



**DO NOT OPEN THIS TEST BOOKLET UNTIL YOU ARE TOLD TO DO SO**

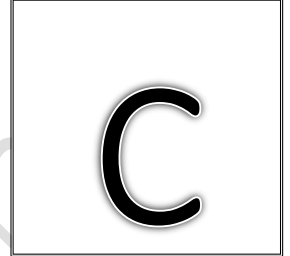
Test Booklet Series

**BUREAUCRATS I.A.S. Test Series 2019**

**TEST BOOKLET**

**GENERAL STUDIES**

**PAPER – I**



**Time Allowed: Two Hours**

**Maximum Marks: 200**

**INSTRUCTIONS**

1. IMMEDIATELY AFTER THE COMMENCEMENT OF THE EXAMINATION, YOU SHOULD CHECK THAT THIS TEST BOOKLET DOES NOT HAVE ANY UNPRINTED OR TORN OR MISSING PAGES OR ITEMS, ETC. IF SO, GET IT REPLACED BY A COMPLETE TEST BOOKLET.
2. Please note that it is the candidate's responsibility to encode and fill in the roll number and test booklet series code A, B, C, or D carefully and without any omission or discrepancy at the appropriate places in the OMR Answer Sheet. Any omission/discrepancy will render that answer sheet liable for rejection.
3. You have to enter your Roll Number on the Test Booklet in the Box provided alongside.  
**Do NOT write anything else** on the test Booklet.
4. This Test Booklet contains 100 items (questions). Each item is printed **English only**. Each item comprises four responses (answers). You will select the response which you want to mark on the Answer Sheet. In case you feel that there is more than one correct response, mark the response which you consider the best. In any case, choose **ONLY ONE** response for each item.
5. You have to mark all your responses **ONLY** on the separate Answer Sheet provided. See directions in the Answer Sheet.
6. **All** items carry equal marks.
7. Before you proceed to mark in the Answer Sheet the response to various items in the Test Booklet, you have to fill in some particulars in the Answer sheet as per instructions sent to you with your Admission Certificate.
8. After you have completed filling in all your responses on the Answer Sheet and the examination has concluded, you should hand over to the invigilator **only the Answer Sheet**. You are permitted to take away with you the Test Booklet.
9. Sheets for rough work are appended in the test Booklet at the end.
10. Penalty for wrong answers.

**THERE WILL BE PENALTY FOR WRONG ANSWERS MARKED BY A CANDIDATE IN THE OBJECTIVE TYPE QUESTION PAPERS.**

- (i) There are four alternatives for the answer to every question. For each question for which a wrong answer has been given by the candidate, one-third of the marks assigned to that question will be deducted as penalty.
- (ii) If a candidate gives more than one answer, it will be treated as a wrong answer even if one of the given answers happens to be correct and there will be same penalty as above to that question.
- (iii) If a question is left blank, i.e., no answer is given by the candidate, there will be no penalty for that question.

**DO NOT OPEN THIS TEST BOOKLET UNTIL YOU ARE TOLD TO DO SO**

**Bureaucrats I.A.S. Academy Mock Test Series - 4 for Civil Services Preliminary Examination  
2019**

1. 73rd Amendment Act of 1992 gives constitutional status to the Panchayati Raj institutions. Consider the following statements regarding this act:

1. This act has added a new Part-X to the Constitution of India.
2. The new part added by the act is entitled as 'The Panchayats' and consists of provisions from Articles 243 to 243-O.
3. This act has added the Eleventh Schedule, and it contains 29 functional items of the Panchayats.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only
- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) 1, 2 and 3

2. Consider the following statements:

1. The 73rd Constitutional Amendment Act has given practical shape to Article 42 of Directive Principles of State Policy of the Constitution.
2. The Panchayati Raj system does not come under the purview of the justiciable part of the Constitution.
3. The state governments are under constitutional obligation to adopt the new Panchayati Raj system.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only
- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) 1, 2 and 3

3. Consider the following statements:

1. The Gram Sabha is the foundation of the Panchayati Raj system.
2. The Gram Sabha is a village assembly consisting of all the registered voters in the area of a Panchayat.
3. The State Legislature determines the powers and functions of the Gram Sabha.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only
- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) 1, 2 and 3

4. Consider the following statements:

1. The chairperson of a Panchayat at the village level shall be elected in such manner as the state legislature determines.
2. The Governor appoints the Attorney General (AG).

