

WBCS (Main) Exam Paper V – Practice Set

Answers with Explanation

1. (c) Nov. 26, 1949 the Constitution of India was completed. শ্রীচিভর্ষ
2. (b) Dr. Rajendra Prasad – Steering Committee
Usha Nath Sen – Press Gallery Committee
B. Pattabhi Sitaramayya – House Committee
Dr. K.M. Munsi – Order of Business Committee
3. (c) Republican form of government is not a part of the ‘basic structure’ of Indian Constitution. India is a Democratic-Republic country. Parliamentary form of government means Prime Minister is the head of council of ministers.
4. (a) Original jurisdiction of Supreme Court is mentioned in Article 131 of the Indian Constitution.
Attendance of retired Judges at sitting of the Supreme Court is mentioned in Article 128 of the Indian Constitution.
Supreme Court to be a court of record is mentioned in Article 129 of the Indian Constitution.
Seat of Supreme Court is mentioned in Article 130 of the Indian Constitution. শ্রীচিভর্ষ
5. (b) Sixth Schedule, the four states viz Assam, Meghalaya, Tripura & Mizoram contain the Tribal Areas which are technically different from the Scheduled Areas. Though these areas fall within the executive authority of the state, provision has been made for the creation of the District Councils & regional council for the exercise of the certain legislative & judicial powers.
6. (c) Economic equality is not mentioned in fundamental rights.
7. (d) Freedom of the press in India is implied in the right of Freedom of Expression.
8. (d) Under Article 3 mentioned Parliament is responsible to make changes in names & boundaries of the states. শ্রীচিভর্ষ
9. (a) Public Interest Litigation (PIL) writ petition can be filed in Supreme Court under Article 32 only if a question concerning the enforcement of a fundamental right is involved under Article 226, a writ petition can be filed in a High Court whether or not a Fundamental Right is involved. Thus, it comes under Appellate Jurisdiction.
10. (c) There is no provision of impeachment of Governor of State.
11. (a) Goa comes under the jurisdiction of Bombay High Court. শ্রীচিভর্ষ
12. (b) It is said to be a brainchild of former President A.P.J. Abdul Kalam, the concept of mobile court is based on the pressing need to take the administration of civil & criminal justice closer to the people so that those living in remote areas are able to benefit without incurring the expenses of travelling to courts at distant places.
13. (c) Ashok Mehta Committee recommendations put greater emphasis on Zila Parishad. This committee recommended that, A district should be the first point for decentralization under popular supervision below the state level.
14. (c) Gandhi’s philosophy was about strengthening of Gram Panchayats.
15. (d) The Santhanam Committee Report 1964 defines corruption as a complex problem having roots & ramifications in society as a whole. The establishment of the Central Bureau of Investigation (CBI) was recommended by the Santhanam Committee.
16. (d) Sikkim – 1
Madhya Pradesh – 29 শ্রীচিভর্ষ
Telenghana – 17
Kerala – 20
17. (c) Andhra Pradesh – 11
Assam – 7
Uttarakhand – 3
Odisha – 10
18. (c) Salary is charged on Consolidated Fund of the state. But the Pension of the High Court judge is given from the Consolidated Fund of India.
19. (c) All of the above statements are correct.
20. (b) Referendum has an integral relationship with Direct Democracy.
21. (d) Public Interest Litigation has its origin in USA.
22. (c) Sarkaria Commission, which was empowered to recommend changes in centre state relations, submitted its report in 1983.
23. (a) National Parties are those parties which have units in various states.
24. (c) India is a federal state because its constitution provides for division of powers between the union & the states. শ্রীচিভর্ষ
25. (c) A ‘republic’ is a state in which the head of the State is elected directly or indirectly by the people.

26. (d) The Vice President of India act as a Chairman of the Rajya Sabha & the highest law officer of the country Attorney General of India not be the elected member of the house.
27. (d) Judicial Activism is not the tool of good governance. *অ্যাচিভর্স*
28. (a) Ministry of Finance – Formulation of Budget. Executing Departments – Implementation of Budget.
C & AG – Legality of expenditure
Parliament – Enactment of Budget.
29. (b) Education as a subject of legislation figures in the Concurrent List.
30. (b) National Front – 1989-90 *অ্যাচিভর্স*
United Progressive Alliance – 2004-2014
National Democratic Alliance – 1998-2004
United Front – 1996-1998.
31. (b) Fakhruddin Ali Ahmed never been Vice President of India.
32. (a) The tenure of 5th Lok Sabha was about six years. The term of 5th Lok Sabha is from 1971 to 1977.
33. (c) Speaker of Lok Sabha doesn't take oath of the office.
34. (a) Adjournment Sine die means 'without assigning a day for a further meeting or hearing'. To adjourn an assembly sine die is to adjourn it for an indefinite period A legislative body adjourns Sine die when it adjourns without appointing a day on which to appear or assemble again. *অ্যাচিভর্স*
35. (b) P.A Sangma was the first tribal Speaker of Lok Sabha. He hailed from a small tribal village in Meghalaya.
36. (c) Chandrashekar was member of Lok Sabha from Ballia during his tenure as PM of India.
37. (c) The Committee on Empowerment of women was constituted on 29th April 1997. The committee consists of 30 members of whom 20 are nominated by the speaker from a amongst the Member of Lok Sabha & 10 are nominated by the Chairman of Rajya Sabha from amongst the members of Rajya Sabha. A minister can't be nominated a member of the Committee. The term of the Committee does not exceed one year. One of the functions of the committee is to report on the working of the welfare programmes for the women.
38. (b) Public order as an item in the Constitution figures in the state list under seventh schedule of the constitution.
