

RBI GRADE B 2023

PHASE 2

Economic & Social Issues

Memory Based Paper

Detailed Explanations



Dear Students,

It is with great pleasure that we present to you this question paper document with detailed explanations for the **RBI Grade B 2023 – Phase 2 exam**. This document has been meticulously to serve as a valuable resource for candidates preparing for the **RBI Grade B officer exam**.

Aspiring candidates are often confused about the pattern, difficulty level and types of questions that may appear in their upcoming exam.

Each question has been carefully solved, and its underlying concepts and principles have been thoroughly explained. This will help you in not only to practice answering questions but also helps you understand the reasoning and logic behind each correct answer. Through explanations, you will be able to reinforce your understanding, clarify any doubts, and develop a deeper grasp of the subject matter.

We wish you all the best in your exam preparation journey and hope that this document proves to be a valuable asset in your pursuit of success.

Disclaimer: While every effort has been made to ensure the accuracy and relevance of the questions, there can be some variations in the question language and options. Therefore, we encourage you to use these questions as a reference point. This will help you acquire a comprehensive understanding of the syllabus and increase your chances of success in the upcoming **RBI Grade B officer exam**.

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RBI Grade B 2023 - Recollected Questions

Section – Economic and Social Issues

Sub-section - Objective

Paragraph on Mission LiFE

An initiative was launched by Hon'ble Prime Minister on 20 October 2022 at Kevadia, Gujarat, which focuses on bringing about behaviour changes in individuals for combatting climate change. The objective is a global movement for transitioning from a model of destructive and mindless consumption to deliberate and mindful utilization of resources.

In order to further catalyze pan-India advocacy and awareness about this initiative, the MoEFCC has initiated a month-long mass mobilisation drive, which culminated on 5 June 2023 in a mega celebration of World Environment Day. With a view to amplify all efforts to promote its message and to make the drive a success, MoEFCC has included all 99 Ministries and 36 States/UTs, along with their divisions, subordinate organizations, and field offices, to undertake the related activities beginning 5 May 2023.

Q.1) Which one of the following initiatives has been mentioned in the above paragraph?

- A. Swachh Bharat Mission
- B. Namami Gange Programme
- C. Green Skill Development Programme
- D. Sulabh International Social Movement
- E. Mission LiFE (Lifestyle for Environment)

Q.2) Which of the following is not included in the 7-categories of Mission LiFE?

- A. Save water
- B. Save energy
- C. Reduce waste
- D. Plant trees
- E. Healthy lifestyle

Q.3) Match the following:

A. Phase I 1. Change in policy

B. Phase II 2. Change in supply

C Phase III 3. Change in demand

- A. A-1, B-2, C-3
- B. A-3, B-2, C-1
- C. A-2, B-3, C-1
- D. A-1, B-3, C-2
- E. A-3, B-1, C-2

Q.4) The above-mentioned initiative was announced by Prime Minister at which of the following events?

- A. COP26
- B. G20- Environment and Climate Ministers' Meet
- C. Rio Summit
- D. Paris Environment Conclave
- E. G7 Ministers' Meeting on Climate

Paragraph on WTO

It is the only global international organization dealing with the rules of trade between nations. At its heart are its agreements, which have been negotiated and signed by the bulk of the world's trading nations and ratified in their parliaments. The goal is to ensure that trade flows as smoothly, predictably and freely as possible. Its Secretariat is located in Geneva, Switzerland, and has an annual budget of approximately CHF 200 million.

From the early days of the Silk Road to the creation of the General Agreement on Tariffs and Trade (GATT) and the birth of this organisation, trade has played an important role in supporting economic development and promoting peaceful relations among nations. Decisions in the organisation are generally taken by consensus of the entire membership.

Q.5) Which round of talks has resulted into the creation of the organisation mentioned in the given passage?

- A. Geneva Round
- B. Doha Round
- C. Uruguay round
- D. Bretton Woods Round
- E. Paris Round

Q.6) What is the establishment year of the organisation mentioned in the given passage?

- A. 1st October 1995
- B. 1st March 1985
- C. 1st July 1944
- D. 15th January 1975
- E. 1st January 1995

Q.7) Who among the following is the Director-General of the organisation mentioned in the given passage?

- A. Roy Santana
- B. Arthur Dunkel
- C. Ngozi Okonjo-Iweala
- D. Catherine Russell

E. Audrey Azoulay

Q.8) Which of the following is the topmost decision-making body of the organisation, which usually meets every two years?

- A. Board of Directors
- B. Ministerial Conference
- C. Director General
- D. General Council
- E. Members Committee

Paragraph on IMF World Economic Outlook

The report's database contains selected macroeconomic data series, presenting the organisations' staff's analysis and projections of economic developments at the global level, in major country groups and in many individual countries. The analysis and projections contained in the report are integral elements of the organisation's surveillance of economic developments and policies in its member countries, of developments in international financial markets, and of the global economic system. The reports' database is created during the biannual exercise, which begins in ____ and ____ of each year and results in the April and September/October publication.

In the latest edition of the report, the baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to ____ in 2023.

Q.9) Which one of the following report has been mentioned in the above passage?

- A. OECD Economic Outlook
- B. World Bank's Global Economic Prospects Report
- C. United Nations' World Economic Situation and Prospects (WESP) Report
- D. IMF's World Economic Outlook
- E. None of the above

Q.10) As per the report mentioned in the passage, advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to ____ percent in 2023.

- A. 1.8%
- B. 1.3%
- C. 2.3%
- D. 2.0%
- E. 1.5%

Q.11) The database for the above report is created during the biannual exercise, which begins in ____ and ____ of each year and results in the April and September/October.

- A. May and October
- B. April and September

- C. March and August
- D. July and December
- E. January and June

Q.12) Which of the following are the 3 critical missions of IMF?

- 1. Furthering international monetary cooperation**
- 2. Encouraging the expansion of trade and economic growth**
- 3. Discouraging policies that would harm prosperity**

- A. Both 1 and 3
- B. Only 1
- C. Both 2 and 3
- D. Only 3
- E. 1, 2 and 3

Paragraph on PVTG Scheme

Government has focused on developing tribal human resource with a holistic approach over the last 9 years. Government has launched a mission which will saturate PVTG families and habitations with basic facilities and stressed on education for PVTG's. A fund of Rs 15,000 crore for the next three years has been allocated for the socio-economic development of the group.

Tribal communities are often identified by some specific signs such as primitive traits, distinctive culture, geographical isolation, shyness to contact with the community at large and backwardness. PVTGs are more vulnerable among the tribal groups. Due to this factor, more developed and assertive tribal groups take a major chunk of the tribal development funds, because of which PVTGs need more funds directed for their development.

Q.13) Which one of the following schemes has been mentioned in the above passage?

- A. Pradhan Mantri Adi Adarsh Gram Yojna
- B. Pradhan Mantri PVTG Development Mission
- C. Pradhan Mantri Janjatiya Vikas Mission
- D. Van Dhan Yojana
- E. Swadhar Greh Scheme

Q.14) The developmental work for PVTGs are being taken under which one of the following priorities under Saptarishi (7 priorities) mentioned under the Union Budget 2023-24?

- A. Inclusive development
- B. Unleashing the potential
- C. Reaching the last mile
- D. Financial sector
- E. Youth power

Q.15) Which of the following states does not belong to the group of 18 states that have Particularly Vulnerable Tribal Groups?

1. Assam
2. Andhra Pradesh
3. Gujarat
4. Maharashtra
5. Odisha

- A. Only 1
- B. 1, 3 and 5
- C. 2, 3 and 4
- D. Both 1 and 4
- E. Only 5

Q.16) Government of India follows which of the following criteria for the identification of PVTGs?

1. Pre-agricultural level of technology
2. Low level of literacy
3. Economic backwardness
4. A declining or stagnant population.

- A. Only 1
- B. 1, 3 and 4
- C. 2, 3 and 4
- D. Both 1 and 4
- E. 1, 2, 3 and 4

Paragraph on NDUW - Eshram Portal

Ministry of Labour & Employment has launched a portal, which is a National Database of the Unorganised Workers (NDUW) aged between 16-59 seeded with Aadhaar. A total of Rs. 704.01 crores was allocated for NDUW for the period FY 2019-20 to FY 2024-25 and funds to the tune of around Rs. 418 Crores has been utilized as on 24th March, 2023.

To further improve the utilization of fund Ministry has taken several steps to increase registration on e-Shram is providing multi-channel registration facility to unorganised workers across country. CSC-SPV along with its more than 4 lakh Village Level Entrepreneurs (VLEs) have been on boarded to provide registration facilities at village level.

Q.17) As per the latest data, how many workers have enrolled on the portal mentioned in the above passage?

- A. 179 million
- B. 289 million
- C. 329 million
- D. 160 million
- E. 419 million

Q.18) Recently, the NDUW has been integrated with an application, which is developed by Ministry of Electronics and Information Technology (MeitY) and ____.

- A. NITI Aayog
- B. National Informatics Centre
- C. Unique Identification Authority of India (UIDAI)
- D. National e-Governance Division (NeGD)
- E. Government e Marketplace (GeM)

Q.19) Which of the following services can be accessed through the application mentioned in the above passage?

- 1. Income tax filing**
- 2. Aadhar and provident fund services**
- 3. Gas cylinder booking**
- 4. Passport Seva**

- A. Only 1
- B. 1, 3 and 4
- C. 2, 3 and 4
- D. Both 1 and 4
- E. 1, 2, 3 and 4

Q.20) Which of the following states has exceeded the registration target as on 27th March 2023?

- 1. Uttar Pradesh**
- 2. Odisha**
- 3. Chhattisgarh**
- 4. Uttarakhand**
- 5. West Bengal**

- A. Only 1
- B. 1, 3 and 5
- C. 1, 2 and 3
- D. Both 1 and 4
- E. Only 5

Q.21) Mr. X who is an artisan, has a family consisting of 6 members is trying to get benefit under Pradhan Mantri Jan Arogya Yojana (PM-JAY), which is the largest health assurance scheme in the world.

Which of the following conditions is/are correct with respect to benefits under Pradhan Mantri Jan Arogya Yojana (PM-JAY)?

- 1. Only 5 members of the family will be eligible for health insurance**
 - 2. He will not be eligible due to nature of his job**
 - 3. Only Mr. X is eligible for benefit under the scheme while his family is not eligible for pre hospitalisation**
- A. Only 1
B. Both 2 & 3
C. Both 1 & 3
D. Only 3
E. None of the above

Q.22) Who among the following are eligible to avail the benefit under the Stand Up India Scheme?

- 1. 20 years old women planning to set up her own venture**
 - 2. Person "A" is planning to set up his second Greenfield project**
 - 3. Person "Y", a wilful defaulter is planning to set up his first greenfield project**
- A. Only 1
B. Both 2 & 3
C. Both 1 & 3
D. Only 3
E. None of the above

Q.23) It is a small deposit scheme of the Government of India meant exclusively for a girl child. It played a vital role in improving the lives of women by ensuring their financial independence and creating a secure future for them. If a girl child's date of birth is 1/10/2003, which of the following is/are correct with respect to the scheme?

- 1. Account can be opened for her till 30/09/2013**
 - 2. Minimum deposit of ₹ 250/- and maximum deposit of ₹ 2.5 Lakh can be done in a financial year.**
 - 3. The account can be transferred anywhere in India from one Post office/Bank to another.**
- A. Only 1
B. Both 2 & 3
C. Both 1 & 3
D. Only 3
E. None of the above

Q.24) Identify the correct statement with respect to the Sovereign Gold Bond Scheme.

- 1. Investors compensated at a fixed rate of 2.50% per annum payable semi-annually on nominal value and last interest payable on maturity along with principal**
 - 2. Issue price to be less by ₹50 per gram for investors who subscribe online and pay through digital mode**
 - 3. Tenor of SGB will be for a period of 8 years with an option of premature redemption.**
 - 4. Bonds are not sold through offices or branches of Scheduled Foreign Banks.**
- A. Only 1
B. Both 2 & 3
C. 1, 2 & 3
D. Both 3 & 4
E. None of the above

Q.25) Which of the following will be eligible to avail the benefits as per the Prime Minister's Scholarship Scheme (PMSS)?

- 1. A widow who wanted to study MSc and have 60% in graduation.**
 - 2. Widow has completed diploma with 55% and want to pursue higher education.**
 - 3. Child's 12th marks were given as 58%.**
- A. Only 1
B. Both 2 & 3
C. Both 1 & 3
D. Only 1
E. None of the above

Q.26) A women aged 45 years having 2 daughters aged 12 and 8 years is staying in Swadhar Greh.

Which of the following statement is correct:

- 1. A daughter with age 12 to be shifted from Swadhar Greh.**
 - 2. Women upto 45 years of age can stay there .**
 - 3. A daughter with age 8 years can stay with her mother for 5 years in Swadhar Greh.**
- A. Only 1
B. Both 2 & 3
C. Both 1 & 3
D. Only 3
E. None of the above

Q.27) A person wants to open "Pradhan Mantri Bhartiya Janaushadi Pariyojana" store, which of the following statement is true?

1. He would get 20% margin on the MRP
2. He would get a special financial assistance of Rs 2 lakh from Government
3. Normal incentive to Kendra's owners has been enhanced from ₹2.5 lakhs to ₹5 lakhs, to be given @15% of monthly purchase made, subject to a ceiling of ₹12,000 per month

- A. Only 1
- B. Both 2 & 3
- C. Both 1 & 2
- D. Only 3
- E. None of the above

Q.28) Recently PM Kisan Mobile App with Face Authentication Feature was launched and it will benefit farmers comprehensively with innovative scheme and technology of Kisan Samman Nidhi.

Which one of the following services are provided under the app:

1. Status of landseeding
2. Linking of Aadhaar with bank accounts
3. e-KYC by scanning face without OTP or fingerprint

- A. Only 1
- B. Both 2 & 3
- C. Both 1 & 2
- D. 1, 2 and 3
- E. None of the above

Q.29) India is a young country brimming with youthful enthusiasm and aspirations. In order to provide a fertile ground for sowing the seeds of India's development it is very important to harness this innovative zeal of young India which can provide new age solutions to existing gaps in the economic ecosystem of the country. Understanding the need to harness the latent potential of entrepreneurship in India, the Union Government had launched this scheme for development and refinancing of micro unit enterprises. It provides loans up to 10 lakh to non-corporate, non-farm, small/micro enterprises.