Which of the statements given above is/are not correct?

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

5. Consider the following statements:

1. The state legislature shall provide for the reservation of offices of chairperson in the Panchayat at the village or any other level for the SCs and STs.
2. A Panchayat constituted upon the dissolution of a Panchayat before the expiration of its duration shall continue only for the remainder of the period.

Which of the statements given above is/are correct?

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

6. Consider the following statements:

- 1. No election to any Panchayat is to be questioned except by an election petition presented to such authority and in such manner as provided by the state legislature.
- 2. Article 76 does not mention about the solicitor general and additional solicitor general.

Which of the statements given above is/are correct?

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

7. The Constitution of India under Article 148 provides for an independent office of the Comptroller and Auditor General of India (CAG). Consider the following statements regarding CAG:

- 1. He is the head of the Indian Audit and Accounts Department.
- 2. He is the guardian of the public purse.
- 3. His duty is to uphold the Constitution of India and the laws of Parliament in the field of financial administration.
- 4. He is one of the bulwarks of the democratic system of government in India.

Which of the statements given above is/are not correct?

- (a) 1 and 2 Only
- (b) 4 Only
- (c) 1, 2 and 3 Only
- (d) None of the above

8. Consider the following statements:

- 1. The president can remove CAG on the same grounds and in the same manner as a judge of the Supreme Court.
- 2. The finance minister represents the CAG in Parliament.

Which of the statements given above is/are correct?

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

9. Consider the following statements:

- 1. The CAG submits his audit reports relating to the accounts of a state to the Governor.
- 2. The CAG audits the accounts related to all expenditure from the Consolidated Fund of India, consolidated fund of each state and consolidated fund of each union territory having a Legislative Assembly.

Which of the statements given above is/are correct?

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

10. Consider the following statements:

- 1. The Governor can exclude posts, services, and matters from the purview of the State Public Service Commission.
- 2. The Constitution has not specified the strength of the Union Public Service Commission.

Which of the statements given above is/are not correct?

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

11. Consider the following statements:

1. The Election Commission is a permanent and an independent body established by the Constitution of India directly to ensure free and fair elections in the country.
2. The conditions of service and tenure of office of the election commissioners and the regional commissioners shall be determined by the President.
3. The chief election commissioner and the two other election commissioners have equal powers and receive equal salary, allowances, and other perquisites, which are similar to those of a judge of the Supreme Court.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only
- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) All of the above

12. Consider the following statements:

1. The chief election commissioner cannot be removed from his office except in the same manner and on the same grounds as a judge of the Supreme Court.
2. The Election Commission of India conducts the elections to Panchayats and Municipalities also.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

13. Consider the following statements:

1. The Constitution has not prescribed the qualifications of the members of the Election Commission.

2. The Constitution has not debarred the retiring election commissioners from any further appointment by the government.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

14. Consider the following statements:

1. The 52nd Amendment Act of 1987 provided for the disqualification of the members of Parliament and the state legislatures on the ground of defection from one political party to another.
2. A member of a House belonging to any political party becomes disqualified for being a member of the House if he votes or abstains from voting in such House contrary to any direction issued by his political party without obtaining the prior permission of such party and such act has not been condoned by the party within 15 days.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

15. Consider the following statements:

1. A nominated member of a House becomes disqualified for being a member of the House if he joins any political party before the expiry of six months from the date on which he takes his seat in the House.
2. Any question regarding disqualification of the member of either house of the parliament arising

out of defection is to be decided by the Speaker of the Lower House.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

16. Consider the following statements:

1. A member of either House of Parliament belonging to any political party who is disqualified on the ground of defection shall also be disqualified to be appointed as a minister.
2. The disqualification on the ground of defection does not apply If a member, after being elected as the presiding officer of the House, voluntarily gives up the membership of his party or re-joins it after he ceases to hold that office.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

17. There are 543 Parliamentary constituencies in India each electing one member. Who demarcates the boundaries of these constituencies?