39. (c) In the warrant of precedence the speaker of the Lok Sabha comes next only to the Prime Minister. *অ্যাচিভর্স*
40. (b) Decorum – Parliamentary etiquette
Crossing the floor – Changing the party
Interpolation – Seeking clarification through ruling
Yielding the floor – Respecting speaker's order.
41. (d) The office of the Advocate General is a constitutional office created under Article 165 of the Constitution of India. The Governor of the state appoints a person who is qualified to be appointed as a judge of the High Court as Advocate General of the State.
42. (b) The Finance Commission is constituted by the President under Article 280 of the Constitution, mainly to give its recommendations on distribution of tax revenues between the Union & the states & amongst the states themselves.
43. (b) State Electoral officer is not a constitutional authority. *অ্যাচিভর্স*
44. (c) Article 371B in the Constitution of India 1949 provides special provision with respect to the state of Assam.
45. (b) Service taxation is an example of residuary powers in India.
46. (a) First proclamation of emergency under Article 352 (National Emergency) was declared in India in 1962 (Indo-China War), 1971 (Indo-Pak War), 1975 by Indira Gandhi were made under Article 352.
47. (d) Internal disturbance substituted by the words 'armed rebellion' under the 44th Amendment Act of 1978. So, it is not the ground for proclamation of emergency under the constitution of India.
48. (a) Proclamation of emergency must be replaced within 1 month before the parliament for its approval. *অ্যাচিভর্স*
49. (d) The Constitution (86th Amendment) Act, 2002 inserted Article 21-A in the constitution of India to provide free & compulsory education of all children in the age group of six to fourteen years as a Fundamental Right. This is recognized in the International Covenant on Economic, Social & Cultural Rights as a human right that includes the right to free, compulsory primary education for all.
50. (a) According to the Constitution of India, the right to equality does not include absolute equality 'Right to Equality' is the 'Fundamental Rights' mentioned in article 14 to article 18. The following rights are Equality before law.

- Prohibition of discrimination on basis of religion, race, caste, sex or place of birth.
 Equal opportunity in employment.
 Abolition of untouchability
 Abolition of titles. শ্রীচিওর্স
51. (b) Direct Principles – Irish Constitution
 Amendment of the Constitution – Constitution of Germany.
 The Union State Relations – Constitution of Canada.
 Emergency Power of the President – Constitution of South Africa.
52. (d) Sovereign – State is free to conduct its own internal & external affairs.
 Democratic – Government gets its authority from the will of the people.
 Secular – State does not recognise any religion as a state religion.
 Republic – Head of the State is not a hereditary monarch.
53. (c) Article 32 provides the right of constitutional remedies which means that a person has right to move to Supreme Court & High Court for getting his fundamental rights protected so it is called ‘The heart & soul of the constitution’.
54. (a) Under the Citizenship Act 1955, a person can acquiring Indian citizenship by all of the above ways. শ্রীচিওর্স
55. (a) The directive principles of state policy are the guidelines given to the central & state government of India. These provisions are contained in Part IV (Article 36-51) of the Constitution of India & these are not enforceable by any court.
56. (c) Directive Principles of state policy states the responsibility of the state towards international peace & security.
57. (a) Article 155 – Appointment of the Governor state.
 Article 164 – Appointment of the C.M. & Council of Ministers of a state.
 Article 75 – Appointment of the P.M. & Council of Ministers. শ্রীচিওর্স
 Article 54 – Election of the President of India.
58. (d) 75th Constitution Amendment Act, 1994 – Establishment of State Level Rent Tribunals.
 80th Constitution Amendment Act, 2000 – Accepting the Recommendations of the Tenth Finance Commission.
 83rd Constitution Amendment Act, 2000 – No reservations for schedule castes in Panchayats in Arunachal Pradesh.
 69th Constitution Amendment Act, 1991 –
- According the status of National Capital Territory to Delhi.
59. (a) The protection of civil rights act 1955 extends to whole India. The Act extends to the whole of India & provides punishment for the practice of untouchability. শ্রীচিওর্স
60. (b) Sikkim become a state of India via the 36th Amendment Act, 1975 on 26th April, 1975. The Sikkim state day is observed on 16th May of every year because this was the day when the first Chief Minister of Sikkim assumed office.
61. (c) Amendments to the constitution of India has prescribed that the council of ministers shall not exceed 15 percent of total number of members of House of the people or Legislative Assembly in the states.
62. (b) Election Commission of India recognises the political parties in India.
63. (a) Cabinet Secretary is the highest Civil Servant of the Union Government.
64. (a) Calcutta High Court has the territorial jurisdiction over Andaman & Nicobar Islands. The Calcutta High Court is the oldest High Court in India. It was established as the High Court of Judicature at Fort William on 1 July 1862 under the High Courts Act, 1861.
65. (c) High Court Judge Justice K Kannan was the first judge to have voluntarily made his assets public. শ্রীচিওর্স
66. (c) Only conclusion (i) is true. Article 239 to 242 contain provisions regarding the Union Territories in Part VIII of the Constitution of India.
67. (d) Guwahati High Court has the largest number of Benches. The Principal seat of Guwahati High Court is at Guwahati in Assam. The court has 3 outlying benches, these are– শ্রীচিওর্স
 The Kohima bench for Nagaland State.
 The Aizawl bench for Mizoram State.
 The Itanagar bench for Arunachal Pradesh State.
68. (c) Prohibition writ is issued by the High Court to the lower courts to stop legal action. A writ of prohibition is a writ directing a subordinate to stop doing something the law prohibits. In practice, the court directs the clerk to issue the writ & directs the Sheriff to serve it on the subordinate & the clerk prepares the writ & gives it to the Sheriff, who serves it.
69. (c) The Parliament may make a provision for a common High Court for two or more states or extend the jurisdiction of a High Court to one or more Union Territories.

70. (b) Advisory Jurisdiction is not the main jurisdiction of the High Court of a state.
