse side features a motif of the Indian heritage site of Red Fort, and the logo and a tag line of Swachh Bharat Abhiyan

Q16. Ans D

Explanation

The length of our land borders with neighboring countries is as under
Bangladesh: 4,096.7

China	3,488
Pakistan:	3,323
Nepal:	1,751
Myanmar:	1,643
Bhutan:	699
Afghanistan:	106

Indo-china border sharing with 5 India's states, those are Jammu and Kashmir, Himachal Pradesh, Uttarakhand, Sikkim and Arunachal Pradesh.

Q17.Ans : C

Explanation:

The Insolvency and Bankruptcy Code, 2016 is considered as the biggest economic reform next only to GST.

It offers a market determined, time bound mechanism to resolve the bankruptcy of companies as well as individuals.

Q18.Ans D

Explanation

The Logistics Data Bank (LDB) project, unveiled in July 2016 to make India's logistics sector more efficient through the use of Information Technology. Facility: Every container is attached with a Radio Frequency Identification Tag (RFID) tag and then tracked through RFID readers. This LDB Project will provide visibility and transparency in EXIM containers movement and will help in reducing overall lead time. The LDB is being implemented through a Special Purpose Vehicle called Delhi Mumbai Industrial Corridor Development Corporation Logistics Data Services Ltd. (DLDSL).

Q19.Ans : B

Explanation:

India Business Card has a special logo and is given to those businessmen from SAARC countries that are eligible for multiple entries Business Visa for three years

or more.

This is to encourage investment and ease of doing business in India.

SAARC was founded in Dhaka on 8th December, 1985. Its secretariat is based in Kathmandu, Nepal.

The organization promotes development of economic and regional integration. It launched the South Asian Free Trade Area in 2006.

Q20.Ans:- D

Explanation:-

India to be among the top three automotive industries in the world and to grow 3.5 to 4 times of the current value of USD 74 billion to USD 260 billion to 300 billion and contributes over 12 percent to the india's GDP and aimed to generate the 65 million more jobs as an Make in india ' initiative and envisages to implement End of life policy for automotive vehicles and components

Q21.Ans:- C

Explanation:-

E-RaKAM is a first-of-its-kind initiative that leverages technology to connect farmers of the smallest villages to the biggest markets of the world through internet and e-RaKAM centres and is a joint initiative by the MSTC and CRWC and Launched by the Steel Minister Chaudhary Birender Singh, Consumer Affairs, Food & Public Distribution Minister Ram Vilas Paswan and said that effort should be to auction 20 lakh tonnes of pulses in the first phase through the platform.

Q22.Ans : C

Explanation:

e-Shakti is a pilot project of National Bank for Agriculture and Rural Development (NABARD) for digitisation of Self Help Groups (SHGs). It was initiated to address

certain concerns like improving the quality of book keeping of SHGs and to enable banks to take informed credit decisions about the group through a Management Information System (MIS). The project covers 25 districts and 1,30,176 SHGs have been digitised as on 31st March, 2017.

Q23.Ans : A

Explanation

Active pharmaceutical ingredients (APIs) or raw materials used to make medicines.

India imports about 84% of the APIs it needs, according to officials in the Central Drugs Standard Control Organization and Chinese share is around 60%.

Q24.Ans : C

This recent amendment is to empower RBI so that it not only can issues guidelines but also suggest banks to take actions related to stressed assets.

Q25.Ans: C

Good manufacturing practice (GMP) is a system for ensuring that products are consistently produced and controlled according to quality standards.

Good manufacturing practices, along with good agricultural practices, good laboratory practices and good clinical practices are in use.

Q26.Ans: C

When the economy of a country is in the nascent stage the majority work in agriculture. As the economy increases in size then people's economic activities shifts to other sectors like manufacturing and then to service sector.

Q27.Ans: C

It is a situation where both the banking and corporate sectors are under stress. Over leveraged companies are unable to payback the debts and invest more. The bad loan encumbered banks are unable to lend more and struggles to keep up their business. This situation will lead to economic crisis.

Q28.Ans:D

Under the Monetary Policy Framework Agreement, the RBI will be responsible for containing inflation targets at 4% (with a standard deviation of 2%) in the medium term, the Central Government determines the inflation target in terms of the Consumer Price Index, once in every five years in consultation with the RBI

Q29.Ans. D

Failure in monsoon increases inflation because of shortage in food grains
Government spending will pump in more money into market so that more demand for good increases the inflation
Farm loan waiver does not have any effect on inflation
Salaries increased so that the demand for the goods after 7th pay commission

Q30.Ans A

- UPI is built over Immediate Payment Service (IMPS) for transferring funds using Virtual Payment Address (a unique ID provided by the bank), Account Number with IFSC Code, Mobile Number with MMID (Mobile Money Identifier), Aadhaar Number, or a one-time use Virtual ID. An MPIN (Mobile banking Personal Identification number) is required to confirm each payment.
- It can be done offline or online
- UPI is also being provided as a USSD service. Users could access the service by dialing the code *99#.

Q31.Ans B

- Pradhan Mantri Suraksha Bima Yojana is the Accident Insurance scheme
- Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a one-year life insurance scheme, renewable from year to year
- PMJJBY is available to people in the age group of 18 to 50 years

Q32.Ans C

Jal Marg Vikas project is on Ganga which aims to develop the river stretch from Haldia to Allahabad to allow navigation of 1500-2000 tonne ships.