- (a) Delimitation Commission
- (b) Election Commission of India
- (c) Delimitation Act
- (d) None of the above

18. Consider the following statements:

1. The present delimitation of constituencies has been done on the basis of 2001 census figures under the provisions of Delimitation Act, 2002.

2. The Constitution of India was amended in 2002 not to have delimitation of constituencies till the first census after 2026.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

19. Consider the following statements:

1. Representation of the People Act, 1951 contains the provisions of the Qualifications and disqualifications for membership of Parliament and State Legislatures.
2. Representation of the People Act, 1951 contains the provisions of registration of electors for Parliamentary Constituencies and the Assembly and Council Constituencies and the qualifications and disqualifications for such registration.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

20. Consider the following statements:

1. The Chief Electoral Officer (CEO) a state is authorized to supervise the election work in the state.
2. The Election Commission of India nominates or designates an Officer of the Government of the state as the Chief Electoral Officer in consultation with that State Government.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only

- (c) Both 1 and 2
- (d) None of the above

21. Consider the following statements:

1. The Indian Constitution has established an integrated judicial system, adopted from the Government of India Act of 1935.
2. In India, the federal laws are enforced by the Supreme Court (for center) and the state laws are enforced by the High Court (for states).

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

22. Consider the following statements:

1. The jurisdiction of the Supreme Court is greater than the Federal Court of India.
2. The Supreme Court has replaced the British Privy Council as the highest court of appeal.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

23. Consider the following statements:

1. The judges of the Supreme Court are appointed by the Council of Ministers headed by the Prime Minister.
2. The chief justice is appointed by the Prime Minister after consultation with such judges of the Supreme Court and high courts as he deems necessary.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

24. Consider the following statements:

1. The Constitution has not prescribed the minimum age for appointment as a judge of the Supreme Court.
2. A person to be appointed as a judge of the Supreme Court should have been an advocate of a High Court for ten years.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

25. Consider the following statements:

1. The President administers the oath of a person appointed as the judge of the Supreme Court.
2. The Constitution has fixed the tenure of a judge of the Supreme Court for six years.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

26. Consider the following statements:

1. The President can issue an order for the removal of the judge of the Supreme Court only after an address by Parliament has been presented to him in the same session for such removal.
2. A removal motion (for High Court judge) signed by 100 members (in the case of Lok Sabha) or 50 members (in

the case of Rajya Sabha) is to be given to the Speaker/Chairman.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

27. Consider the following statements:

1. The salaries, allowances, privileges, leave and pension of the judges of the Supreme Court are determined from time to time by the Parliament.
2. The Constitution declares Delhi as the seat of the Supreme Court. The Constitution also authorizes the chief justice of India to give direction to the President to appoint any other place as a seat of the Supreme Court.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

28. Consider the following statements:

1. The Constitutional cases or references made by the President under Article 143 are decided by a Bench of the Supreme Court consisting of at least three judges.
2. The principal role of the judiciary is to protect the rule of law and ensure the supremacy of law.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

29. Which of the following is not true regarding the independence of the judiciary?

- (a) The other organs of the government (the executive and legislature) must not restrain the functioning of the judiciary in such a way that it is unable to do justice.
- (b) The other organs of the government should not interfere with the decision of the judiciary.
- (c) Judges must be able to perform their functions without fear or favour.
- (d) There should be no accountability of Judiciary towards the people of the country.