71. (c) Dadra & Nagar Haveli – Bombay High Court
Lakshadweep – Kerala High Court
Puducherry – Madras High Court
Chandigarh – Punjab & Haryana High Court.
72. (a) A High Court Judge addresses his letter of resignation to the President of India.
73. (a) The Bombay High Court has benches in Nagpur, Aurangabad & Panaji.
74. (b) A sitting judge of the High Court or a Sitting District Judge can be appointed as a member of the State Human Rights Commission after consultation with the Chief Justice of the High Court of the concerned state.
75. (c) Under Section 14A the protection of Civil Rights Act, 1955 has power of State Government to impose collective fine have been provided.
76. (d) Original jurisdiction of the Supreme Court (Article 131) Supreme Court has power to decide disputes–
- between the Government of India & one or more states
 - between the Government of India & any state or states on one side & one or more states on the other.
 - between two or more states.
77. (c) Article 348 of Indian Constitution mentions the language to be used in Supreme Court & the High Courts. According to the article 348, the language of all proceedings in the Supreme Court & in every High Court shall be English.
78. (c) Sikkim state assembly has the lowest number of seats among Indian states. There are 32 members in a legislative assembly.
79. (a) Bombay High Court has jurisdiction over two states Mumbai & Goa. Guwahati High Court has jurisdiction over Assam, Arunachal Pradesh, Mizoram & Nagaland. Punjab & Haryana High Court has jurisdiction over Punjab & Haryana.
80. (b) The cabinet in the Parliamentary system is accountable to the Legislature.
81. (d) The Indian Parliamentary system is different from the British Parliamentary system in that India has the system of judicial review.
82. (c) On the basis of relations between legislature & executive Government is classified as Parliamentary or Presidential.
83. (b) Under the Article 249, the Parliament of India can legislate on any subject in the state list in national interest. The Council of States has declared by resolution supported by not less than two thirds of the members present & voting that is necessary in national interest that Parliament should make laws which respect to any matter enumerated in the state list specified in the resolution.
84. (a) According to article 143 of the Constitution of India, the President of India can request the Supreme Court of India to provide its advice on certain matters. This procedure is called 'Presidential Reference'.
85. (c) Article 323A specifies Administrative Tribunal like providing separate administrative tribunal for union & states jurisdiction power, repeal or amend any order made by the President under clause.
86. (d) 44 – Uniform Civil Code.
39A – Equal Justice & Free legal aid.
41 – Right to work.
40 – Organisation of village panchayat.
87. (c) It was opened by Granville Austin.
88. (b) Article 262 of the constitution provides for the adjudication of disputes relating to waters of Inter-State rivers.
89. (a) Total house of people seats now are 545, among 530 are chosen by direct election from territorial constituencies in the states. 13 are chosen by direct election from territorial constituencies in the Union Territories & remaining 2 are nominated by the President of India.
90. (c) In case Constitutional Amendment Bill President can't withhold his assent or can't return the bill for reconsideration, he have to give his assent.
91. (b) Maximum number of nominated members in both House of Parliament is 14, 2 from Lok Sabha & 12 from Rajya Sabha.
92. (d) Under Article 169 on the recommendation of State Legislative Assembly, Parliament can abolished Legislative Council in a state.
93. (c) Prorogation of a House means the session of the House has been terminated.
94. (c) Xth schedule of the Indian Constitution deals with defections. It was added by 52nd Amendment Act, 1985.
95. (d) The member of UPSC hold the office for the term of the six years or till they obtain the age of 65 years.
96. (b) A.K. Aiyer stated that 'The constitution has not been set in a right mould of Federalism.
97. (d) Cabinet Mission plan gave the idea of Constituent Assembly for India.

98. (d) G.V. Mavalankar was not the member of the drafting committee. He was the first speaker of the Lok Sabha. ଅପ୍ରାଚିତ୍ତ୍ୱ
99. (b) S.N. Mukherjee was the chief draftsman of constitution in the Constituent Assembly. ଅପ୍ରାଚିତ୍ତ୍ୱ
100. (c) Elephant was the symbol of Constituent Assembly.
101. (c) According to Indian Reserve Bank, Non Performing assets in commercial bank means the loans in which interest or principle amount is not recovered. ଅପ୍ରାଚିତ୍ତ୍ୱ
102. (d) General Insurance Corporation is the sole reinsurance company in the Indian insurance market with over four decades of experience.
103. (d) Each depositor in a bank is insured upto a maximum of 1,00,000 for both principle & interest amount held by him in the same capacity & same right as on the date on liquidation/cancellation of bank's licence or the date on which the scheme of amalgamation/merger/reconstruction comes into force.
104. (b) The Cash Reserve Ratio is the amount of funds that the banks are bound to keep with Reserve Bank of India as a portion of their Net Demand & Time Liabilities (NDTL). When RBI increases the CRR, less funds are available with banks as they have to keep larger portions of their cash in hand with RBI. This means that banks will now have less money to play with. This resulted reduction in liquidity in the economy.
105. (c) The Banking Ombudsman is a senior official appointed by the Reserve Bank of India to redress customer complaints against deficiency in certain banking services.
106. (c) Bank rate is that rate at which RBI gives credit to Commercial Bank.
107. (d) RBI gives power to Banks to decide saving banks deposit interest rates. ଅପ୍ରାଚିତ୍ତ୍ୱ
108. (c) State Bank of India became the first public sector lender to launch wealth management service, a space dominated by private & foreign players, to cater the first growing affluent segment of the country.
109. (a) In the regional rural banks, 50% share shall be held by the central government, 15% by the concerned state government & 35% by the sponsor bank.