Identify the statement(s) which is/are correct with respect to above scheme?

1. Loan proposal should be only for setting up of new Micro business enterprises.
2. There is no processing fee for loans up to ₹50,000/-.
3. Life insurance is mandatory for availing loans under the scheme.
4. Loans available for purchase of Transport Vehicle / Tractors, tillers as well as two wheelers, in case applicant intends to use vehicle for commercial purposes.

- A. Only 1
- B. Both 2 & 4

- C. Both 3 & 4
- D. Both 1 & 4
- E. 1, 2, 3, and 4

Q.30) Mahila Samman Savings Certificate Scheme was announced in the 2023-24 Union Budget by Finance Minister Smt Nirmala Sitharaman to commemorate 'Azadi Ka Amrit Mahotsav' and is a significant step towards financial inclusion and empowerment of the women including the girls.

Which statement(s) among the following is/are correct with respect to Mahila Samman Savings Certificates, 2023?

- 1. Account can be closed before maturity only on the death of the account holder.**
 - 2. In case of premature closure of account, the interest rate will be reduced by 2%.**
 - 3. Partial withdrawal is allowed after 6 months from date of account opening but before account's maturity.**
 - 4. In case of partial withdrawal account holder can withdraw a maximum of 50% of the balance.**
- A. Only 1
 - B. Only 2
 - C. Both 3 & 4
 - D. Both 1 & 4
 - E. 1, 2, 3, and 4

Sub-section – Descriptive

Q.1) Explain three government schemes related to poverty alleviation and employment generation. (400 words, 10 Marks)

Q.2) Discuss Monetary Policy and mention in brief at least eight Monetary Policy Instruments. (400 words, 10 Marks)

Q.3) What are the problems being faced by Startup entrepreneurs in tier 2 and 3 cities in India? (400 words, 10 Marks)

Q.4) In the context of UNDP's Gender Equality Strategy 2022-25 and Gender Social Norms Index for promoting gender equality, what actions can India take toward gender sensitization? (600 words, 15 Marks)

Q.5) "Better migration policies for a prospering World". Elaborate the statement in light of the recently released World Development Report 2023: Migrants, Refugees and Societies by the World Bank. Also, discuss key recommendations of the Report. (600 words, 15 Marks)

Q.6) In the light of the Report on Currency and Finance released by the RBI, explain:

- A) Macroeconomic Effect of Climate Change**
- B) Three landmark global collaborations on climate change (600 words, 15 Marks)**

RBI Grade B 2023 - Recollected Question Answer Key

Section – Economic and Social Issues

Sub-section - Objective

Question Number	Answer	Question Number	Answer	Question Number	Answer
1	E	11	E	21	E
2	D	12	E	22	A
3	B	13	B	23	D
4	A	14	C	24	C
5	C	15	A	25	D
6	E	16	E	26	D
7	C	17	B	27	C
8	B	18	D	28	D
9	D	19	E	29	B
10	B	20	C	30	B

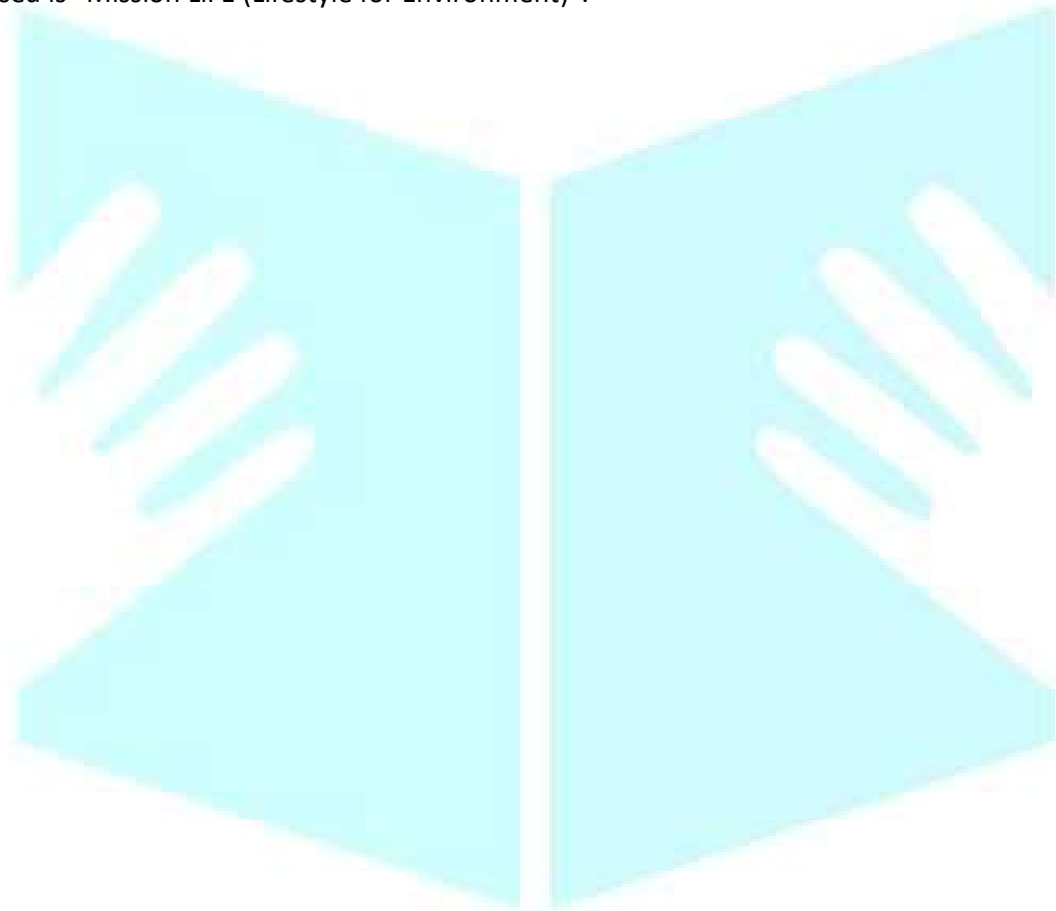
RBI Grade B 2023 - Recollected Questions Explanations

Section – Economic and Social Issues

Sub-section – Objective

Q.1) Explanation:

As per the given passage, and the mindmap given below, we can conclude that the initiative discussed is “Mission LiFE (Lifestyle for Environment)”.



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Mission LiFE (Lifestyle for Environment)



Proposed by – Narendra Modi, The Prime Minister of India

Announced at – 26th Conference of the Parties (COP26) at Glasgow, United Kingdom in 2021

Launch date – October 20, 2022

Launched at – Statue of Unity, EktaNagar, Kevadia, Gujarat

Initiated & led by – Government of India

Need – Nearly 3 billion people are projected to experience chronic water scarcity due to droughts at 2°C warming
global economy could lose up to 18% of Gross Domestic Product (GDP) by 2050 without urgent action by one and all

Aim – to nudge individuals and communities to practice a lifestyle that is synchronous with nature and does not harm it.

People practicing such life lifestyle are recognized as 'Pro Planet People'.

Objectives – to mobilize at least one billion Indians and other global citizens to take individual and collective action for protecting & preserving environment during 2022-2027
at least 80% of all villages and urban local bodies within India to become environment-friendly by 2028.

Key Principle – Lifestyle of the planet, for the planet and by the planet

Duration – 5 years

Nodal Agency – 1st Year (Curator & Incubator) – NITI Aayog
2nd to 5th Year (Implementor) – Ministry of Environment, Forest & Climate Change (MoEFCC)

Three Pronged Strategy

- Change in Demand (Phase I)**
 - to nudge individuals to practise simple yet effective environment-friendly actions in daily lives
- Change in Supply (Phase II)**
 - to enable industries and markets to respond swiftly to the changing demand
- Change in Policy (Phase III)**
 - to influence government and industrial policy to support both sustainable consumption and production

Focus Area – 2022-23 – Change in Demand (Phase 1)

Implementation Mechanism

- Compilation of **75 LiFE actions lists** across **seven categories**, viz energy, water saving, single-use plastic, sustainable food systems, waste reduction (swachhata actions), healthy lifestyle, and e-waste
compiled to commemorate the mission launch in the **75th year of India's Independence**
- Creation of **LiFE Dashboard**
- Conducting a **baseline survey** to gain insight into the baseline level of all LiFE action indicators to measure success
- Identification of **Key Performance Indicators (KPIs)** and impact of LiFE actions
- Coordinated and concerted actions by Ministries/Departments

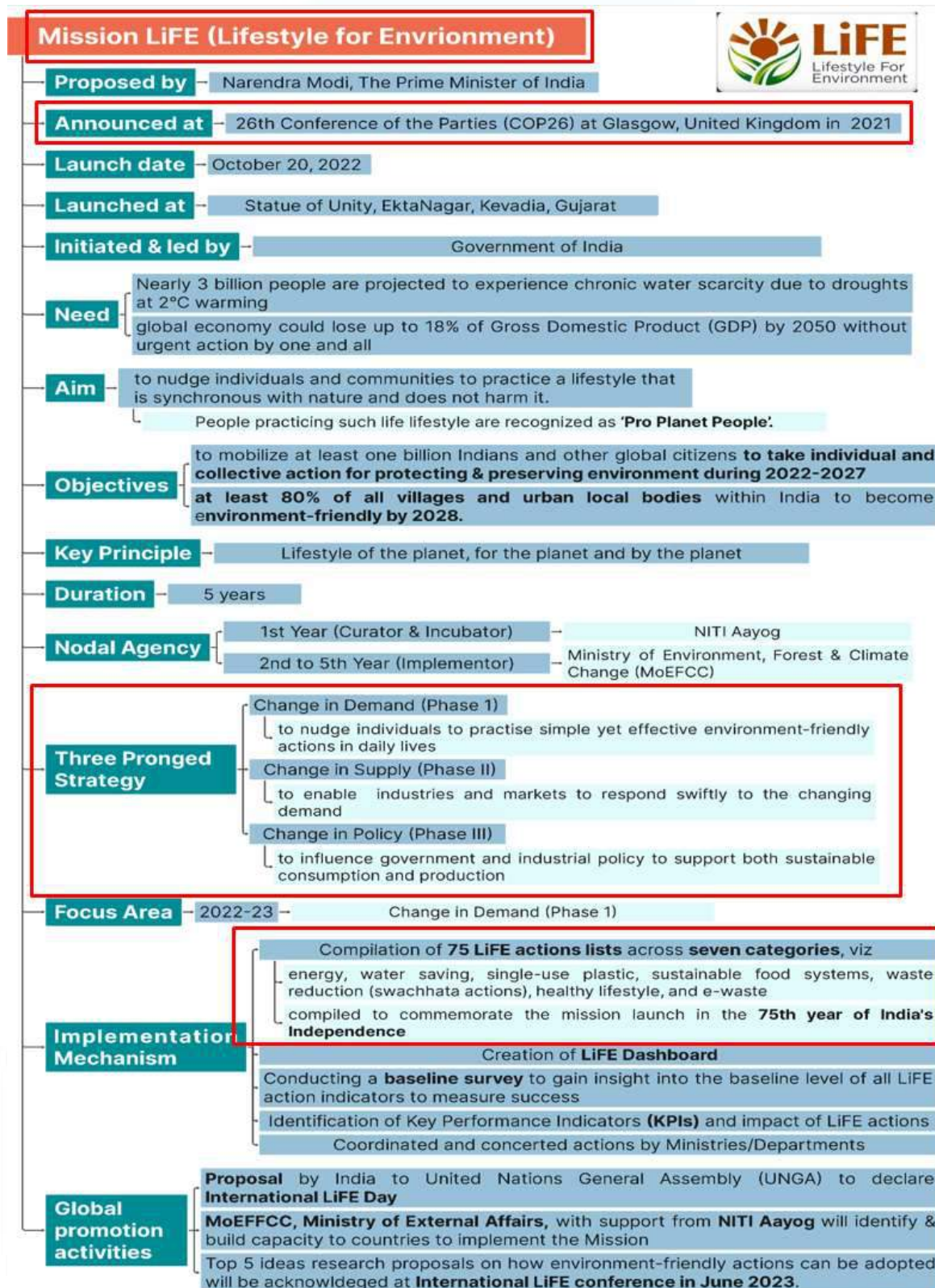
Global promotion activities

- Proposal** by India to United Nations General Assembly (UNGA) to declare **International LiFE Day**
- MoEFFCC, Ministry of External Affairs**, with support from **NITI Aayog** will identify & build capacity to countries to implement the Mission
- Top 5 ideas research proposals on how environment-friendly actions can be adopted will be acknowledged at **International LiFE conference in June 2023**.

Hence E is the correct answer.