30. Consider the following statements:

1. The legislature is not involved in the process of appointment of judges of the Supreme Court and High Court.
2. The salaries, allowances, and pensions of the judges and the staff as well as all the administrative expenses of the Supreme Court are charged on the Consolidated Fund of India.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

31. Consider the following statements:

1. The Constitution directs the State to take steps to separate the Judiciary from the Executive in the public services.
2. Original jurisdiction means that the Supreme Court can consider cases after the lower courts.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only

- (c) Both 1 and 2
- (d) None of the above

32. Consider the following statements:

1. Supreme Court as a federal court decides the dispute between different units of the federation.
2. The Supreme Court of India has exclusive original jurisdiction in case of federal disputes.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

33. Consider the following statements:

1. Inter-State water disputes and Matters referred to the Finance Commission comes under the original jurisdiction of the Supreme Court.
2. The constitution has established the President as the guarantor and defender of the fundamental rights of the persons.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

34. Consider the following statements:

1. The writ jurisdiction of the Supreme Court is exclusive and original.
2. An appeal in constitutional matters can be made to the Supreme Court against the judgement of the High Court on the ground that the question has been wrongly decided.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

35. Consider the following statements:

1. Appeal by special leave is the discretionary power of the Supreme Court.
2. The Supreme Court is bound to give advice to the President in any dispute arising out of any pre-constitutional treaty, agreement, covenant, engagement, sanad or other similar instruments.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

36. Consider the following statements:

1. The Supreme Court has the original, exclusive and final authority regarding the disputes related to the election of the president and the vice-president.
2. The Supreme Court enquires into the conduct and behaviour of the chairman and members of the Union Public Service Commission on a reference made by the president.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

37. Consider the following statements:



1. In 1862 the high courts were set up at Calcutta, Madras, and Allahabad.
2. The Parliament can extend the jurisdiction of a high court to any union territory or exclude the jurisdiction of a high court from any union territory.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

38. Consider the following statements:

1. The Gram Nyayalayas Act, 2008, the State Governments establish Gram Nyayalayas in the consultation with the respective High Courts.
2. The Gram Nyayalaya shall be a mobile court and shall exercise the powers of both Criminal and Civil Courts.
3. The seat of the Gram Nyayalaya will be located at the headquarters of the Zila Panchayat.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only
- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) All of the above

39. Consider the following statements:

1. Lok Adalat is a forum where the cases (or disputes) are compromised or settled amicably.
2. An award of a Lok Adalat shall be deemed to be a decree of a Civil Court or an order of any other court.
3. No appeal shall lie to any court against the award of the Lok Adalat.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only

- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) All of the above

40. Consider the following statements:

1. "Public health, sanitation, conservancy, and solid waste management" is one of the 29 functional items in Twelfth Schedule placed within the purview of municipalities.
2. The State Finance Commission shall, for every five years, review the financial position of municipalities and make the recommendation to the governor.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

41. Consider the following statements:

1. The National Human Rights Commission (NHRC) is a constitutional body.
2. The chairman and members of the National Human Rights Commission (NHRC) hold office for a term of five years or until they attain the age of 70 years, whichever is earlier.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

42. Consider the following statements:

1. The President appoints the Chief Information Commissioner on the recommendation of a committee consisting of the Prime Minister as Chairperson, the Leader of Opposition

in the Lok Sabha, the Leader of Opposition in the Rajya Sabha.

2. The CBI is a statutory body, and it derives its powers from the Delhi Special Police Establishment Act, 1946.

Which of the statements given above is/are correct?

- (a) 1 Only  
(b) 2 Only  
(c) Both 1 and 2  
(d) None of the above

43. Consider the following statements:

1. The Lokpal will have the power of superintendence and direction over any investigating agency, including the CBI, for cases referred to them by the Lokpal.  
2. A person who is or has been a Chief Justice of India or is or has been a Judge of the Supreme Court or an eminent person can be appointed as the Chairperson of Lokpal.

Which of the statements given above is/are correct?

- (a) 1 Only  
(b) 2 Only  
(c) Both 1 and 2  
(d) None of the above

44. Consider the following statements:

1. The president can also remove the Central Vigilance Commissioner or any vigilance commissioner on the grounds provided in the constitution.  
2. The Central Vigilance Commission exercises superintendence over the vigilance administration in the ministries of the Central government or its authorities.

Which of the statements given above is/are correct?