110. (a) Open Market operations refer to the purchase & sale of the Government securities (trading of the securities) by RBI from market. The objective of Open Market Operations is to adjust the rupee liquidity conditions in the economy on a durable basis. ଅପ୍ରାଚିତ୍ତ୍ୱ
111. (a) The Self-Help Group-Bank Linkage Programme (SBLP), which was started as a pilot programme in 1992 on the basis of recommendation of S.K. Kalia Committee. Commercial Banks, Co-operative Banks & the Regional Rural Banks have been actively participating in the SBLP. NABARD does not implement the SBLP.
112. (d) A debenture is a type of debt instrument that is not secured by physical assets or collateral. Both Corporations & Governments frequently issue this type of bond to secure capital.
113. (c) Indian Bank is an Indian state-owned financial services company established in 1907 & headquartered in Chennai. ଅପ୍ରାଚିତ୍ତ୍ୱ
114. (d) The baseline 'Aapkabhala, Sabki bhali' is associated with Bandhan Bank Limited.
115. (b) Microfinance Institutions (MFI) regulated by the Reserve Bank of India (RBI).
116. (a) In India agriculture, forestry & Jogging, fishing, mining & quarrying, registered manufacturing & construction units are included in category A. The output method is applied to category A. The value added by this category is found by subtracting the value of raw materials & other inputs from the aggregate of commodity-wise output.
117. (d) Philips curve is a historical inverse relationship between the rate of unemployment & the rate of inflation in an economy. Philips curve stated that the lower the unemployment in an economy, the higher the rate of inflation.
118. (c) Tendulkar adopted the cost of living as the basis for identifying poverty. It was also accepted by the panel under the leadership of Arvind Panagariya, constituted by the Govt. in September 2016. However this panel suggested the Govt to constitute another panel to define poverty.
119. (c) The Special Economic Zones Act, 2005, was passed by Parliament in May, 2005 which received Presidential assent on the 23rd June, 2005 & it came into effect on 10th February, 2006. ଅପ୍ରାଚିତ୍ତ୍ୱ
120. (a) Under the Third Five Year Plan, the government introduced an agricultural strategy which gave rise to green revolution in India. Under the Third Plan the goal was to establish self reliance & self generating economy.
121. (a) Per Capita income is obtained by dividing national income by total population of the

- country per capita income, also known as income per person, is the mean income of the people in a country. It is calculated by taking a measure of all sources of income in the aggregate (such as GDP or Gross National Income) & dividing it by the total population.
122. (c) SEZ India mobile app has been launched in January 2017 by Ministry of Commerce & Industry. SEZ Division, Department of Commerce under its broader e-governance initiative i.e. SEZ online system, has developed mobile app for Special Economic Zones.
123. (a) Fiscal deficit – Excess of total expenditure over total receipts less borrowings.
Budget deficit – Excess of total expenditure over total receipts. *অ্যাকাউন্ট*
Revenue deficit – Excess of revenue expenditure over revenue receipts.
Primary deficit – Excess of total expenditure over total receipts less borrowings & interests payments.
124. (c) The Department of Economic Affairs (DEA) under Ministry of Finance is the nodal agency of the Union Government to formulate & monitor country's economic policies & programmes having a bearing on domestic & international aspects of economic management.
125. (c) Vote on account is meant for approaching funds pending passing of budget. Vote on account is just an interim permission to spend money as against full Budget which is an elaborate financial statement of expenditure & receipts including changes in taxes & government policies. *অ্যাকাউন্ট*
126. (c) The Reserve Bank of India (RBI) uses the monetary policy to manage liquidity or money supply in a manner that balances inflation & at the same time aids growth. The tools RBI uses to manage monetary policy are: 1. Repo Rate, 2. Reverse Repo Rate, 3. Cash Reserve Ratio (CRR), 4. Statutory Liquidity Ratio (SLR), 5. Bank Rate, 6. Open Market operations. *অ্যাকাউন্ট*
127. (a) Roughly 80% comes from the individual income tax & the payroll taxes that fund social insurance programme. Another 11% comes from corporate income tax & the rest is a form of a mix course.
128. (d) Generally, the income of a company falls under any of the following 4 heads of income.
1. Profits or gains from the business.
2. Income from Property, whether it is housing, commercial, self occupied or let out. If the property is used in the company's business operations, it does not fall under this head. *অ্যাকাউন্ট*
3. Capital gains
4. Income from other sources including winnings from lotteries, races & interest on securities.
129. (b) Corporation Tax is imposed by Central Government.
130. (d) Toll taxes is one of the main sources revenue for state Government. It is not levied by Govt. of India.
131. (a) As mention in article 268 of Indian Constitution, Stamp duties are mentioned in the Union List shall be levied by the Government of India but collected & appropriated by the states.
132. (b) The responsibility for coinage lies with central government on the basis of the Coinage Act, 1906. The designing & minting of coins in various denominations is decided by Central Government. *অ্যাকাউন্ট*
Except one rupee note & coin all the currencies are minted by RBI.
133. (c) Service Tax was first introduced in 1994. During his budget speech of 1994-95, the then Finance Minister Dr. Manmohan Singh emphasized the need for service tax. Dr. Manmohan Singh proposed to impose service tax 5% only on 3 services namely telephone bills, non-life insurance & tax brokers.
134. (a) The one rupee note issued by Ministry of Finance & it bears the signature of Finance Secretary, while other notes bear the signature of RBI Governor. However, only RBI is the source of legal tender money because distribution of one rupee notes & coins & small coins all over the country is undertaken by the Reserve Bank as agent of the Government.
135. (c) It was established on 12 July, 1982 in sixth five year plan by a special act by the parliament & its main focus was to uplift rural India by increasing the credit flow for elevation of agriculture & rural non farm sector.