Q.2) Explanation:

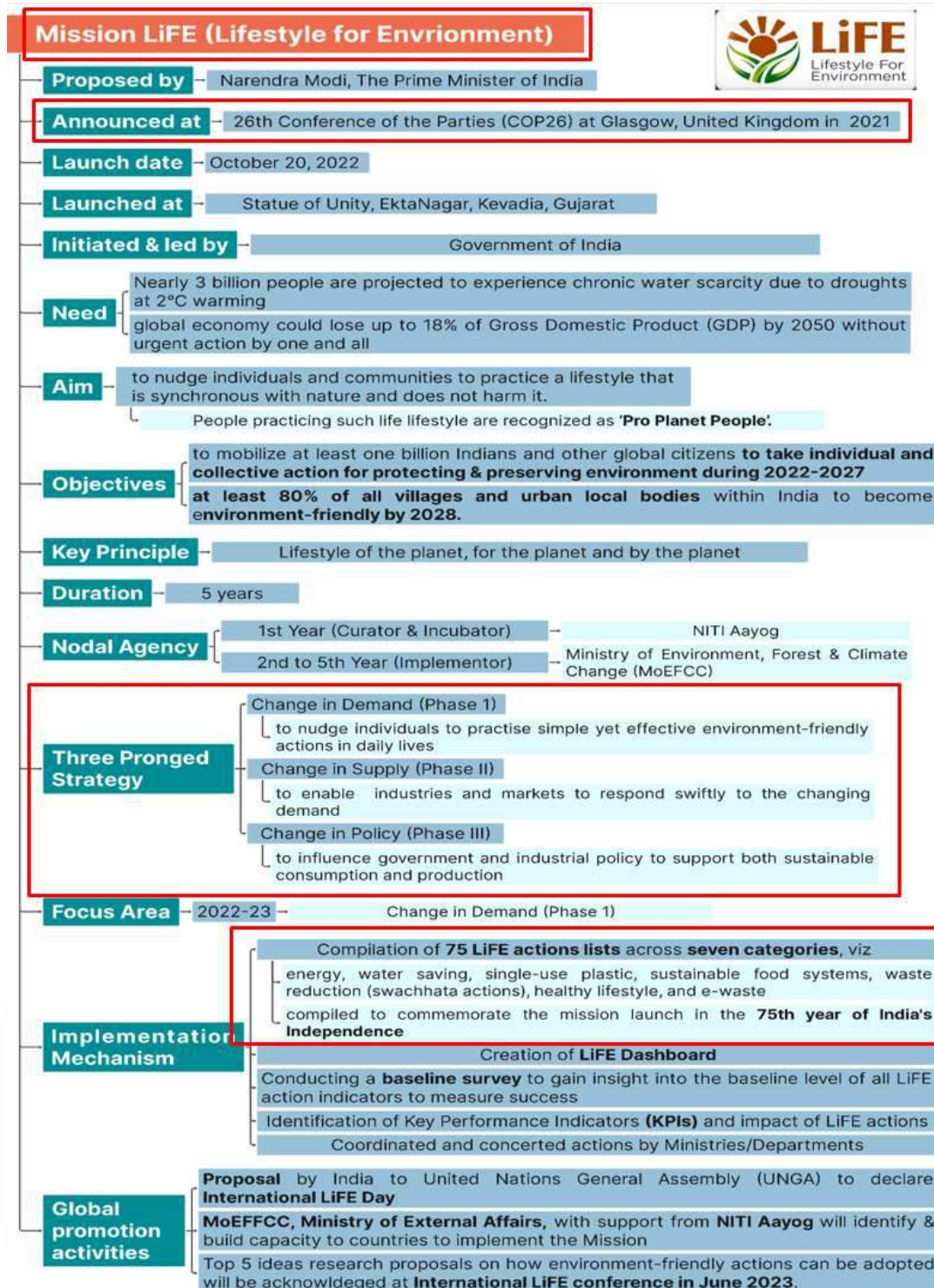
The compilation of 75 LiFE Action lists across 7-categories, as marked in the below mentioned MindMap.



Hence **D** is the correct answer.

Q.3) Explanation:

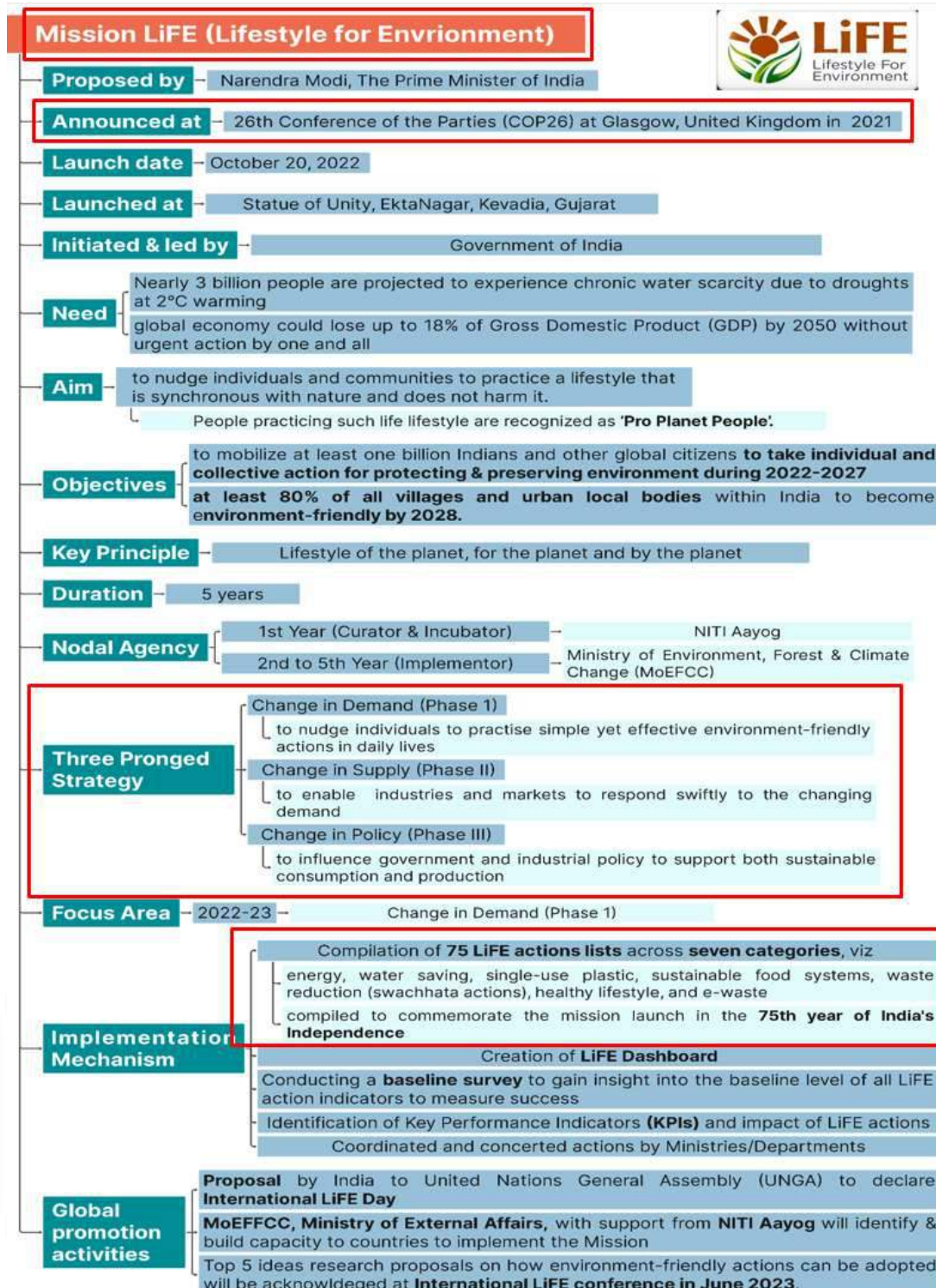
The 3-pronged strategies announced under the **Mission LIFE (Lifestyle for Environment)** initiative will be matched as per the information given in the below mindmap.



Hence **B** is the correct answer.

Q.4) Explanation:

The **Mission LiFE (Lifestyle for Environment)** was announced by Prime Minister at **COP26 summit**.



Hence **A** is the correct answer.

Q.5) Explanation:

Uruguay round of talks has resulted into the **creation** of the **World Trade Organization**.

4.2 How was the System Developed?

- The system was developed through a series of trade negotiations, or rounds, held under GATT.

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- The GATT completed **8 rounds of multilateral trade negotiations (MTNs)**.
- The **first rounds** dealt mainly with **tariff reductions**, but **later negotiations** included other areas such as **anti-dumping and non-tariff measures**.
- **The last round — the 1986-94 Uruguay Round — led to the WTO's creation.**
- The negotiations did not end there. Some continued after the end of the Uruguay Round.
- In February 1997 agreement was reached on telecommunications services, with 69 governments agreeing to wide-ranging liberalization measures that went beyond those agreed in the Uruguay Round.

Hence **C** is the correct answer.

Q.6) Explanation:

The **World Trade Organization** was established on **1st January in 1995**.

4 World Trade Organisation

4.1 Background: The origin of WTO

- The World Trade Organization (WTO) **came into being in 1995**.
- One of the youngest of the international organizations, the WTO is the **successor to the General Agreement on Tariffs and Trade (GATT)** established in the wake of the Second World War.

GATT

- The General Agreement on Tariffs and Trade was the **first worldwide multilateral free trade agreement**.
- It was in effect from **June 30, 1948, until January 1, 1995**.
- It ended when it was **replaced by the more robust World Trade Organization**.
- So, while the WTO is still young, the multilateral trading system that was originally set up under **GATT is well over 60 years old**.
- The **past 60 years** have seen an **exceptional growth** in world trade. Merchandise exports grew on average by 6% annually. Total trade in 2000 was 22-times the level of 1950. GATT and the WTO have helped to create a strong and prosperous trading system contributing to unprecedented growth.

Hence **E** is the correct answer.

Q.7) Explanation:

Ngozi Okonjo-Iweala is currently serving as the **Director-General of the World Trade Organization**.

Hence **C** is the correct answer.

Q.8) Explanation:

Ministerial Conference is the **topmost decision-making body** of the organisation, which usually meets every two years.

4.5 Structure of WTO

4.5.1 Membership

Members: The WTO has 164 members, accounting for more than 98% of world trade.

4.5.2 Decision Making

- Decisions are made by the **entire membership**. This is typically **by consensus**.
- A **majority vote is also possible**, but it has never been used in the WTO, and was extremely rare under the WTO's predecessor, GATT.

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- **The WTO's agreements have been ratified in all members' parliaments.**
- **The WTO's top-level decision-making body is the Ministerial Conference** which meets at least once

Hence **B** is the correct answer.

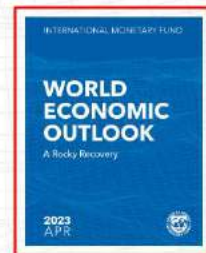
Q.9) Explanation:

IMF's World Economic Outlook has been mentioned in the passage.

The outlook is uncertain again amid financial sector turmoil, high inflation, ongoing effects of Russia's invasion of Ukraine, and three years of COVID

The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases.

The natural rate of interest is important for both monetary and fiscal policy as it is a reference level to gauge the stance of monetary policy and a key determinant of the sustainability of public debt. Chapter 2 aims to study the evolution of the natural rate of interest across several large advanced and emerging market economies. Public debt as a ratio to GDP soared across the world during COVID-19 and is expected to remain elevated. Chapter 3 examines the effectiveness of different approaches to reducing debt-to-GDP ratios. Supply-chain disruptions and rising geopolitical tensions have brought the risks and potential benefits and costs of geoeconomic fragmentation to the center of the policy debate. Chapter 4 studies how such fragmentation can reshape the geography of foreign direct investment FDI and how it can affect the global economy.



Hence **D** is the correct answer.

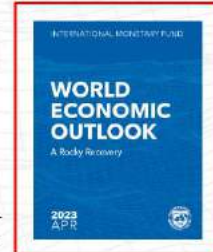
Q.10) Explanation:

As per the **IMF's World Economic Outlook**, **advanced economies** are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to **1.3% in 2023**.

The outlook is uncertain again amid financial sector turmoil, high inflation, ongoing effects of Russia's invasion of Ukraine, and three years of COVID

The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. **Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023.** In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases.

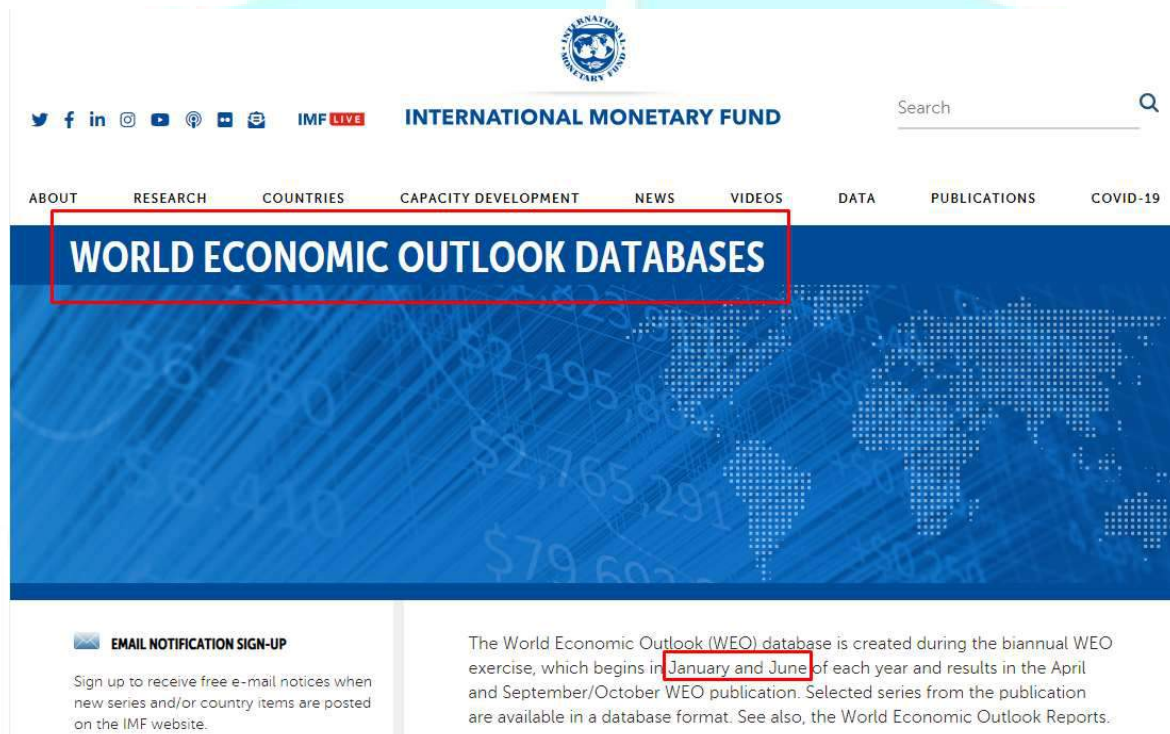
The natural rate of interest is important for both monetary and fiscal policy as it is a reference level to gauge the stance of monetary policy and a key determinant of the sustainability of public debt. Chapter 2 aims to study the evolution of the natural rate of interest across several large advanced and emerging market economies. Public debt as a ratio to GDP soared across the world during COVID-19 and is expected to remain elevated. Chapter 3 examines the effectiveness of different approaches to reducing debt-to-GDP ratios. Supply-chain disruptions and rising geopolitical tensions have brought the risks and potential benefits and costs of geoeconomic fragmentation to the center of the policy debate. Chapter 4 studies how such fragmentation can reshape the geography of foreign direct investment (FDI) and how it can affect the global economy.



