

1. Consider the following statements

1. A state cannot raise any loan without the consent of the Centre, if there is still out-standing any part of a loan made to the state by the Centre.
2. The Central government cannot make loans to any state or give guarantees in respect of loans raised by any state.

Which of the above statements is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

2. Consider the following statements.

1. The chairman of the Inter-State Council is nominated by the Union Cabinet on the recommendation of a collegium.
2. The chairman of the Council of States is elected directly by the Rajya Sabha after the interim speaker passes a resolution to the same effect.

Which of the above statements is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

3. Article 263 of the Constitution of India provides for the establishment of an Inter-State Council. What are the functions of the council?

1. It is a permanent secretariat for cooperation between the various planning organs of State Governments.
2. It considers recommendations for the better coordination of policy and matters of general interest to the states.
3. It decides on the allocation of Finance Commission approved financial outlay for each state.

Select the correct answer code:

- a) 1 only
- b) 1, 2

c) 2 only

d) 2, 3

4. Which of these were the members of the first Inter-state Council?

1. President of India

2. Prime Minister of India

3. All cabinet Ministers

4. All state Chief Ministers

Select the correct answer code:

a) 1, 2, 4

b) 2, 4

c) 1, 4

d) 1, 3

5. Consider the following statements regarding North-east Council (NEC).

1. NEC was established under the North Eastern Council Act, 1971 as an apex level body for securing balanced and coordinated development and facilitating coordination with the States.

2. Union Home Minister is the ex-officio Chairman of North Eastern Council (NEC).

3. All the Governors and Chief Ministers of North Eastern States are the Members of the council.

Which of the above statements is/are correct?

a) 1 only

b) 2, 3

c) 1, 3

d) 1, 2, 3

6. Consider the following statements.

1. The Official language of an Indian state is confined to the languages listed in the Eighth Schedule of the Constitution.

2. The Constitution specifies the official language of different states.

Which of the above statements is/are incorrect?

a) 1 only

- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

7. Consider the following statements about the Civil Services created by the Constitution of India.

1. An officer of All-India services cannot be dismissed by any authority in India other than the President of India.
2. A civil servant cannot be dismissed or removed by an authority subordinate to that by which he was appointed.

Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

8. Consider the following statements

1. Article 341 of the Constitution provides certain privileges and concessions to the members of Scheduled Castes.
2. President alone is vested with the power to include or exclude any entry in the Scheduled Castes (SC) list.
3. There is provision for the reservation of Scheduled Castes both in the Lok Sabha and Rajya Sabha.

Which of the above statements is/are correct?

- a) 1 only
- b) 2 only
- c) 2, 3
- d) 1, 3

9. Which of these constitutional provisions secure the independence of certain Constitutional bodies from the government?

1. Security of tenure
2. Fixed service conditions
3. Expenses being charged on the Consolidated Fund of India

Select the correct answer code:

- a) 1 only
- b) 1, 2, 3
- c) 2, 3
- d) 1, 2

10. Which of the following bodies have the leader of the opposition in Rajya Sabha, in their appointment committees?

- a) The National Human Rights Commission
- b) The Central Vigilance Commission
- c) The Central Information Commission
- d) CEO of NITI Aayog

11. Consider the following statements.

1. Bonds are papers bearing the promise of a future stream of monetary returns over a certain period of time.

2. The speculative demand for money is directly related to the rate of interest.

Which of the above statements is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

12. Consider the following statements regarding Money supply.

1. The total stock of money in circulation among the public at a particular point of time is called money supply.

2. M1 and M2 are known as broad money.

3. M1 is most liquid and M4 is least liquid of all.

Which of the above statements is/are correct?

- a) 1 only
- b) 1, 2
- c) 1, 3

d) 1, 2, 3

13. When a government issues bonds, the money which flows from the public to the government or the money in the economy in general is called

- a) Heated currency
- b) Dear currency
- c) Hot currency
- d) Cheap currency

14. Arrange the following in the chronological order of their establishment.

- | | |
|--|--|
| 1. State Bank of India | 2. Industrial Development Bank of India (IDBI) |
| 3. Life insurance Corporation of India | 4. Air India |

Select the correct answer code:

- a) 4-1-3-2
- b) 1-4-3-2
- c) 4-1-2-3
- d) 1-4-2-3

15. Hard currency is usually preferred because

It is seen as politically and economically stable.