136. (d) The head office of the National Bank for Agriculture & Rural Development (NABARD) is located in Mumbai. It helps farmers access timely & adequate credit. Current Chairman Dr. Harsh Kumar Bhanuwalla. *অ্যাকাউন্ট*
137. (d) Near Money is a term used in economics to describe highly liquid assets that can easily be converted into cash.

138. (d) CTS – Cheque Truncation System.
MICR – Magnetic Ink Character Recognition.
IFSC – Indian Financial System Code
FEFA – Foreign Exchange Regulation Act.
139. (d) DCB Bank, launched a ‘Cardless & Pinless’ ATM in Bengaluru, in June 2017. The ATM accepts Aadhar Number & Aadhar finger print (biometric) instead of ATM/debit card & PIN to dispense cash from the bank account.
140. (d) The Mudra Bank is a subsidiary of Small Industrial Development Bank of India (SIDBI).
141. (a) A unified payment interface (UPI) is a single window mobile payment system launched by the National Payment Corporation of India (NPCI). The letter ‘I’ in the abbreviation UPI stands for ‘interface’.
142. (c) The Neeraj Kumar Gupta Committee has been constituted by the Union Government & the Reserve Bank of India to boost cashless transaction. The purpose of the 7 member committee is to increase card acceptance infrastructure & fix interchange fee for credit cards. The task force will also work at ways in which card payers needn’t pay a surcharge for fuel, utility bills & railway bookings.
143. (a) 15% cash is kept as provision in the bank to pay the depositors who might come to withdraw money from the bank on any given day.
144. (c) The first person to adopt a scientific procedure in estimating the national income was Dr. VKRV Rao in 1991. PN Dhar- He was an economist & head of Indira Gandhi’s Secretariat.
145. (b) GDP deflator is an economic metric that accounts for inflation by converting output measure at current price into constant dollar GDP. The GDP deflator shows how much a change in the base year’s GDP relies upon changes in the price level.
146. (a) A dual economy is the existence of two separate economic sectors within one country, divided by different levels of development, technology & different patterns of demand. The concept was originally created by Julius Herman Boeke to describe the consistence of modern & traditional economic sectors in a colonial economy.
147. (c) The concept of Economic Planning in India derived from Russia.
148. (d) National Income ignores sale of land.
149. (d) The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an Indian Law that aims to guarantee ‘right to work’ & ensures livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. MGNREGA was launched in 200 select districts in 2006. However Indira Awas Yojana was launched in the year 1996.
150. (b) Despite big investments during the first three plans the living standards of the poor could not be raised & poverty & inequity in distribution of state resources remained stark. Consequently, the period between 1966-69 marked the shift from a ‘growth approach’ to a ‘distribution from growth approach’. Looking at the failures & pitfalls the planner suspend the impending Fourth Plan, which was due in 1966, until 1969 for a revision of objectives & targets. This was called as the ‘Plan Holiday’ entending from 1 April 1966 to 31 March 1969.
151. (d) Antyodaya Anna Yojana (AAY) is a centrally sponsored scheme which was launched on December 25, 2000 for one crore of the poorest families. It is an important milestone in providing foodgrains to the poor. It contemplated providing 25 kg. of foodgrains per month at highly subsidized rates of Rs. 2 per kg. for wheat and Rs. 3 per kg. for rice to each Antyodaya family. This scheme reflects the commitment of the Government of India to ensure food security for all, create a hunger free India in the next five years and to reform and improve the Public Distribution System so as to serve the poorest of the poor in rural and urban areas.
152. (a) The Tarapore Committee on capital account convertibility had laid down a three year, three phase schedule for allowing convertibility. It laid down three pre-conditions: (a) fiscal consolidation implying that the centre’s fiscal deficit should come down to 3.5 per cent of GDP; (b) a mandated inflation target; and (c) strengthening of the financial system to (i) involve a near complete clampdown on activities of weak banks, (ii) major cut in the CRR, and (iii) complete deregulation of interest rates.
153. (c) Finance Commission of India is established under Article 280 of the Indian Constitution by the President of India to define the financial relations between the centre and the state. It is entrusted with the task of distribution of net proceeds of taxes between Centre and the

- States, to be divided as per their respective contributions to the taxes; determine factors governing Grants-in Aid to the states and the magnitude of the same; and work with the State Finance Commissions and suggest measures to augment the Consolidated Fund of the States so as to provide additional resources to Panchayats and Municipalities in the state.
154. (c) The logo of the Reserve Bank of India comprises a tiger walking underneath a palm tree. It is contended that the Reserve Bank of India copied the tiger and palm tree symbol from the gold Mohur issued by the East India Company in the 19th century. The double Mohur of William IV had a nice reverse, which was a symbol of Lion and a Palm tree. When RBI was created, it was decided that the reverse of Double Mohur, the Lion and Palm design should be used as the emblem of RBI. The last minute modification was made introducing Tiger instead of Lion.
155. (a) The principal source of States own tax revenues is sales tax which accounts for about 60 per cent of the total. The other major components of States own tax revenues according to their revenue share are State excise, registration and stamp duty, motor vehicle and passenger tax, electricity duty, land revenues, profession tax, entertainment taxes and other sundry taxes. In the wake of economic reforms, several States competitively announced various tax concessions, especially sales tax concessions, to attract private investments. These tax wars resulted in considerable reduction in the buoyancy of growth of tax revenues of the States without commensurate gains in terms of private investment. অ্যাচিভমেন্ট
156. (c) Commercial banks are classified into two: (a) Scheduled banks and (b) other banks. A scheduled bank is one which is included in the second schedule of Reserve Bank of India Act, 1934. A scheduled bank should comply with the following terms: (i) It must have paid up capital and reserves as specified; and (ii) the activities to be carried out should not be detrimental to the interests of the depositors; and (iii) it should be incorporated under the Companies Act, 1956, that is, it should not be the sole trader for a partnership firm or business organization.