Hence **B** is the correct answer.

Q.11) Explanation:

The database for the above report is created during the biannual exercise, which begins in **January** and **June** of each year and results in the April and September/October.



The screenshot shows the IMF website's 'WORLD ECONOMIC OUTLOOK DATABASES' page. The page features the IMF logo at the top, a search bar, and a navigation menu with options like ABOUT, RESEARCH, COUNTRIES, CAPACITY DEVELOPMENT, NEWS, VIDEOS, DATA, PUBLICATIONS, and COVID-19. The main heading is 'WORLD ECONOMIC OUTLOOK DATABASES'. Below this, there is an 'EMAIL NOTIFICATION SIGN-UP' section and a paragraph explaining that the WEO database is created during the biannual WEO exercise, which begins in **January and June** of each year and results in the April and September/October WEO publication.

Hence **E** is the correct answer.

Q.12) Explanation:

The 3 critical missions of IMF are:

1. Furthering international monetary cooperation
2. Encouraging the expansion of trade and economic growth
3. Discouraging policies that would harm prosperity

3 The International Monetary Fund

The International Monetary Fund is an organization of **190-member countries**. (Principality of Andorra joined the fund on October 16, 2020, as its 190th member). It is headquartered in Washington, D.C

It stabilizes the global economy in three ways.

- First, it **monitors global conditions** and identifies risks.
- Second, it **advises its members on how to improve their economies**.
- Third, it **provides technical assistance** and short-term loans to prevent financial crises.

The IMF's goal is to prevent these disasters by guiding its members.

3.2 What does IMF work for?

- The IMF is responsible for the creation and maintenance of the international monetary system, the system by which international payments among countries take place.
- It thus strives to provide a systematic mechanism for foreign exchange transactions in order to foster investment and promote balanced global economic trade.
- To achieve these goals, the IMF focuses and advises on the macroeconomic policies of a country, which affect its exchange rate and its government's budget, money, and credit management.
- The IMF will also appraise a country's financial sector and its regulatory policies, as well as structural policies within the macro economy that relate to the labour market and employment.
- In addition, as a fund, it may offer financial assistance to nations in need of correcting balance of payments discrepancies.
- The IMF is thus entrusted with nurturing economic growth and maintaining high levels of employment within countries.

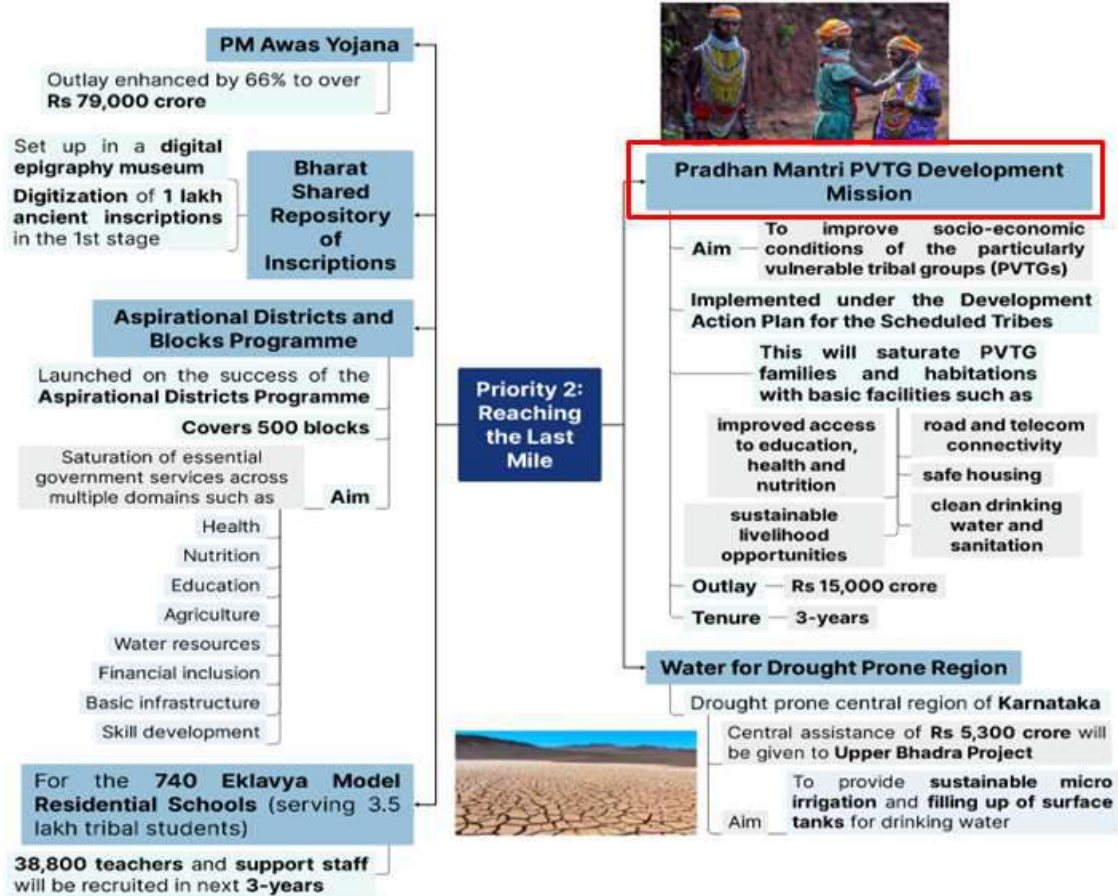
\$303
million

For hands-on technical
advice, policy-oriented
training, and peer
learning

Hence E is the correct answer.

Q.13) Explanation:

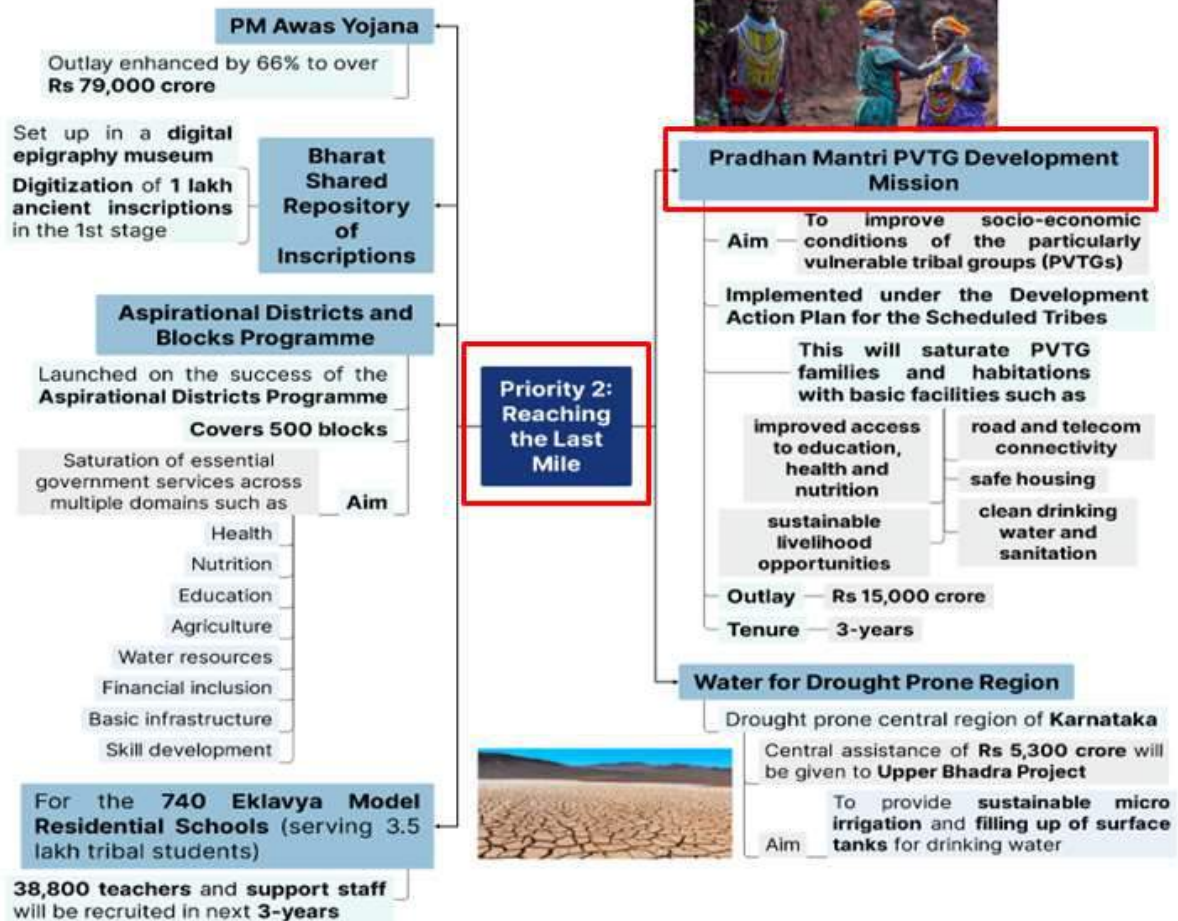
Pradhan Mantri PVTG Development Mission has been discussed in the passage.



Hence **B** is the correct answer.

Q.14) **Explanation:**

Pradhan Mantri PVTG Development Mission has been covered under the **2nd priority “reaching the last mile”** as mentioned in the **Union Budget 2023-24**.



Hence C is the correct answer.

Q.15) Explanation:

Assam is the only states that does not belong to the group of 18 states that have Particularly Vulnerable Tribal Groups, as mentioned in the question.

Hence A is the correct answer.

Q.16) Explanation:

The criteria followed by the Government of India for the identification of PVTGs are:

1. Pre-agricultural level of technology
2. Low level of literacy
3. Economic backwardness
4. A declining or stagnant population.

Hence E is the correct answer.

Q.17) Explanation:



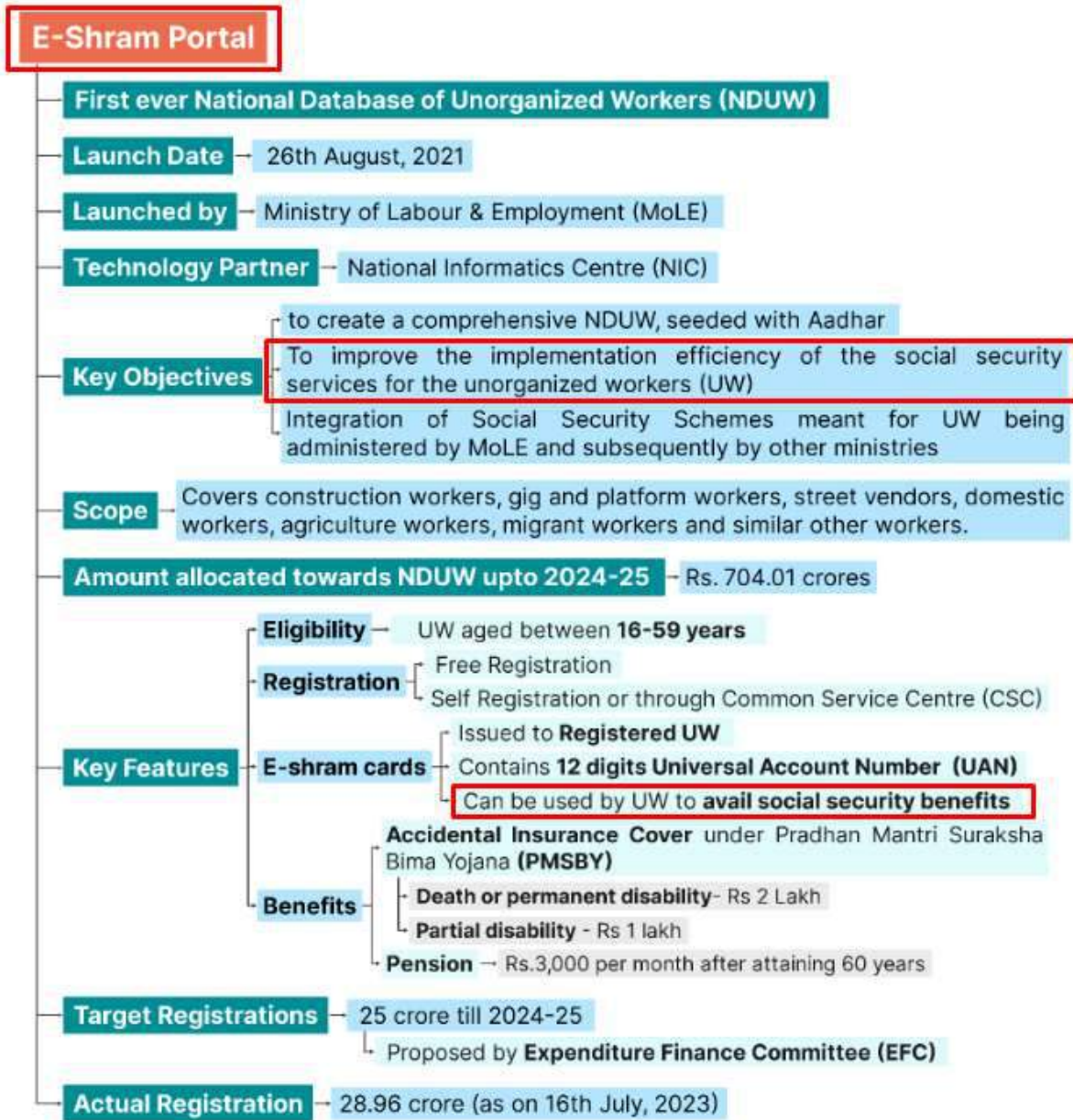
Hence **B** is the correct answer.

Q.18) Explanation:

The **National Database of the Unorganised Workers (NDUW)** has been integrated with an application, which is developed by Ministry of Electronics and Information Technology (**MeitY**) and **National e-Governance Division (NeGD)**.