Q33.Ans: D

This is to tap Turkmenistan's Galkynysh natural gas fields, which are the fourth largest in the world. The final destination of the pipeline will be the Indian town of Fazilka, near the border between Pakistan and India

Q34.Ans: C

As per the extant FDI policy, foreign investment up to 49% is permitted under the automatic route, foreign investment beyond 49% and upto 100% is permitted through Government approval, wherever it is likely to result in access to modern technology or for other reasons to be recorded.

Q35.Ans: A

- It benefits smaller networks – They pay out more as IUC to larger networks , apart from the decline in network usage due to packetisation of calls
- High IUC is anti-competitive, favouring incumbents against new entrants.
- Voice accounts for an ever-declining share of telecom revenue globally and net IUC receipts form only a tiny fraction the business, so reduction will decrease its share further

Q36.Ans: C

In consolidated fund, allocations will be lapsed if not spent at the end of financial year but in case of public account fund, these are non-lapsable

Q37.Ans: D

- In the case of strategic sale, the control of a PSU goes to a private sector.

According to the Department of Disinvestment, in the strategic sale of a company, the transaction has two elements:

- Transfer of a block of shares to a Strategic Partner – strategic sale takes place when more than 51% of shares go to the strategic partner
- Transfer of management control to the Strategic Partner – the transfer of management can take place even if the private sector partner gets less than 51% shares.

Q38.Ans: A

In the new system, all east-west highways have odd numbers, and all north-south highways have even numbers. On odd-numbered highways, the number increases from north to south. So a highway from Jodhpur to Kanpur will have a smaller number than a highway from Mumbai to Chennai. For even-numbered highways, the numbers increase from east to west. A highway from Kolkata to Chennai will have a smaller number than a highway from Delhi to Mumbai.

Q39.Ans: B

- Green bonds are intended to finance green environmental projects such as solar and wind farms.
- India witnessed its first green masala bond (rupee-denominated bond), with the International Financial Corporation raising an
- offshore rupee bond on London Stock Exchange for investing in Yes Bank's green bond.
- China accounts for over two-thirds of total emerging market green issuance

Q40.Ans: C

Jan dhan yojana is financial inclusion (no frill bank accounts). Aadhaar can be used for direct transfer of subsidies so that comes under social inclusion
Common services centers come under e-governance programmes using ICT applications (digital India)

Q41.Ans: B

- SEBI (Securities and Exchange Board of India) is the capital markets regulator, is empowered to protect the interest of investors.
- As India is moving towards internationally accepted norms of corporate governance, conflicts happen between modern, free-market capitalism on the one side and the forces of 'compassionate capitalism' on the other

Q42.Ans: A

The Centre on June 16, 2017 made quoting of Aadhaar mandatory for opening of bank accounts as well as for any financial transaction of ₹50,000 and above.

It also linked to PAN which was validated by SC.

The first major rollout of Aadhaar based service was Direct Benefit Transfer (DBT), but it was challenged in SC, which pronounced that Aadhaar was not mandatory

Q43.Ans: D

India will continue to oppose talks on a proposed investment facilitation agreement at the World Trade Organization (WTO), saying these are bilateral matters and can not be decided at multilateral forums.

If investment facilitation, which primarily deals with a nation's policy on attracting foreign investments, gets included in the WTO agenda, it would restrict the space for formulation of domestic norms.

Q44.Ans: C

When more banks are allowed then there would be competitiveness in terms of interest offered on the loans etc..With merger this competition may reduce Recently State Bank of Bikaner & Jaipur, State Bank of Mysore, State Bank of Travancore, State Bank of Patiala and State Bank of Hyderabad merged with SBI.

Q45.Ans: A

Without the UK, there are 27 countries in European Union

Great Britain consists of England, Scotland and Wales.

The United Kingdom, made up of England, Scotland, Wales and Northern Ireland, is an island nation in northwestern Europe.

The difference is Northern Island

Q46.Ans: D

A GST rate of 12% was implemented on smartphones from July, which affected shipments in the second quarter. However, phone makers' decision to absorb the increased price due to GST helped to stabilise the pricing and the impact on sales.

Samsung of Korea continues to be India's number one smartphone brand, but its market share has fallen

A company requires hundreds of components to manufacture a full-fledged smartphone. Indian companies import these components to give shape to smartphone. Chinese smartphone vendors have an edge over the Indian players as the processor companies like Intel or Qualcomm or Spreadtrum or MediaTek manufacture in China

Q47.Ans: C

Reserve Bank of India (RBI), has clarified that those persons who do not have any of the 'officially valid documents' can open "Small Accounts" with banks.

Q48.Ans: B

In India, contract labourers are protected by the Contract Labour Regulation and Abolition Act, 1970. A contract labourer is defined in the Act as one who is hired in connection with the work of an establishment by a principal employer through a contractor.

Q49.Ans:D

IDFC Institute has been set up as a research-focused think / do tank by IDFC Ltd. to investigate the political, economic and spatial dimensions of India's ongoing transition from a low-income state-led country to a prosperous market-based economy.

Q50.Ans: B

Fixed pension for the subscribers ranging between Rs. 1000 to Rs. 5000, if he joins and contributes between the age of 18 years and 40 years. The contribution levels would vary and would be low if subscriber joins early and increase if he joins late.

Q51.Ans:B

Explanation:

Goods and Services Tax (GST) is an indirect Tax which was introduced in India on 1 July 2017 and was applicable throughout India which replaced multiple cascading taxes levied by the Central and State governments

Q52.Ans: B

Explanation:

On 8 November 2016, the Government Of India announced the demonetization of all ₹500 and ₹1,000 (US\$16) banknotes of the Mahatma Gandhi series.^[2] The government claimed that the action would curtail the shadow economy, Combat counterfeiting, Curb Black money and to curb financing of terrorist activities.

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