157. (c) An open market operation (also known as OMO) is an activity by a central bank to buy or sell government bonds on the open market. A central bank uses them as the primary means of implementing monetary policy. The usual aim of open market operations is to control the short term interest rate and the supply of base money in an economy, and thus indirectly control the total money supply. This involves meeting the demand of base money at the target interest rate by buying and selling government securities, or other financial instruments. Monetary targets, such as inflation, interest rates, or exchange rates, are used to guide this implementation. অ্যাচিভমেন্ট
158. (d) The Ninth Plan recognised the integral link between rapid economic growth and the quality of life of the mass of the people. Ensuring environmental sustainability of the development process through social mobilisation and participation of people at all level was one of the specific objectives of the Ninth Plan as approved by the National Development Council. In the Ninth Plan document, policies and programmes during the Eighth Plan period were reviewed, shortcomings identified and new policy framework suggested overcoming the shortcomings and ensuring sustainability of the development process not only in economic terms but also in terms of social and environmental factors. অ্যাচিভমেন্ট
159. (b) State Government transactions are carried out by Reserve Bank of India in terms of the agreement entered into with the State Governments in terms of section 21 A of the Act. As of now, such agreements exist between RBI and all the State Governments except with the Government of Jammu and Kashmir.
160. (c) Originally, the assets of the Issue Department were to consist of not less than two-fifths of gold coin, gold bullion or sterling securities provided the amount of gold was not less than Rs. 40 crore in value. The remaining three-fifths of the assets might be held in rupee coins, Government of India rupee securities, eligible bills of exchange and promissory notes payable in India. Due to the exigencies of the Second World War and the post-war period, these provisions were considerably modified. Since 1957, the Reserve Bank of India is required to maintain gold and foreign exchange reserves of Rs. 200 crore (2 billion), of which at least Rs. 115 crore should be in gold and Rs. 85 crore in the form of Government Securities. The system as it exists today is known as the minimum reserve system. অ্যাচিভমেন্ট

161. (b) In terms of Section 22 of the Reserve Bank of India Act, the RBI has been given the statutory function of note issue on a monopoly basis. The note issue in India was originally based upon "Proportional Reserve System". When it became difficult to maintain the re-serve proportionately, it was replaced by "Minimum Reserve System". According to the RBI Amendment Act of 1957, the bank should now maintain a minimum reserve of Rs.200 crore worth of gold coins, gold bullion and foreign securities of which the value of gold coin and bullion should be not less than Rs.115 crore. শ্রীচিভর্ষ
162. (d) In economics, inflation is a rise in the general level of prices of goods and services in an economy over a period of time. Economists generally agree that high rates of inflation and hyperinflation are caused by an excessive growth of the money supply. Low or moderate inflation may be attributed to fluctuations in real demand for goods and services, or changes in available supplies such as during scarcities, as well as to growth in the money supply. However, the consensus view is that a long sustained period of inflation is caused by money supply growing faster than the rate of economic growth. শ্রীচিভর্ষ
163. (d) Interest rates are the main determinant of investment on a macroeconomic scale. The current thought is that if interest rates increase across the board, then investment decreases, causing a fall in national income. However, the Austrian School of Economics sees higher rates as leading to greater investment in order to earn the interest to pay the depositors. Higher rates encourage more saving and thus more investment and thus more jobs to increase production to increase profits. Higher rates also discourage economically unproductive lending such as consumer credit and mortgage lending.
164. (b) Credit Control is an important tool used by Reserve Bank of India, a major weapon of the monetary policy used to control the demand and supply of money (liquidity) in the economy. Central Bank administers control over the credit that the commercial banks grant. Such a method is used by RBI to bring "Economic Development with Stability". It means that banks will not only control inflationary trends in the economy but also boost economic growth which would ultimately lead to increase in real national income with stability.
165. (c) The Securities and Exchange Board of India (frequently abbreviated SEBI) is the regulator for the securities market in India. SEBI has to be responsive to the needs of three groups, which constitute the market: the issuers of securities; the investors; and the market intermediaries. It is entrusted with regulating the business in stock exchanges and any other securities markets; registering and regulating the working of stock brokers, sub-brokers, share transfer agents, bankers to an issue, trustees of trust deeds, registrars to an issue, merchant bankers, underwriters, portfolio managers, investment advisers and such other intermediaries who may be associated with securities markets in any manner; registering and regulating the working of [venture capital funds and collective investment schemes], including mutual funds; etc. শ্রীচিভর্ষ
166. (b) The Employment Guarantee Scheme (EGS) underlying the National Rural Employment Guarantee Act is by far one of the largest social safety-net programmes launched anywhere in the developing world. Maharashtra became the first state in India to guarantee work in 1979 following a severe drought. The EGS began in 1972 during the drought period. However, it received statutory basis in 1977 when the Maharashtra Legislative Assembly unanimously voted it as a law of the land. The law became operative from January 26, 1979 with the consent of the President of India.
167. (d) IDBI Bank Limited is an Indian financial service company headquartered Mumbai, India. RBI categorised IDBI as an "other public sector bank". It was established in 1964 by an Act of Parliament to provide credit and other facilities for the development of the fledgling Indian industry. The Industrial Development Bank of India (IDBI) was established on 1 July, 1964 under an Act of Parliament as a wholly owned subsidiary of the Reserve Bank of India. In 16 February, 1976, the ownership of IDBI was transferred to the Government of India and it was made the principal financial institution for coordinating the activities of institutions engaged in financing, promoting and developing industry in the country. শ্রীচিভর্ষ
168. (b) The Central Statistics Organization, established in 1951, is responsible for coordination of statistical activities in the country, and evolving and maintaining statistical standards. Its

- activities include National Income Accounting; conduct of Annual Survey of Industries, Economic Censuses and its follow up surveys, compilation of Index of Industrial Production, as well as Consumer Price Indices for Urban Non-Manual Employees, Human Development Statistics, Gender Statistics, imparting training in Official Statistics, Five Year Plan work relating to Development of Statistics in the States and Union Territories; dissemination of statistical information, work relating to trade, energy, construction, and environment statistics, revision of National Industrial Classification, etc.