Hence **D** is the correct answer.

Q.19) Explanation:



Hence **E** is the correct answer.

Q.20) Explanation:

States which have exceeded the registration target as on 27th March 2023: Uttar Pradesh, Odisha, Chhattisgarh

State wise registration vis-à-vis target on eShram portal as on 27.03.2023

SLNo	State	Target	Total Registered	Target Achieved
1	UTTAR PRADESH	6,66,07,163	8,30,30,579	124.66%
2	ODISHA	1,29,79,773	1,33,32,320	102.72%
3	CHHATTISGARH	82,42,144	82,75,355	100.40%

Hence C is the correct answer.

Q.21) Explanation:

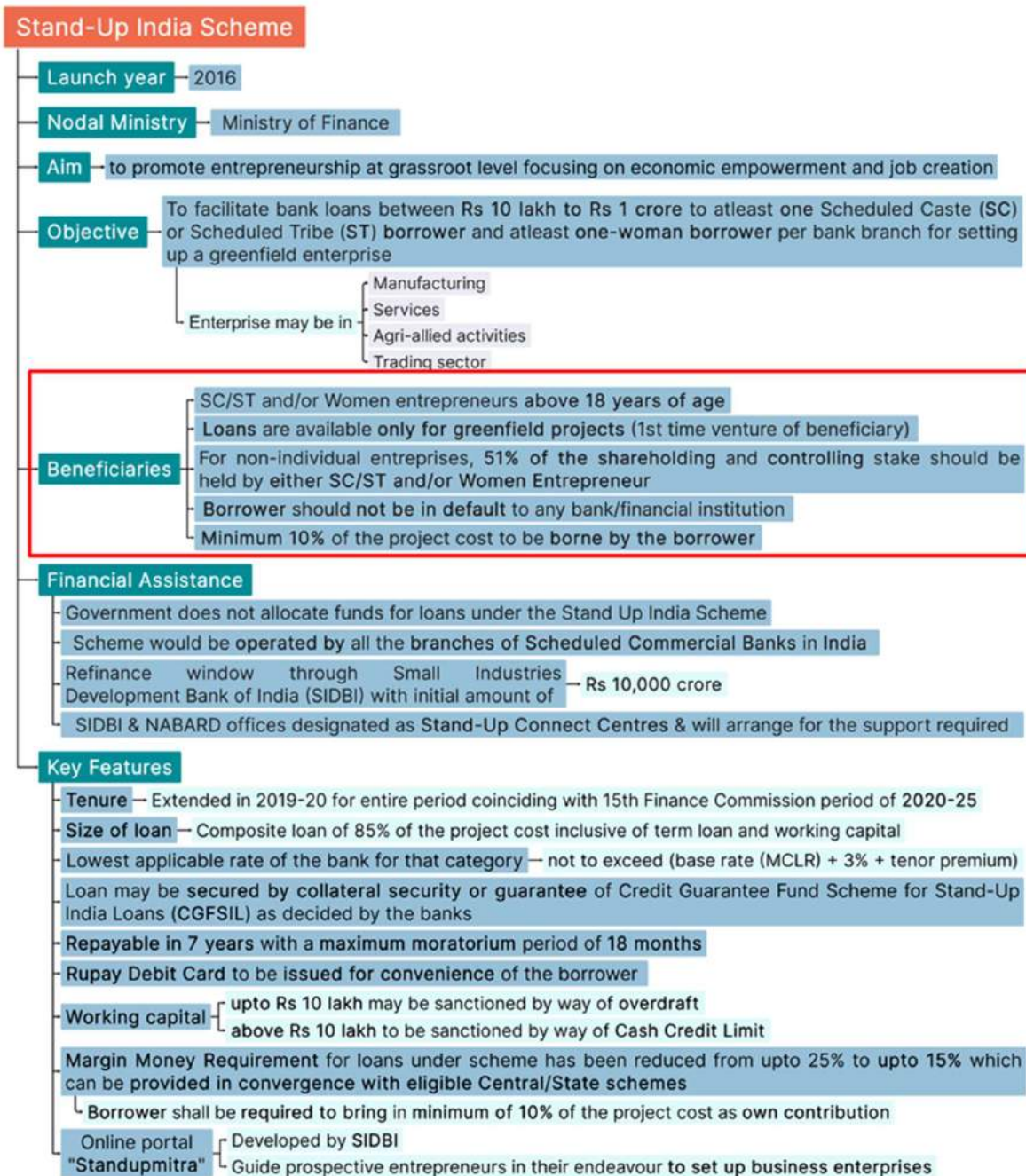
According to the **Pradhan Mantri Jan Arogya Yojana (PM-JAY)**, none of the statements mentioned in the question are correct. The statements can be validated from the below given MindMap.



Hence E is the correct answer.

Q.22) Explanation:

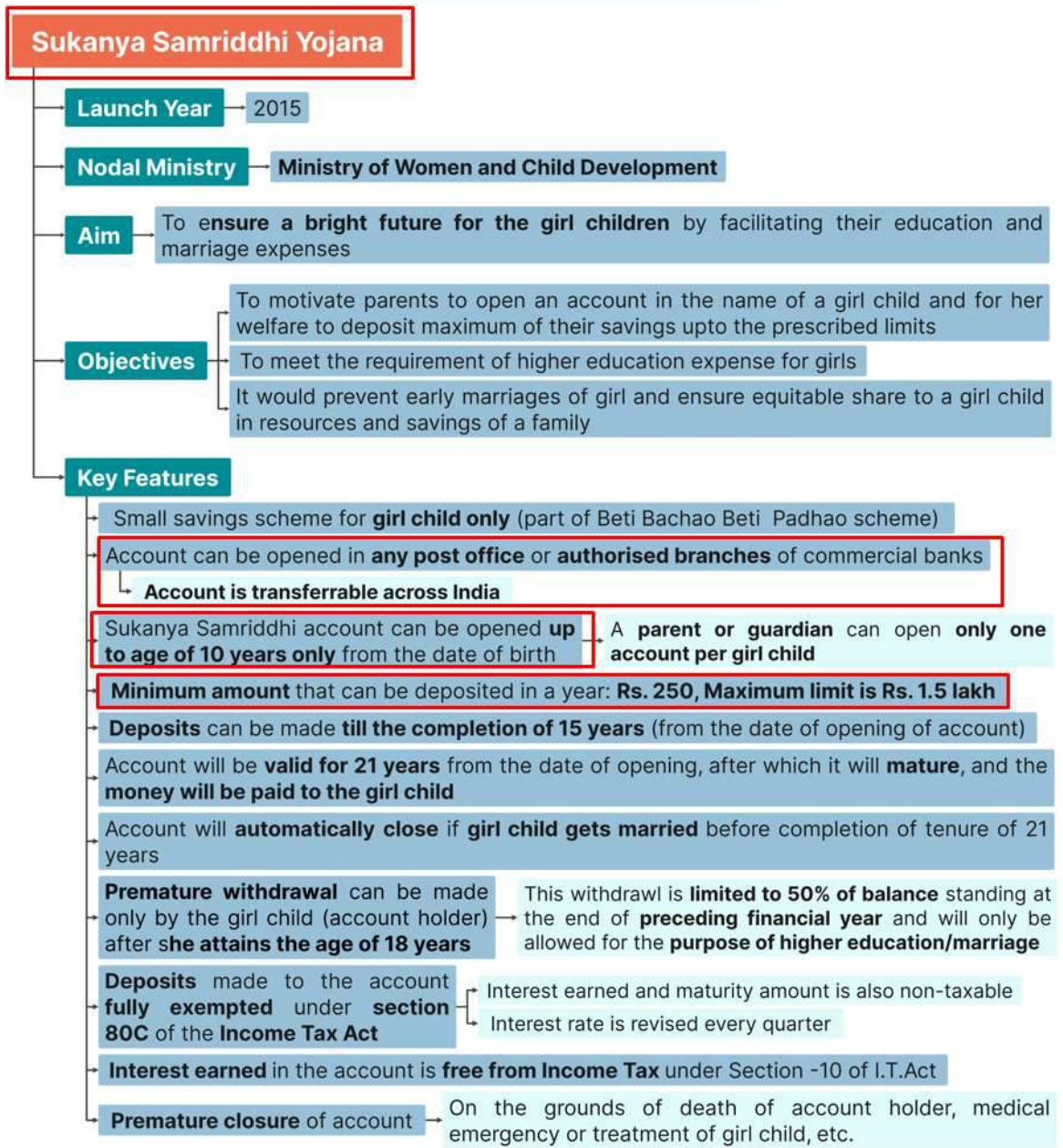
The question pertains to the eligibility criterion for the “Stand Up India Scheme”. As per the eligibility criterion of the scheme, **only the person mentioned in statement 1 is eligible**. This can be validated from the below given MindMap.



Hence **A** is the correct answer.

Q.23) Explanation:

According to the features of the Sukanya Samriddhi Yojana, only statement-3 is correct, while the statements 1 and 2 are incorrect. The MindMap of the scheme has been mentioned below for the reference.



Hence **D** is the correct answer.

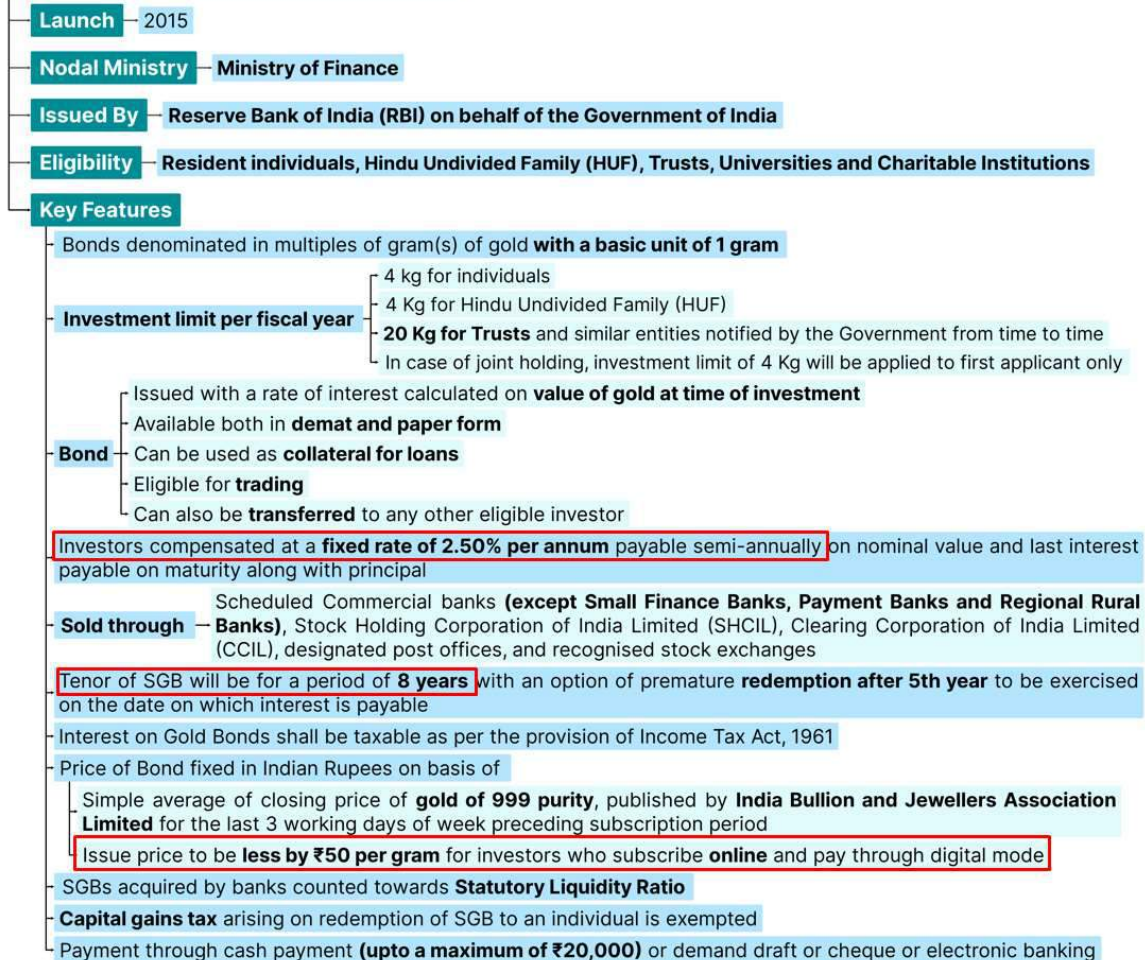
Q.24) **Explanation:**

According to the **Sovereign Gold Bond Scheme**, the following statements are correct, as per the information mentioned in the below given mindmap-

1. **Investors compensated at a fixed rate of 2.50% per annum** payable semi-annually on nominal value and last interest payable on maturity along with principal

2. **Issue price to be less by ₹50 per gram** for investors who subscribe online and pay through digital mode
3. **Tenor of SGB** will be for a period of **8 years** with an option of premature redemption.

Sovereign Gold Bond (SGB) Scheme



The statement 4 i.e. Bonds are **not sold** through offices or branches of Scheduled Foreign Banks is incorrect as Bonds **can be sold** through offices or branches of Scheduled Foreign Banks according to the **Sovereign Gold Bond Scheme**.

Hence **C** is the correct answer.

Q.25) **Explanation:**

Prime Minister's Scholarship Scheme was introduced from the Academic year 2006-07 to **encourage higher technical and professional education** for the **dependent wards of Ex Servicemen / Ex Coast Guard personnel** and their **widows**.

As per scheme, Minimum Educational Qualification (**MEQ**) for entry to various **professional courses** differs e.g. for MBBS it is 10+2 whereas for BE/B Tech it is 10+2 / Diploma, for B.Ed and MBA it is

graduation qualification. **A candidate must have minimum 60% marks in MEQ to apply for PM Scholarship Scheme.** All subjects will be taken for calculation of **60% marks** including optional subjects also and not out of best subjects.

From the above given criterion, **only the person mentioned in statement 1 is eligible** to avail benefit under the scheme.