- (a) 1 Only  
(b) 2 Only  
(c) Both 1 and 2  
(d) None of the above

45. Which of the following is not a classical language?

- (a) Telugu  
(b) Kannada  
(c) Maithili  
(d) Malayalam

46. Which of the following is not a language under the Eighth Schedule of the Constitution?

- (a) Assamese  
(b) Bengali  
(c) Nepali  
(d) None of the above

47. Consider the following statements:

1. The relationship of the Union Territories with Centre is unitary.  
2. There is a uniformity in their administrative set-up of Union Territories.

Which of the statements given above is/are correct?

- (a) 1 Only  
(b) 2 Only  
(c) Both 1 and 2  
(d) None of the above

48. Consider the following statements:

1. The Lakshadweep comes under the jurisdiction of Calcutta High Court.  
2. The Puducherry comes under the jurisdiction of Madras High Court.

Which of the statements given above is/are correct?

- (a) 1 Only  
(b) 2 Only  
(c) Both 1 and 2  
(d) None of the above

49. Consider the following statements:

1. The president is empowered to declare an area to be a scheduled area.
2. The Constitution, under Fifth Schedule, contains special provisions for the administration of tribal areas in the four north-eastern states of Assam, Meghalaya, Tripura, and Mizoram.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

50. Consider the following statements:

1. The Union cannot change the name, area or boundary of Jammu & Kashmir without the consent of its legislature.
2. The President has no power to declare a financial emergency in relation to the Jammu & Kashmir.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

51. Consider the following statements:

1. Reverse Repo Rate is the interest rate at which the Reserve Bank provides overnight liquidity to banks against the collateral of government and other approved securities under the liquidity adjustment facility (LAF).
2. Repo Rate is the interest rate at which the Reserve Bank absorbs liquidity, on an overnight basis, from banks against the collateral of eligible government securities under the liquidity adjustment facility (LAF).

Which of the statements given above is/are correct?

- (a) 1 Only

- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

52. Consider the following statements:

1. The scheduled commercial banks can use Bank Rate to borrow additional amount of overnight money from the Reserve Bank by dipping into their Statutory Liquidity Ratio (SLR) portfolio up to a limit at a penal rate of interest.
2. The cash reserve ratio (CRR) is the ratio fixed by the RBI of the total deposits of a bank in India which is kept with the RBI in the form of cash.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

53. Consider the following statements:

1. Statutory Liquidity Ratio (SLR) is the share of Net Demand and Term Liability (NDTL) that a bank is required to maintain in government securities Only.
2. The increase in SLR reduces the availability of resources in the banking system for lending to the private sector.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

54. Consider the following statements regarding RBI's function:

1. To regulate the issue of Bank notes.

2. Keeping of reserves to secure monetary stability in India.
3. To maintain price stability while keeping in mind the objective of growth.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only
- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) All of the above

55. Consider the following statements:

1. Local Board advises the Central Board on local matters and to represent territorial and economic interests of local cooperative and indigenous bank.
2. The RBI is a banker to the government.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

56. Non-Performing Assets (NPAs) are the bad loans of the banks. Consider the following statements regarding NPA:

1. NPAs are the assets on which Interest or Principle overdue for a period of 90 days.
2. A loan is considered NPA if it has not been serviced for one term i.e., 90 days.
3. An agricultural loan granted for short duration crops will be treated as NPA if the installment of principal or interest thereon remains overdue for one crop seasons.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only

- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) All of the above

57. Consider the following statements:

1. A willful defaulter is one who diverts the funds for purposes other than what the fund was availed for.
2. A willful defaulter cannot participate in the capital market.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

58. Consider the following statements regarding "the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002:"

1. The Banks or FIs having 75 percent of the dues owed by the borrower can issue a notice of default to borrowers asking to clear dues within 60 days.
2. On the borrower's failure to repay, the banks or FIs can also sell the security to a securitization or Asset Reconstruction Company (ARC), but they not can take over the management of the borrowing concern.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

59. Consider the following statements:

1. The marginal cost of funds based lending rate (MCLR) refers to the minimum interest rate of a bank below which it cannot lend, except in some cases allowed by the RBI.