169. (d) Planning and control are two basic and interrelated managerial functions. They are so interrelated that they can be and often are considered as being one function. Planning is the preparation activity while control is the post-operation function. Both of them are so closely related that they are treated as Siamese twins. Planning sets the objectives, goals, targets on the basis of available resources with their given constraints. Control is the integral part of effective planning. Similarly control involves assessment of the performance, such assessment can be made effectively only when some standard of are set in advance. *অ্যাকাডেমিক*
170. (d) In the Fifth Five-Year Plan (1974–1979), stress was by laid on employment, poverty alleviation, and justice. The plan also focused on self-reliance in agricultural production and defence. For achieving economic self reliance, the Plan aimed at elimination of special forms of external assistance, particularly food and fertilizer imports. *অ্যাকাডেমিক*
171. (d) Garibi Hatao (Meaning “Abolish Poverty” in Hindi) was the theme and slogan of Indira Gandhi’s 1971 election bid. The slogan and the proposed anti-poverty programs that came with it were designed to give Gandhi an independent national support, based on rural and urban poor. The fifth plan prepared and launched by D.D. Dhar proposed to achieve two main objectives viz, ‘removal of poverty’ (Garibi Hatao) and ‘attainment of self reliance’, through promotion of high rate of growth, better distribution of income and a very significant growth in the domestic rate of savings.
172. (c) The Hindu rate of growth refers to the low annual growth rate of the socialist economy of India before 1991, which stagnated around 3.5% from 1950s to 1980s, while per capita income growth averaged 1.3%. The term was coined by Indian economist Raj Krishnaa. It suggests that the low growth rate of India, a country with a high Hindu population was in a sharp contrast to high growth rates in other Asian countries, especially the East Asian Tigers, which were also newly independent. This meaning of the term, popularised by Robert McNamara, was used disparagingly and has connotations that refer to the supposed Hindu outlook of fatalism and contentedness.
173. (d) Fourth Five-Year Plan was from 1969 to 1974. At this time Indira Gandhi was the Prime Minister. The Indira Gandhi government nationalised 14 major Indian banks and the Green Revolution in India advanced agriculture.
174. (a) The economic liberali-sation in India refers to ongoing economic reforms in India that started on 24 July, 1991. In 1991, the government of P. V. Narasimha Rao and his finance minister Manmohan Singh (currently the Prime Minister of India) started breakthrough reforms which included opening for international trade and investment, deregulation, initiation of privatization, tax reforms, and inflation controlling measures. *অ্যাকাডেমিক*
175. (d) Vijay Kelkar, former finance secretary and advisor to the finance minister almost a decade ago, was mandated by the finance minister to give a report outlining a roadmap for fiscal consolidation. Kelkar, who headed the 13th Finance Commission, was told to present a fiscal road map for the medium term
176. (c) By merging the two erstwhile wage employment programme - National Rural Employment programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP) the Jawahar Rozgar Yojana (JRY) was started with effect from April, 1, 1989 on 80:20 cost sharing basis between the centre and the States. The main objective of the Yojana was additional gainful employment for the unemployed and under-employed persons in rural areas. The other objective was the creation of sustained employment by strengthening rural economic infrastructure and assets in favour of rural poor for their direct and continuing benefits.
177. (c) The Reserve Bank of India (RBI) is India’s central banking institution, which controls the monetary policy of the Indian rupee. It was established on 1 April 1935 during the British Raj in accordance with the provisions of the

- Reserve Bank of India Act, 1934. Following India's independence in 1947, the RBI was nationalised in the year 1949. Though originally set up as a shareholders' bank, the RBI has been fully owned by the Government of India since its nationalization in 1949. শ্রীচিভর্ষ
178. (a) The Indian Institute of Foreign Trade (IIFT) is an autonomous public business school established in 1963 by the government of India to help professionalize the country's foreign trade management and increase exports by developing human resources, generating, analyzing and disseminating data. It is located in New Delhi, India.
179. (a) The Chaudhary Charan Singh (CCS) National Institute of Agricultural Marketing (NIAM) is a premier National level Institute set up by the Government of India in August 1988 to offer specialized Training, Research, Consultancy and Education in Agricultural Marketing. NIAM is an autonomous body under the aegis of the Ministry of Agriculture, Government of India. It was set up as a Registered Society to cater to the needs of Agricultural Marketing personnel in India as well as from South East Asian countries. The Union Minister for Agriculture is the President of the General body of NIAM and Secretary, Department of Agriculture and Cooperation is the Chairman of the Executive Committee. The Campus of the National Institute of Agricultural Marketing is situated in a 32 acre plot of land on the outskirts of Jaipur City.
180. (a) Two expert Committees were set up in 1990s under the chairmanship of M. Narasimhan (an ex-RBI (Reserve Bank of India) governor). The first Narasimhan Committee (Committee on the Financial System - CFS) was appointed by Manmohan Singh as India's Finance Minister on 14 August 1991, and the second one (Committee on Banking Sector Reforms) was appointed by P. Chidambaram as Finance Minister in December 1997. The 1991 committee submitted its report to the Finance Minister in November 1991 which was placed on the table of Parliament on December 17, 1991. It recommended the introduction of a four tier banking system in the country: I tier: 3 or 4 International Banks; II tier: 8 to 10 National Banks; III tier Regional Banks; and IV tier: Rural Banks. শ্রীচিভর্ষ
181. (a) Gross value added at factor cost (formerly GDP at factor cost) is derived as the sum of the value added in the agriculture, industry and services sectors. If the value added of these sectors is calculated at purchaser values, gross value added at factor cost is derived by subtracting net product taxes from GDP. GDP at Factor Cost is called Real GDP. This is because it takes into account various other factors which give a clearer picture of the GDP.