Hence **D** is the correct answer.

Q.26) Explanation:

According to the **Swadhar Greh Scheme**, **women** may stay up to a **maximum period of 5 years**. **Older women above 55 years** of age may be **accommodated till the age of 60 years** after which they must be shifted to old age homes.

Swadhar Greh facilities can also be **availed** by the **children accompanying women**. **Girls up to the age of 18 years** and **boys up to the age of 12 years** would be allowed to stay in the Swadhar Greh with their mothers.

As per the above mentioned data, lets discuss the statements mentioned in the question.

A daughter with age 12 can stay with her mother in Swadhar Greh. Hence, statement 1 is incorrect.

Women above 18 years of age can stay in **Swadhar Greh** up to a **maximum period of 5 years**. Hence, **statement 2 is incorrect.**

Girls up to the age of 18 years would be allowed to stay in the Swadhar Greh with their mothers. Hence, **statement 3** i.e. **“A daughter with age 8 years can stay with her mother for 5 years in Swadhar Greh”** is correct.

Hence **D** is the correct answer.

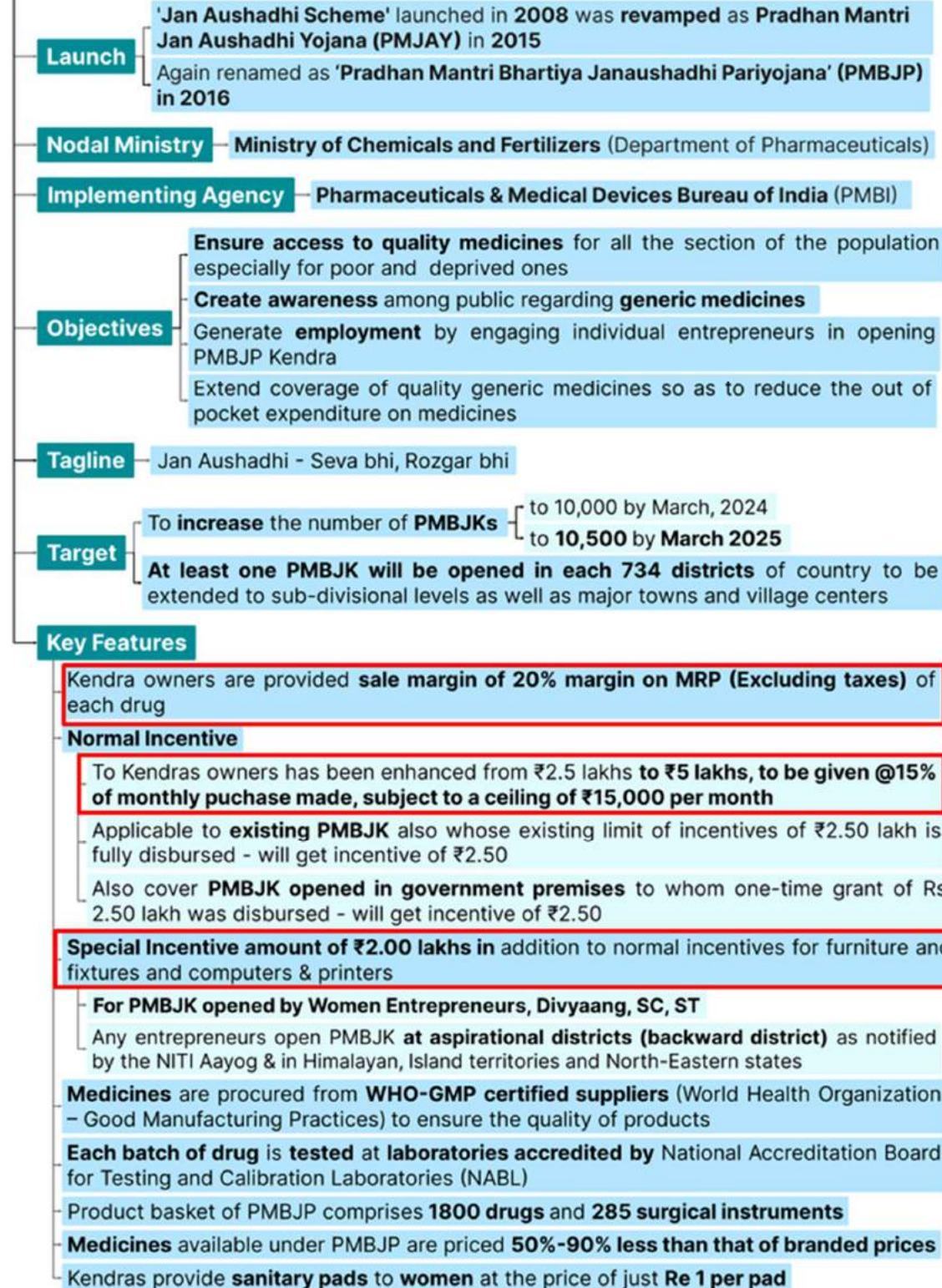
Q.27) Explanation:

According to the below given mindmap of the **Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP)**, the **statement 1 and 2** mentioned in the question are correct.

In the statement-3, Normal incentive to Kendra's owners has been enhanced from ₹2.5 lakhs to ₹5 lakhs, to be given @15% of monthly purchase made, subject to a ceiling of ₹12,000 per month has been mentioned. But, as per the scheme, the **normal incentive is subject to a ceiling of Rs 15000 per month.**

Hence, **statement 3 is incorrect.**

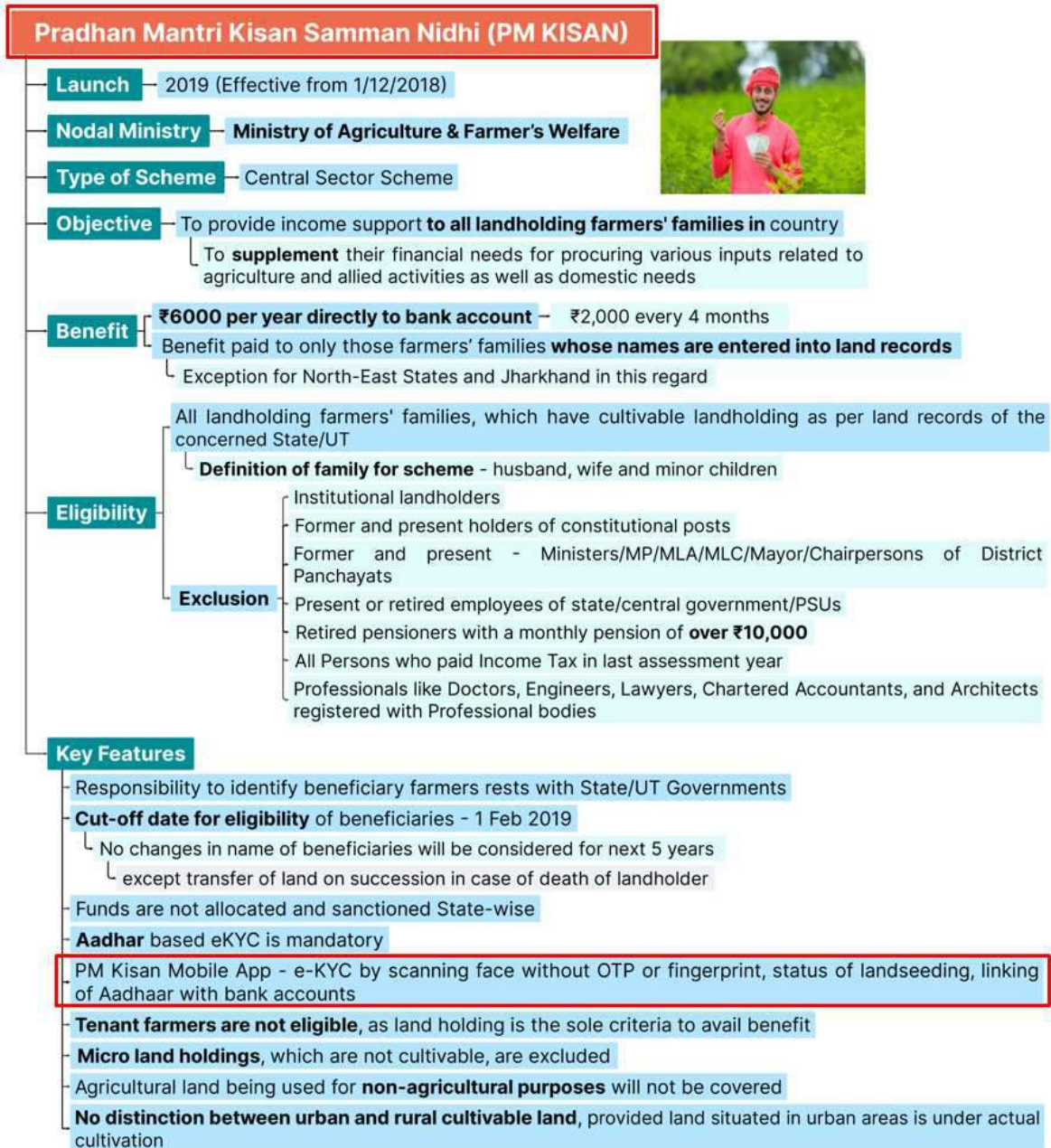
Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP)



Hence C is the correct answer.

Q.28) Explanation:

According to the **Pradhan Mantri Kisan Samman Nidhi (PM KISAN)** scheme, the **PM KISAN Mobile app** offers all the facilities as mentioned in the question, and the same can be validated from the below given mindmap.



Hence **D** is the correct answer.

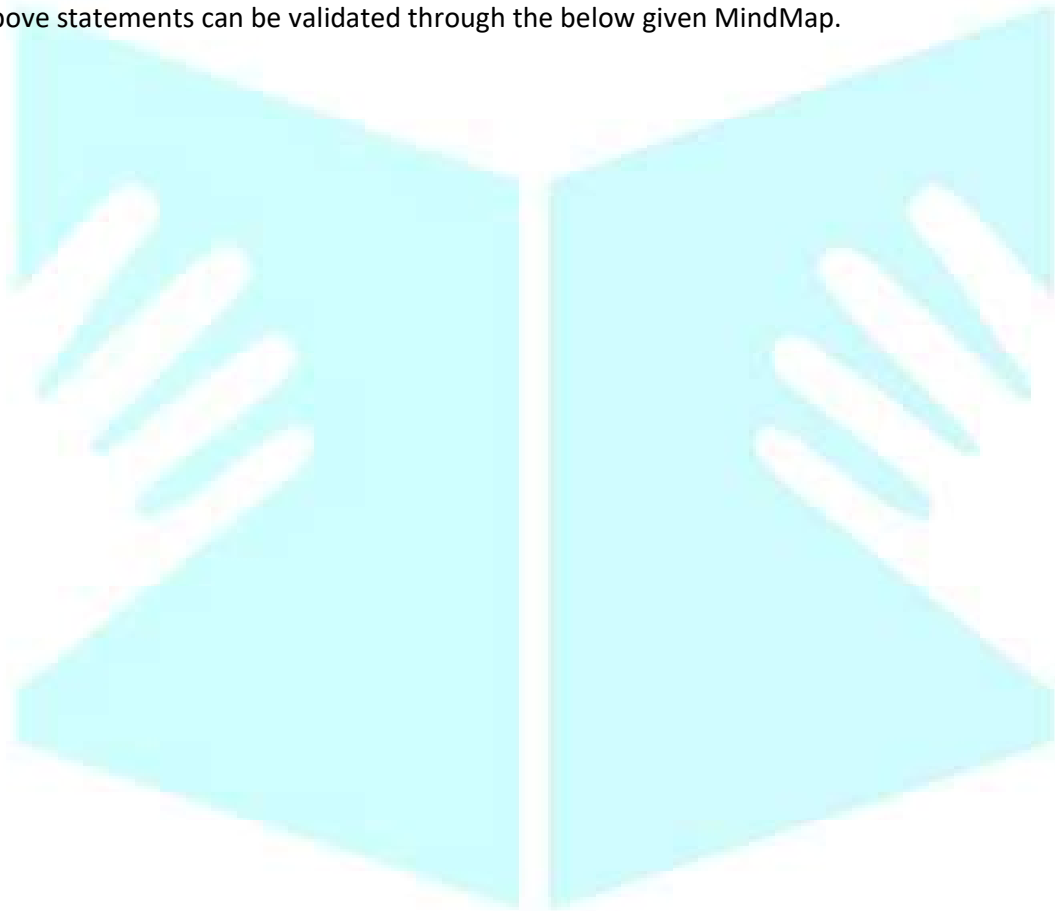
Q.29) Explanation:

In the question, the "Pradhan Mantri Mudra Yojana (PMMY)" scheme has been discussed. As per the scheme, the statement 2 & 4 are correct.

But, in **statement 1**, “Loan proposal should be only for setting up of new Micro business enterprises” has been mentioned incorrectly as **it can also be availed for the upgradation of existing Micro business enterprises.**

In **statement 3**, “Life insurance is mandatory for availing loans under the scheme” has been mentioned incorrectly, as **Life insurance is not mandatory** for loans under **PMMY.**

The above statements can be validated through the below given MindMap.