2. It is the interest rate below which scheduled commercial banks will lend no loans to its customers.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

60. Consider the following statements:

1. MCLR aims to bring transparency in the methodology followed by banks for determining interest rates on advances.
2. For the calculation of MCLR "Margin of Profit or Average Return on Net Worth" is used.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

61. Which of the following is narrow money?

- (a)  $M1 = \text{Currency \& coins with people} + \text{Demand deposits of Banks} + \text{Other deposits of the RBI}$ .
- (b)  $M2 = M1 + \text{Demand deposits of the post offices (i.e., saving schemes' money)}$ .
- (c)  $M3 = M1 + \text{Time/Term deposits of the Banks}$
- (d)  $M4 = M3 + \text{total deposits of the post offices}$

62. Which of the following statement is not true regarding Payment Bank?

- (a) A non-bank PPIs, NBFCs, corporate's, mobile telephone companies, supermarket chains, real sector cooperatives companies and public sector entities can promote payments banks.

- (b) Banks can take equity in Payments Banks.
- (c) Payments Banks can accept demand deposits.
- (d) Credit lending is allowed for Payments Banks.

63. Consider the following statements:

1. The Small Bank shall primarily engage basic banking activities of accepting deposits and lending to small farmers, small businesses, micro and small industries, and unorganized sector entities.
2. Small banks have to maintain CRR and SLR.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

64. Consider the following statements:

1. A transaction is a chit, if in such transaction all the subscribers get the chit amount by turns with a liability to pay future subscriptions.
2. Chit fund business is regulated under the Central Chit Funds Act, 1982 and the rules framed under this Act by the various state governments for this purpose.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

65. Consider the following statements:

1. In the Indian financial sector, Nidhi refers to any mutual benefit society

notified by the Union Government as a Nidhi Company.

2. Nidhis are companies registered under the Companies Act, 1956 and are regulated by the Ministry of Corporate Affairs (MCA).

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

66. Consider the following statements:

1. Operating companies are owned by the holding company, but are responsible for all day-to-day operations of the company.
2. The primary function of a holding company is to invest in other companies, commonly known as subsidiaries.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

67. Consider the following statements regarding the Automated Teller Machine (ATM):

1. Brown Label ATMs (BLAs) are owned and operated by the concerned bank and carry the bank's 'logo'.
2. White Label ATMs (WLAs) are 'owned' and 'operated' by a third party (a non-banking firm). They do not bear the 'logo' of the banks they serve.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

68. Consider the following statements:

1. Participatory Notes (PNs) is a derivative instrument issued in Indian jurisdictions, by a SEBI registered FII, against Indian securities.
2. The investors in Participatory Notes (PNs) derive the economic benefits of investing in the security without actually holding it.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

69. Consider the following statements:

1. Hedge funds are a lot of investible capital which moves very swiftly towards the more profitable sectors of an economy.
2. The Short Selling is the sale of a share which is not owned. Someone does the Short Selling after borrowing shares from stockbrokers promising to replace them at a future date on the hope that the price will fall by then.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

70. Consider the following statements:

1. A bull is a person who speculates that the share prices will fall in the future and so sells his shares and earns a profit.
2. A bear is a person who speculates share prices to go up in future so either stops selling the select group of shares for that time to be reached or starts purchasing that select group of shares.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

71. Consider the following statements:

1. The Price Band is a process of the public issue where the company gives a fixed price, and it is left upon the share applicants to quote their prices on it, the highest bidders getting the shares.
2. Initial Public Offer (IPO) is an event of share issuing when a company comes up with its share/securities issued for the first time.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

72. Consider the following statements:

1. Angel investor is an investor who provides financial backing to entrepreneurs for 'starting their business'. They are focused on helping the business succeed, rather than receiving a huge profit from their investment.
2. Venture capital is a private equity capital which lends capital to the entrepreneurs who are innovative and cannot get the required fund from the conventional set-up of the lending mechanism.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only