182. (a) The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an Indian job guarantee scheme, enacted by legislation on August 25, 2005. The scheme provides a legal guarantee for one hundred days of employment in every financial year to adult members of any rural household willing to do public work-related unskilled manual work at the statutory minimum wage of Rs. 120. This act was introduced with an aim of improving the purchasing power of the rural people, primarily semi or un-skilled work to people living in rural India, whether or not they are below the poverty line. The law was initially called the National Rural Employment Guarantee Act (NREGA) but was renamed on 2 October 2009.
183. (d) Since 1957, the Reserve Bank of India is required to maintain gold and foreign exchange reserves of Rs. 200 crore, of which at least Rs. 115 crore should be in gold and Rs. 85 crore in the form of Government Securities. The system as it exists today is known as the minimum reserve system. শ্রীচিভর্ষ
184. (a) The government recently (in October 2012) approved the 12th five year plan (2012-17) document that seeks to achieve annual average economic growth rate of 8.2 per cent, down from 9 per cent envisaged earlier and directed that the draft be placed before the National Development Council (NDC) which is the apex body for decision making and deliberations on development matters in India, presided over by the Prime Minister. শ্রীচিভর্ষ
185. (c) With the Prime Minister as the ex-officio Chairman, the Planning Commission of India has a nominated Deputy Chairman, who is given the rank of a full Cabinet Minister. Mr. Montek Singh Ahluwalia is presently the Deputy Chairman of the Commission. Cabinet Ministers with certain important portfolios act as part-time members of the Commission, while the full-time members are experts of various fields like Economics, Industry, Science and General Administration.

186. (b) India's large service industry accounts for 57.2% of the country's GDP while the industrial and agricultural sectors contribute 28.6% and 14.6% respectively. Agriculture is the predominant occupation in Rural India, accounting for about 52% of employment. The service sector makes up a further 34%, and industrial sector around 14%. অ্যাজিউর্ক
187. (c) The Government of India issued an ordinance ('Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1969') and nationalized the 14 largest commercial banks with effect from the midnight of July 19, 1969. These banks contained 85 percent of bank deposits in the country. A second dose of nationalization of 6 more commercial banks followed in 1980.
188. (d) Fiscal policy is the use of government revenue collection (taxation) and expenditure (spending) to influence the economy. The two main instruments of fiscal policy are government taxation and changes in the level and composition of taxation and government spending can affect the following variables in the economy: Aggregate demand and the level of economic activity; the pattern of resource allocation; and the distribution of income.
189. (a) The Gadgil formula was evolved in 1969 for determining the allocation of central assistance for state plans in India. It was adopted for distribution of plan assistance during Fourth and Fifth Five Year Plans. It was named after the then deputy chairman of the Planning Commission Dr. D R Gadgil. অ্যাজিউর্ক
190. (c) Ways and means advances (WMA) is a mechanism used by Reserve Bank of India (RBI) under its credit policy by which provides to the States banking with it to help them to tide over temporary mismatches in the cash flow of their receipts and payments. This is guided under Section 17(5) of RBI Act, 1934, and are repayable in each case not later than three months from the date of making that advance'. অ্যাজিউর্ক
191. (b) The Mahalanobis model is a model of economic development, created by Indian statistician Prasanta Chandra Mahalanobis in 1953. Mahalanobis became essentially the key economist of India's Second Five Year Plan, becoming subject to much of India's most dramatic economic debates.
192. (d) Fiscal policy is the use of government revenue collection (taxation) and expenditure (spending) to influence the economy. The two main instruments of fiscal policy are government taxation and changes in the level and composition of taxation and government spending.
193. (a) Net national income (NNI) is an economics term used in national income accounting. It can be defined as the net national product (NNP) minus indirect taxes. Net national income encompasses the income of households, businesses, and the government.
194. (c) D Subbarao (05.09.2008– Till date) অ্যাজিউর্ক
C Rangarajan (22.12.1992 – 22.11.1997)
Y.V. Reddy (05.09.2003 – 04.09.2008)
195. (d) A non-bank financial institution (NBFI) is a financial institution that does not have a full banking license or is not supervised by a national or international banking regulatory agency. LIC is an example for Non-Banking Financial institution. অ্যাজিউর্ক
196. (b) The community development programme was started in India just after independence in 1952. It was a multi project programme with the aim of an overall development of rural people.
197. (d) Multi-purpose river valley projects were hailed as "Temples of Modern India" by Jawaharlal Nehru. They were intended and designed for integrated development in the area concerned.
198. (a) Madan Mohan Malaviya raised Rs. 50,000 rupees to acquire the Hindustan Times along with the help of nationalist leaders Lajpat Rai and M. R. Jayakar and industrialist G. D. Birla, who paid most of the cash. Due to involvement of Lala Lajpat Rai with Punjab National Bank. Malaviya received much needed funds from the bank to revive the paper. অ্যাজিউর্ক
199. (d) The Imperial Bank of India came into existence on 27 January 1921. It was the oldest and the largest commercial bank of the Indian subcontinent, and was subsequently transformed into State Bank of India in 1955.
200. (c) The normal duration of the 5th Five Year Plan was 1974-1979. However, the newly elected Morarji Desai government rejected the plan in 1978 and introduced a new Sixth Five-Year Plan (1978-1983). This plan was again rejected by the Indian National Congress government in 1980 and a new Sixth Plan was made.