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Pradhan Mantri Mudra Yojana (PMMY)



Launch – 2015

Nodal Ministry – Ministry of Finance

Aim – Financing of small business enterprises in manufacturing, trading and service sectors including activities allied to agriculture such as poultry, dairy, beekeeping etc by way of providing **Term Loan and/or Working Capital**

To provide **loans up to 10 lakh to non-corporate, non-farm, small/micro enterprises**

Components

- **Shishu**: covering loans upto ₹50,000
- **Kishor**: covering loans above ₹50,000 and upto ₹5 lakhs
- **Tarun**: covering loans above ₹5 lakh and up to 10 lakhs

Eligible Applicants – Any Indian Citizen including women, proprietary concern, partnership firm, private limited company or any other entity
 ↳ who is eligible to avail of loan and has a business plan for **income generating activity**

MUDRA – Stands for **Micro Units Development and Refinance Agency Ltd** is a **refinance agency and not a direct lending institution**, it provides refinance support to its intermediaries
 Responsible for **refinancing all Last Mile Financiers** such as Non-Banking Finance Companies, Micro Finance Institutions, Societies, Trusts, Section 8 Companies, Small Finance Banks and Regional Rural Banks
 Also **partner with State/Regional level financial intermediaries** to provide finance to Last Mile Financier of small/micro business enterprises

Target Clients

Non-Corporate Small Business Segment (NCSB) comprising of proprietorship / partnership firms running as small manufacturing units, service sector units

↳ Shopkeepers, fruits / vegetable vendors, truck operators, food-service units, repair shops, machine operators, small industries, artisans, food processors and others, in rural and urban areas

Loans extended

↳ By all Public Sector Banks such as PSU banks, Regional Rural Banks (RRBs), Small Finance Banks, Private Sector Banks, Foreign Banks, Micro Finance Institutions and Non-Banking Finance Companies

Key Features

– Loan proposal should be for setting up of a **new/upgrading an existing Micro business enterprises**

– **No processing fee** for loans up to ₹50,000/- (Shishu category)

– Banks to not **insist for collateral security** for loans up to ₹10 lakh extended to units in the **Micro and Small Enterprises (MSE) sector**

– Applicant **should not be defaulter** of any Bank / Financial Institution to get benefit

– To **mitigate the issue of collateral** and to provide comfort to the lending institutions, a **Credit Guarantee Product** is extended by creation of a Fund called “**Credit Guarantee Fund for Micro Units**” (CGFMU)

– **Scheme managed by** - National Credit Guarantee Trustee Company Ltd. (NCGTC)

– **MUDRA Card** – **RuPay Debit card** issued against the MUDRA loan account
 ↳ Borrower can make **use of MUDRA Card in multiple drawals and credits**
 ↳ To manage working **capital limit** in **cost-efficient manner** and keep **interest burden minimum**

– **No subsidy** for loan given under PMMY – However, if loan proposal is linked to some Government scheme, wherein the Govt. if providing capital subsidy, it will be eligible under PMMY also

– **Life insurance is not mandatory** for loans under PMMY
 ↳ Terms and conditions of lending **based on lending policy of respective lending institution**

– **PAN card not compulsory** to avail loans – However, borrower may have to satisfy KYC requirements of the financing institutions

– **Interest rates deregulated** and banks advised to charge reasonable interest rates within overall RBI guidelines

– Loans available for purchase of Transport Vehicle / Tractors, tillers as well as two wheelers, in case applicant intends to use vehicle for **commercial purposes**

Hence **B** is the correct answer.

Q.30) Explanation:

According to the **Mahila Samman Savings Certificates, 2023** scheme, the statements 1, 3 and 4 are incorrect, while **statement 2 is correct**.

Mahila Samman Savings Certificates, 2023

Launch year — 2023

Nodal Ministry — Ministry of Finance

Tenure — 1st April 2023 to 31st March 2025

Key Features

Launched to commemorate Azadi ka Amrit Mahotsav and is **exclusively for women and girls in India**

Account can be **opened** by

— **Woman for herself**

— **Guardian** on behalf of a minor girl

An individual may **open any number of accounts** subject to the **maximum limit** for **deposit** specified and a **time gap of 3-months** shall be **maintained** between the existing account and the opening of other account

Account opened will be a **single holder type account** and **can be opened** in **1.59 lakh post offices** or **any authorised bank**

Investment limit — **Minimum** — ₹1000 (and any sum in multiples of ₹100)

— **Maximum** — ₹2 lakh

no subsequent deposit shall be allowed in that account

Deposit shall mature on completion of 2 years from date of deposit

Offers **fixed interest** of **7.5% interest compounded quarterly**

Partial withdrawal — After 1st year from date of account opening but before account's maturity **Account holder** can **withdraw a maximum of 40%** of the balance

Account shall not be closed before maturity except in the following cases

— On the death of the account holder

— In case of extreme — medical support in life-threatening diseases of the account holder or compassionate grounds — death of the guardian

Premature closure of account allowed at any time **after 6 months of opening but with interest rate reduced by 2%**



Hence **B** is the correct answer.

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Sub-section – Descriptive

Q.1) Explain three government schemes related to poverty alleviation and employment generation. (400 words, 10 Marks)

Explanation:

In the relentless pursuit of a more equitable society, the government of India has recognized the pressing need to address poverty and unemployment. To combat these challenges head-on, several well-crafted government schemes have been implemented, aimed at poverty alleviation and employment generation. These initiatives reflect the determination of governments to uplift vulnerable sections of society and foster inclusive economic growth.

The three government schemes related to poverty alleviation are:

Poverty Alleviation:

1) Targeted Public Distribution System (TPDS): Launched in June 1997, TPDS provides food grains transparently to 6 crore poor families through Fair Price Shops. BPL families received 20 kg/month at 50% of the cost from April 2000. States/UTs determine retail prices since 2001.

2) Pradhan Mantri Gramin Awas Yojana: Launched in 2015, it offers free houses to rural poor below the poverty line, promoting affordable housing with credit-linked subsidies and involving the private sector for slum dwellers' rehabilitation.

3) PM Ujjawala Yojana: Introduced in May 2016, it provides clean cooking fuel (LPG) to rural households, replacing traditional fuels like firewood, coal, and cow-dung cakes, benefiting rural women's health and the environment.

The three government schemes related to employment generation are:

Employment Generation

1) Atmanirbhar Bharat Rojgar Yojana (ABRY): Initiated on October 1, 2020, as part of Atmanirbhar Bharat package 3.0, ABRY encourages employers to create new job opportunities, providing social security benefits and aiding the recovery of lost employment during the Covid-19 pandemic.

2) PM-SVANidhi Scheme: Prime Minister Street Vendor's Atma Nirbhar Nidhi (PM SVANidhi) Scheme, launched on June 1, 2020, offers collateral-free working capital loans to urban street vendors to resume businesses adversely affected by the COVID-19 induced lockdown.

3) Aajeevika - National Rural Livelihoods Mission (NRLM): Launched in June 2011 by the Ministry of Rural Development (MoRD), Government of India, NRLM aims to create efficient institutional platforms for rural poor, enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services. It receives investment support from the World Bank.

The government faces the following hurdles in the implementation of these initiatives:

Challenges:

1) Funding and Budget Constraints: A major hurdle is obtaining sufficient funding for these schemes. Limited resources and competing budget demands can impede the successful implementation and long-term sustainability of poverty and employment programs.

2) Administrative and Bureaucratic Hurdles: Complex administrative procedures, bureaucratic red tape, and delayed decision-making can hinder the smooth implementation of the schemes and disrupt the efficient execution of the programs.

To avoid these challenges, the government should:

Way Forward

1) Simplification of Administrative Procedures: Streamlining bureaucratic processes and embracing digital platforms for applications and monitoring can enhance scheme implementation, promoting efficiency and transparency.

2) Robust Targeting and Identification Mechanisms: Leveraging technology, like data analytics and social registries, enables precise identification and targeting of the most vulnerable and deserving beneficiaries.

Government of India has taken commendable steps in addressing poverty alleviation and employment generation through various well-crafted schemes. These initiatives empower marginalized communities and drive positive change in India's socio-economic landscape. With a relentless pursuit of progress, the government strives to build a prosperous nation where no one is left behind.

1.4.1 Poverty Alleviation Programs in India

- **Integrated Rural Development Programme (IRDP):** It was introduced in 1978-79 and universalized from 2nd October, 1980, aimed at providing assistance to the rural poor in the form of subsidy and bank credit for productive employment opportunities through successive plan periods.
- **Jawahar Rozgar Yojana/Jawahar Gram Samridhi Yojana:** The JRY was meant to generate meaningful employment opportunities for the unemployed and underemployed in rural areas through the creation of economic infrastructure and community and social assets.
- **Rural Housing – Indira Awaas Yojana:** The Indira Awaas Yojana (LAY) programme aims at providing free housing to Below Poverty Line (BPL) families in rural areas and main targets would be the households of SC/STs.

- **Sampoorna Gramin Rozgar Yojana (SGRY):** The main objective of the scheme continues to be the generation of wage employment, creation of durable economic infrastructure in rural areas and provision of food and nutrition security for the poor.
- **Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) 2005:** The Act provides 100 days assured employment every year to every rural household. One-third of the proposed jobs would be reserved for women. The central government will also establish National Employment Guarantee Funds. Similarly, state governments will establish State Employment Guarantee Funds for implementation of the scheme. Under the programme, if an applicant is not provided employment within 15 days s/he will be entitled to a daily unemployment allowance.
- **National Rural Livelihood Mission: Aajeevika (2011):** It evolves out the need to diversify the needs of the rural poor and provide them jobs with regular income on a monthly basis. Self Help groups are formed at the village level to help the needy.
- **National Urban Livelihood Mission:** The NULM focuses on organizing urban poor in Self Help Groups, creating opportunities for skill development leading to market-based employment and helping them to set up self-employment ventures by ensuring easy access to credit.
- **Pradhan Mantri Kaushal Vikas Yojana:** It will focus on fresh entrant to the labour market, especially labour market and class X and XII dropouts.
- **Pradhan Mantri Jan Dhan Yojana:** It aimed at direct benefit transfer of subsidy, pension, insurance etc. and attained the target of opening 1.5 crore bank accounts. The scheme particularly targets the unbanked poor. **Till June 2023, around 49.30 crore people were benefitted through this scheme.**

2.6 Steps Taken by Government

- **Training of Rural Youth for Self-Employment (TRYSEM):** This scheme was started in 1979 with objective to help unemployed rural youth between the age of 18 and 35 years to acquire skills for self-employment. Priority was given to SC/ST Youth and Women.
- **RSETI/RUDSETI:** With the aim of mitigating the unemployment problem among the youth, a new initiative was tried jointly by Sri Dharmasthala Manjunatheshwara Educational Trust, Syndicate Bank and Canara Bank in 1982 which was the setting up of the "RURAL DEVELOPMENT AND SELF EMPLOYMENT TRAINING INSTITUTE" with its acronym RUDSETI near Dharmasthala in Karnataka. Rural Self Employment Training Institutes/ RSETIs are now managed by Banks with active co-operation from the Government of India and State Government.
- **Start Up India Scheme,** launched in 2016 aims at developing an ecosystem that promotes and nurtures entrepreneurship across the country.
- **Stand Up India Scheme,** launched in 2016 aims to facilitate bank loans between Rs 10 lakh and Rs. 1 crore to at least one SC or ST borrower and at least one women borrower per bank branch for setting up a greenfield enterprise.

- **National Career Service portal** was launched serving as a common platform connecting job-seekers, employers, skill providers, placement organisations and counsellors.

Q.2) Discuss Monetary Policy and mention in brief at least eight Monetary Policy Instruments. (400 words, 10 Marks)

Explanation:

Monetary policy is a critical tool used by the central bank to manage money supply, interest rates, and liquidity in the economy, with the aim of achieving various macroeconomic objectives. There are several instruments through which the central bank implements monetary policy.

Let us discuss eight of these instruments in more detail:

Instruments

1) Quantitative Instruments

i) Cash Reserve Ratio (CRR): CRR mandates that commercial banks maintain a certain percentage of their total customer deposits as reserves with the central bank. These reserves can be in the form of cash or deposits. Currently, the CRR is set at 4.50%.

ii) Statutory Liquidity Ratio (SLR): SLR stipulates that a certain percentage of the total deposits should be kept in the form of liquid assets such as cash, gold, or approved securities. Unlike the CRR, SLR reserves are held by banks themselves and not by the central bank. Presently, the SLR stands at 18%.

iii) Marginal Standing Facility (MSF): The Marginal Standing Facility (MSF) is a special window provided by the central bank to assist banks in addressing liquidity emergencies. It allows banks to borrow funds overnight from the central bank against eligible securities. The current MSF rate is 6.75%.

iv) Repo Rate: Repo rate refers to the rate at which commercial banks borrow money by selling their securities to RBI to maintain liquidity, in case of shortage of funds or due to some statutory measures. It is one of the main tools of RBI to keep inflation under control. The current Repo Rate is 6.50%

v) Reverse Repo Rate: The reverse repo rate is the rate at which the RBI borrows funds from the country's commercial banks. It is the rate where the commercial banks in India park excess funds with the Reserve Bank of India, typically for a short period of time. Currently, the reverse repo rate is 3.35%.

vi) Standing Deposit Facility: The Standing Deposit Facility (SDF) is a collateral-free liquidity absorption mechanism introduced by the RBI to absorb excess liquidity from the banks by providing an interest payment. Currently, the SDF is 6.25%.

2) Qualitative Instruments

i) Moral Suasion: Moral suasion is a qualitative tool used by the central bank to align commercial banks with economic trends. It involves communication and cooperation to achieve monetary policy goals, in contrast to the CRR or SLR.

ii) Credit Rationing: The central bank employs credit rationing to limit credit supply based on borrower creditworthiness and demand. It addresses excessive credit to certain sectors, ensuring

priority sectors are not neglected. Measures include credit limits for large firms, higher interest rates beyond limits, and lower rates for priority sectors.

iii) Direct Action: When some banks resist credit control measures, the central bank resorts to direct action, like refusing rediscount facilities, imposing higher interest rates, or stricter restrictions. These compel compliance with the central bank's monetary policy guidelines.

Monetary policy is a crucial tool used by the central bank to manage money supply, interest rates, and liquidity in the economy, with the aim of achieving various macroeconomic objectives. By using various instruments, the central bank aims to stabilize inflation, boost economic growth, and maintain financial stability.

3.1.1 Cash Reserve Ratio

Cash Reserve Ratio is an important quantitative tool of monetary policy. It is important not just from the perspective of controlling inflation, but also from the perspective of smooth daily functioning of the banking system. Let us read more about it.