- (c) Both 1 and 2
- (d) None of the above

73. Consider the following statements:

1. "When the buyers want postponement of the transaction" is known as Undha Badla.
2. "When the sellers want postponement of the transaction" is known as Badla.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

74. Consider the following statements:

1. Futures are financial contract or trading, allowed in shares where a future price is quoted for the shares and the payment and delivery take place on the pre-determined dates.
2. The difference between the buying and selling prices of a share is called spread.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

75. Consider the following statements:

1. Sweat Share is a share given to the existing shareholders without any charge.
2. Scrip Share is a share given to the employees of the company without any charge.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only

- (c) Both 1 and 2
- (d) None of the above

76. Consider the following statements:

1. Spot Exchanges refer to electronic trading platforms which facilitate purchase and sale of specified commodities, including agricultural commodities, metals, and bullion.
2. The main objective of the Commodity exchanges is to protect the participants from an adverse movement in prices by facilitating futures trading in shares.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

77. Consider the following statements regarding SEBI:

1. It is the regulator of the Indian stock market, set up under the Security and Exchange Board of India Act, 1992.
2. Its head office is in Mumbai.
3. Its initial paid-up capital was Rs. 50 crore provided by the promoters—the IDBI, the IFCI, and the ICICI.
4. The Board of SEBI comprises nine members excluding the chairman.

Which of the statements given above is/are correct?

- (a) 1, 2 and 3 Only
- (b) 2, 3 and 4 Only
- (c) 1 and 2 Only
- (d) All of the above

78. Which of the following is not a stock exchange in India?

- (a) NSE
- (b) BSE
- (c) OTCEI
- (d) None of the above

79. Consider the following statements regarding the "Derivative:"

1. The derivative is a product whose value is derived from the value of one or more basic variables contractually.
2. Derivatives are securities under the Securities Contracts (Regulation) Act, 1956.
3. The trading of derivatives is governed by the regulatory framework under the Securities Contracts (Regulation) Act, 1956.
4. The derivatives are not allowed to be traded on the floors of the stock exchanges.

Which of the statements given above is/are correct?

- (a) 1, 2 and 3 Only
- (b) 2, 3 and 4 Only
- (c) 1, 3 and 4 Only
- (d) All of the above

80. Consider the following statements:

1. The Authorised Capital is the limits upto which shares can be issued by a Company.
2. The Paid-up Capital is the part of the authorised capital of a company that has actually been paid by shareholders.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

81. Consider the following statements:

1. The Subscribed Capital is the amount actually paid by the shareholders or have been committed by them for contribution.
2. The Issued Capital is the amount which is sought by a company to be raised by issuing shares which cannot



exceed the authorized capital of the company.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

82. Consider the following statements:

1. American Depository Receipt (ADR) enables investors based in the USA to invest in stocks of non-US companies trading on a non-US stock exchange.
2. ADRs are denominated in Rupees.
3. Conversion of local shares into American Depository Shares (ADS) of a company is called an ADS conversion offer.

Which of the statements given above is/are correct?

- (a) 1 and 2 Only
- (b) 2 and 3 Only
- (c) 1 and 3 Only
- (d) All of the above

83. Which of the following is true regarding "Twin Balance Sheet Problem"?

- (a) Reduction in NPAs of the PSBs and Highly stressed balance sheet of the private corporate sector.
- (b) Increase in NPAs of the PSBs and Highly stressed balance sheet of the private corporate sector.
- (c) Increase in NPAs of the PSBs and Highly profitable balance sheet of the private corporate sector.
- (d) Reduction in NPAs of the PSBs and Highly profitable balance sheet of the private corporate sector.

84. On 8 November 2016, the Government announced the denomination of Rs 500 and Rs

1000 currency notes. Which of the following was not a positive impact of demonization?

- (a) Curbing corruption
- (b) Checking terrorism
- (c) Preventing the accumulation of black money
- (d) Reduction in GDP growth rate

85. Consider the following statements:

1. A Bad Bank is a bank created primarily to buy the bad debts of the existing banks to clear such loans of the latter.
2. The Economic Survey 2016-17 suggested to set up "public sector asset rehabilitation agency (PARA)" to solve the 'twin balance sheet' (TBS).