It is widely accepted around the world as a form of payment for goods and services.

It is not likely to depreciate or appreciate suddenly.

Select the correct answer code:

- a) 1, 2
- b) 1, 3
- c) 1, 2, 3
- d) 2, 3

16. If the total size of the economy is growing year after year, it implies that

- 1. Gross Capital formation in the economy must be increasing year after year.
- 2. GDP growth rate must be increasing steadily year after year.

Which of the above statements is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

17. Consider the following statements regarding Off-budget borrowing.

1. Off-budget borrowings are loans taken by any public institution on the directions of the central government.
2. Off-budget financing is not part of the calculation of the fiscal indicators and does not have any fiscal implications.
3. Public sector banks can fund off-budget expenses.

Which of the above statements is/are correct?

- a) 1 only
- b) 1, 2
- c) 1, 3
- d) 1, 2, 3

18. A share repurchase or buyback is a decision by a company to purchase its own stock from the market. Such a move may lead to

1. It is often undertaken when the company's shares are undervalued.
2. It reduces the number of outstanding shares of the company.
3. It tends to increase the price of remaining shares.

Select the correct answer code:

- a) 1, 2
- b) 1, 3
- c) 2, 3
- d) 1, 2, 3

19. Suppose a small factory owner actually needs only two workers to carry out his business, but if his entire family of five members are involved in running the business, then this situation is known as

- a) Disguised unemployment
- b) Frictional unemployment

c) Cyclic unemployment

d) Structural unemployment

20. The actual liabilities of the Union government include which of the following

1. Loans taken for the recapitalisation of banks

2. Borrowings by PSUs

3. Capital expenditures of various Ministries.

Select the correct answer code:

a) 1, 2

b) 1, 3

c) 2, 3

d) 1, 2, 3

21. Consider the following statements regarding Panchayat (Extension of the Scheduled Areas) Act, 1996.

1. The act acknowledges the tribal communities' traditional rights over natural resources.

2. The act empowers Gram Sabhas to approve development plans and control social sectors in the scheduled areas.

3. State governments are required to amend their respective Panchayat Raj Acts without making any law that would be inconsistent with the mandate of PESA.

Which of the above statements is/ are correct?

a) 1, 2

b) 1, 3

c) 2, 3

d) 1, 2, 3

22. Consider the following statements regarding Jim Corbett National Park.

1. Jim Corbett National Park was the first to come under the Project Tiger initiative.

2. Jim Corbett National Park is a national park and tiger reserve that completely encompasses the Shivaliks, near the foothills of the Himalayas.

3. Jim Corbett Tiger Reserve (CTR) has the highest tiger density in the wild in India.

Which of the above statements is/are correct?

- a) 1, 2
- b) 1, 3
- c) 2, 3
- d) 1, 2, 3

23. Consider the following statements.

1. States are Constitutionally guaranteed to get GST compensation for the loss on account of the introduction of the GST for ten years from the date of implementation.
2. As per GST architecture, if the Union Government falls short in the collection of compensation cess, it can tap the funds from the Consolidated Fund of India.

Which of the above statements is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

24. Consider the following statements regarding Members of Parliament Local Area Development Scheme (MPLADS).

1. MPLAD is a central government scheme, under which MPs can recommend development programmes in their respective constituencies.
2. Nominated MPs are not part of the MPLADS scheme.
3. The guidelines for the MPLADS focus on the creation of only durable community assets like roads, school buildings etc.
4. The guidelines for use of MLALAD funds differ across states.

Which of the above statements is/are correct?

- a) 1, 2, 4
- b) 1, 3, 4
- c) 1, 4
- d) 1, 2, 3, 4

25. Which of these is/are not included in the Eight Core Sector Industries?

1. Coal

2. Iron Ore

3. Fertilizers

Select the correct answer code:

- a) 1 only
- b) 1, 3
- c) 2 only
- d) All of them are included.

ANSWER SHEET

1	A	10	A	19	A
2	D	11	A	20	A
3	C	12	C	21	D
4	B	13	B	22	B
5	D	14	A	23	D
6	C	15	C	24	C
7	C	16	D	25	C
8	A	17	C		
9	B	18	D		