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

86. Which of the following is not true regarding the Capital adequacy ratio?

- (a) It is a regulation on commercial banks, co-operative banks, and the non-banking financial companies to maintain a certain amount of capital in relation to their liability.
- (b) It is a cushion against probable losses in the investments and loans of the Banks.
- (c) It is a concept devised by the Bank for International Settlements (BIS), Basel.
- (d) None of the above

87. Consider the following statements:

1. The importing nation imposes Countervailing Duty (CVD) on imports if the exporting country is found to offer export subsidies to their exports.

2. The importing nation imposes Anti-dumping duty if the exporting country is found to export at below fair market price.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

88. Consider the following statements:

1. Debentures are secured by collateral in the form of immovable property.
2. Bonds are used to raise long-term debt and not supported by any collateral.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

89. Consider the following statements:

1. The method of accounting which includes the ecological and environmental damages done by the economic activities in monetary terms is called Environmental Accounting.
2. Assessment of the environmental impact of a firm/public body through its activities is called Environmental Audit.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

90. Consider the following statements:

1. GDRs can be denominated either in dollars or Euros and are commonly listed on European Stock Exchanges.
2. Gini coefficient is an unemployment indicator of an economy.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

91. Consider the following statements:

1. Hedge Funds are basically mutual funds (MFs) which invest in various securities in order to contain or hedge risks.
2. An act of unproductive retention of money or goods is called Hoarding.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

92. Consider the following statements:

1. LIBOR is the interest rate on the dollar and other foreign currency deposits at which larger banks are prepared to borrow and lend these currencies in the Euro-currency market.
2. Lorenz curve is a graph showing the degree of inequality in income and wealth in a given population or an economy.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

93. Consider the following statements:

1. The Open Market Operation is an instrument of monetary policy under which sale and purchase of government Treasury Bills and bonds take place as a means of controlling the money supply.
2. Primary dealer (PD) is an intermediary participating in the primary auctions of the government securities.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

94. Consider the following statements:

1. A situation when the population growth rate is equal to the achievable economic growth rate is called the Population Trap.
2. Qualified Institutional Placement (QIP) is a policy associated with the Indian stock market for raising capital by issuing equity shares.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

95. Consider the following statements:

1. Replacement cost is the cost of replacing an asset.
2. The costs borne by society at large resulting from the economic activities by the firms is called Social costs.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only

- (c) Both 1 and 2
- (d) None of the above

96. Consider the following statements:

1. A bond bearing zero coupon rate (i.e., no interest) sold at a price lower than its face value is called a Zero-coupon bond.
2. Yield gap is the average returns on shares minus the average returns on bonds.

Which of the statements given above is/are not correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

97. Consider the following statements:

1. Giffen good are those goods for which the demand increases as its price increases.
2. Assets Reconstruction Companies (ARCs) acquire non-performing from the Banks.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

98. Which of the following statement is not true regarding Universal Basic Income (UBI)?

- (a) UBI is a scheme is generally proposed as a non-targeted one in which a fixed sum of cash is periodically transferred to all on an individual basis.
- (b) The idea is to ensure that every person in society has the means to live with certain freedom and dignity, independent of capacity to earn or availability of employment.

- (c) UBI has the potential to reduce both poverty and inequality.
- (d) None of the above.

99. Consider the following statements:

1. The sensitive index (i.e., Sensex) is a 30 stocks index of the BSE.
2. CNX-50 has a 50 share index of the NSE.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above

100. Consider the following statements:

1. The market in which the instruments of security market are traded directly between the capital-raiser and the instrument purchaser is known as the Secondary market.
2. The Market in which the instruments of security market are traded among the primary instrument holders is known as the secondary market.

Which of the statements given above is/are correct?

- (a) 1 Only
- (b) 2 Only
- (c) Both 1 and 2
- (d) None of the above