- Cash Reserve Ratio (CRR) is the amount of money that the banks have to **keep with RBI in cash form**. The cash reserve is either stored in the bank's vault or is sent to the RBI.
- CRR was **introduced in 1950** primarily as a measure to ensure **safety and liquidity of bank deposits**, however over the years it has become an important and **effective tool for directly regulating the lending capacity** of banks and **controlling the money supply** in the economy.
- The **cash balance** that is to be maintained by **scheduled banks with the RBI** should **not be less than such per cent of its Net demand and time liabilities (NDTL) that the Reserve Bank may notify from time to time in the Gazette of India**.
- In terms of **Section 42 (1) of the Reserve Bank of India Act, 1934**, the Reserve bank, having regard to the needs of **securing the monetary stability** in the country, **prescribes the CRR for SCBs without any floor or ceiling rate**.
- The CRR is to be **calculated on the basis of DTL**, with a **lag of one fortnight**, i.e., on the reporting Friday, the DTL as at the end of the previous fortnight will form the basis for CRR calculation.
- NDTL refers to the **total demand and time liabilities (deposits) that is held by the banks of public and with other banks**.
- Banks have to **maintain cash balances with RBI** to meet the prescribed CRR on average during the fortnight, subject to **daily cash balances not falling below 90% of the amount required for CRR**.

3.1.2 Statutory Liquidity Ratio

Now that we have understood CRR, Statutory Liquidity Ratio too should not be difficult. Like CRR, Statutory Liquidity Ratio too serves dual purpose – it helps ensure solvency of banks, and it can also be used to control inflation. Let us read more about it.

- Every bank must have a specified **portion of their Net Demand and Time Liabilities (NDTL)** in the form of **cash, gold, or other liquid assets** by the day's end. The **ratio of these liquid assets to the demand and time liabilities is called the Statutory Liquidity Ratio (SLR)**.
- The **Reserve Bank of India** has the authority to **increase this ratio by up to 40%**. An increase in the ratio constricts the ability of the bank to inject money into the economy.
- Section 24 and Section 56 of the Banking Regulation Act 1949 mandates **all scheduled commercial banks, local area banks, Primary (Urban) co-operative banks (UCBs), state co-operative banks and central co-operative banks** in India to maintain the SLR.
- RBI employs **SLR regulation to have control over the bank credit**. SLR ensures that there is solvency in commercial banks and assures that banks invest in government securities.
- RBI raises SLR to **control the bank credit during the time of inflation**. Similarly, it **decreases the SLR during the time of recession to increase bank credit**.
- **Banks earn returns** on money parked as SLR.
- If a banking company fails to maintain the required amount of SLR, it shall be **liable to pay to RBI in respect of that default, the penal interest** for that day at the rate of **three per cent per annum above the Bank Rate** on the shortfall and if the default continues on the next succeeding working day, the penal interest may be increased to a rate of **five per cent per annum above the Bank Rate for the number of days of default on the shortfall**.

3.1.4 Repo Rate

We have already learnt that if commercial banks are in need of money, they can borrow it from the RBI. We have called RBI as the 'lender of last resort' for playing this role of being a lender to commercial banks. Does RBI give money for free to the commercial banks? No, it does not. It charges an interest – called as repo rate – for lending money to banks. Repo rate is also a quantitative tool of monetary policy. Let us see how it can be used to control inflation.

- Repo or repurchase option is a **collateralised lending** i.e., **banks borrow money from Reserve bank of India** to meet short term needs by **selling securities to RBI** with an **agreement to repurchase the same at predetermined rate and date**.
- The **rate charged** by RBI for this transaction is called the **repo rate**. Repo operations therefore **inject liquidity into the system**.
- **To put it in very simple terms:** It is the rate at which RBI lends money to commercial banks against securities in case commercial banks fall short of funds.
- A **high repo rate** signals that **access to money is expensive** for banks and **lesser credit will flow** into the system.
- Repo Rate in India is the **primary tool in the RBI's Monetary and Credit Policy**.

3.1.6 Reverse Repo Rate

If you and I have surplus cash, we can conveniently deposit the same with a commercial bank and earn interest. What happens if a bank has surplus cash that it cannot easily lend? Does the bank need to compulsorily hold that cash with itself? Or can the bank deposit that cash with the RBI? Answer is yes. Bank can deposit their surplus cash with RBI. Does bank earn any interest on its deposit? Yes, it does. It is called 'reverse repo rate'. Reverse repo can also be used as a quantitative tool of monetary policy to control inflation. Let us see how.

- Reverse repo operation is when **banks deposit their money with the RBI**.
- The **interest rate paid by RBI** in this case is called the **reverse repo rate**.
- Reverse repo operation therefore **absorbs the liquidity in the system**.
- The **collateral** used for repo and reverse repo operations are **Government of India securities**.
- A **high reverse repo rate** implies that **banks can get safe returns** if they park their **money with RBI**; therefore, Banks may either park their money with RBI or they may lend at a still higher rate of interest to borrowers. Thus, **high reverse repo rate** either **constricts credit**, or **makes it expensive**.

3.1.8 Marginal Standing Facility

Banks can borrow a certain amount of money from the RBI under repo mechanism. But what if banks are in need of even greater liquidity than what is available through repo mechanism? Is there any facility that banks can tap and get access to this additional liquidity? Yes, there is. It is called Marginal Standing Facility. Let us discuss about Marginal Standing Facility and also see what role it plays in controlling inflation.

- Marginal Standing Facility (MSF) is a **new scheme announced by the RBI** in its **Monetary Policy (2011-12)** and refers to the **penal rate at which banks can borrow money from the central bank over and above what is available to them through the LAF window**.

Q.3) What are the problems being faced by Startup entrepreneurs in tier 2 and 3 cities in India? (400 words, 10 Marks)

Explanation:

India's entrepreneurial landscape has seen significant growth in recent years, becoming the third-largest ecosystem globally, with 115 unicorns. In 2021, startups raised \$44 billion, with over \$33 billion in deals above \$5 million. While major cities lead, tier 2 and 3 cities show potential. While major metropolitan cities have been leading this startup revolution, there is immense promise in tier 2 and tier 3 cities as well.

The problems faced by the startup entrepreneurs in tier 2 and tier 3 cities are:

Problems

1) Lack of Guidance: The absence of experienced mentors and experts to provide guidance on various aspects of starting and running a business is a significant challenge. From ideation to business planning and incorporation, entrepreneurs in smaller cities often lack the necessary support and advice.

2) Limited Access to Incubation Facilities: Business incubators that are meant to support and mentor startups are often insufficient in smaller cities. Many incubators may only offer basic facilities and fail to provide the necessary support to help startups develop viable products.

3) Access to Funding: While alternative finance has fuelled the startup ecosystem in larger cities, startups in tier 2 and tier 3 cities struggle to secure financial support. They often have limited options for funding and may have to rely on personal savings, family, and friends for initial capital.

4) Scalability Challenges: Expanding a startup from a smaller city to larger metropolitan areas can be difficult due to limited financial resources, lack of suitable talent, and access to cutting-edge technology.

The government has taken the following initiatives to promote entrepreneurship in India:

Initiatives

1) Make in India: The "Make in India" initiative promotes entrepreneurship and ease of doing business in India. It aims to simplify regulations and foster growth across sectors, encouraging manufacturing and other industries.

2) Digital India: Launched by the Ministry of Electronics & IT, Digital India empowers citizens through digital access and services. Initiatives like Aadhaar and DigiLocker enhance government-citizen interaction, bridging the digital divide.

3) Pradhan Mantri Mudra Yojana (PMMY): PMMY offers affordable credit to small entrepreneurs, integrating them into the formal financial system. Over 40.82 crore loans, totaling ₹23.2 lakh crore, have been sanctioned since its inception in 2015.

The following things can be done in future to promote and help entrepreneurs in tier 2 and 3 cities:

Way Forward

1) Logistics and Infrastructure: By facilitating networking and collaboration between startups and logistics providers, incubators can help address logistical challenges, making it easier for startups to access resources and reduce operational costs.

2) Sustainability and Collaboration: By fostering collaboration between startups, government bodies, investors, and industry experts, incubators can create a sustainable ecosystem that supports the long-term growth of startups in smaller cities.

The challenges faced by startup entrepreneurs in tier 2 and tier 3 cities are unique that must be addressed to unlock their full capabilities. It is crucial to recognize the untapped potential that lies within these smaller cities and empower their entrepreneurs to thrive. By promoting a culture of innovation, the nation can truly harness the entrepreneurial spirit in all corners of the country and build a prosperous and inclusive startup ecosystem.

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Q.4) In the context of UNDP's Gender Equality Strategy 2022-25 and Gender Social Norms Index for promoting gender equality, what actions can India take toward gender sensitization? (600 words, 15 Marks)

Explanation:

The Gender Equality Strategy 2022-25 is grounded in UNDP's commitment to eradicating poverty, reducing inequalities and exclusion, and supporting the empowerment of women by ending gender-based violence, tackling the gender dimension of poverty, expanding access to clean, affordable energy, public institution reform, etc. Similarly, the UNDP's 2023 Gender Social Norms Index (GSNI) provides insights into the persistence of these biases and their impact on various aspects of women's lives.

In pursuit of fostering a more equitable world, the Gender Equality Strategy 2022-25 has outlined a comprehensive set of measures aimed at driving sustainable change and promoting inclusive growth:

Measures suggested by UNDP as per the Gender Equality Strategy 2022-25

1) Poverty and Equality: Foster gender-equal and sustainable economies by implementing comprehensive and gender-responsive social protection and care services, along with fiscal policies that actively promote gender equality.

2) Governance: Strengthen inclusive governance and enhance women's participation and leadership in decision-making processes to ensure a more equitable and representative society.

3) Resilience: Bolster the resilience of societies by adopting fully gender-responsive disaster risk reduction strategies and initiatives, ensuring that vulnerable populations are protected and empowered.

4) Environment: Place gender equality at the core of our efforts to care for both people and the planet, recognizing the interconnectedness of gender issues and environmental sustainability.

5) Gender equality: Accelerate the realization of gender equality and women's empowerment, pursuing targeted and comprehensive actions to overcome barriers and biases that hinder progress.

Identifying and prioritizing challenges is vital in shaping measures that can bring about meaningful and lasting changes in the pursuit of women's equality:

Challenges related to gender inequality in India

1) Gender-based violence: India has a high prevalence of violence against women, including domestic violence, sexual assault, harassment, and human trafficking. The safety and security of women in public spaces remain a major concern.

2) Economic Disparities: Economic disparities between men and women contribute to gender bias. Women in India often face unequal pay, limited job opportunities, and lack of representation in decision-making roles.

3) Political underrepresentation: Women are underrepresented in political leadership positions, both at the national and state levels, hindering their ability to influence policy decisions.

In response to the pressing challenges obstructing women's equality, government has implemented a range of initiatives aimed at fostering gender parity:

Initiatives taken by India for promoting Gender equality

1) Beti Bachao, Beti Padhao (Save the Daughter, Educate the Daughter): Launched in 2015, this campaign aims to address the issue of declining sex ratios and promote the education and empowerment of girls..

2) Pradhan Mantri Matru Vandana Yojana (PMMVY): Introduced in 2017, this maternity benefits program provides financial assistance to pregnant and lactating women to support them during their pregnancy and early motherhood.

3) One-Stop Centres (Sakhi Centres): These centers offer integrated support and assistance to women affected by violence, including medical aid, legal aid, counseling, and shelter.

4) Ujjwala Yojana: Launched in 2016, this scheme aims to provide free LPG connections to women from below-poverty-line families, reducing the health hazards associated with traditional cooking fuels.

5) Gender Budgeting: The Government of India has been increasingly adopting gender budgeting, where budgetary allocations are made in a way that addresses gender-specific needs and promotes gender equality.

By building on existing initiatives, the following can be done to strengthen the foundation of women's empowerment and equality:

Way Forward

1) Incorporate Gender Education in School Curriculum: Integrate gender studies and sensitivity training into the school curriculum to raise awareness and challenge gender stereotypes from a young age.

2) Implement Workplace Sensitization Programs: Mandate regular gender sensitization workshops and training sessions in all workplaces to address gender biases and promote equal opportunities for men and women

3) Encourage Gender-Equal Parenting: Promote shared responsibilities in parenting and household chores to challenge traditional gender roles

India has a critical role to play in promoting gender sensitization and advancing gender equality, as outlined in the UNDP's Gender Equality Strategy 2022-25 and supported by the Gender Social Norms Index. It is essential for the government, civil society, and individuals to collaborate and commit to the efforts to create a more inclusive and prosperous India.

3.3 Government Schemes for Women Empowerment

The Ministry of Women and Child Development is implementing various schemes for empowerment of women across the country under the Centrally Sponsored Umbrella scheme 'Mission for Empowerment and Protection for Women'. The details of major schemes are:

1. **Mahila Shakti Kendra** scheme empowers rural women through community participation by involvement of Student Volunteers. The scheme is envisaged to work at various levels and at the national and state level technical support to the respective government on issues related to women is provided.



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2. **Swadhar Greh** scheme targets the women victims of unfortunate circumstances who are in need of institutional support for rehabilitation so that they could lead their life with dignity.
3. **Ujjawala** is a comprehensive scheme to combat trafficking with the objective to prevent trafficking of women and children for commercial sexual exploitation, to facilitate rescue victims and placing them in safe custody, to provide rehabilitation services by providing basic amenities/needs, to facilitate reintegration of victims into the family and society, to facilitate repatriation of cross border victims.



Q.5) "Better migration policies for a prospering World". Elaborate the statement in light of the recently released World Development Report 2023: Migrants, Refugees and Societies by the World Bank. Also, discuss key recommendations of the Report. (600 words, 15 Marks)

Explanation:

As countries experience varying degrees of prosperity and development, managing migration has become a critical challenge. The recently released World Development Report 2023 by the World Bank, titled "Migrants, Refugees, and Policies," sheds light on the complexities of migration and offers crucial insights into how better migration policies can benefit the prospering world. This report delves into the multifaceted dimensions of migration, addressing the challenges and opportunities it presents while highlighting key recommendations that can lead to more inclusive and sustainable outcomes for both migrants and destination countries.

In the same regard, the key highlights of the report are given below:

Key Highlights of the Report

- 1) **Migration as a developmental challenge:** Migration is recognized as a developmental challenge, with approximately 2.3% of the world's population (184 million individuals) residing outside their country of nationality, including 37 million refugees. 43% of these migrants are in low- and middle-income countries.
- 2) **Categorization of refugees:** Migrants are categorized into four types based on their circumstances: economic migrants with a strong skill match, refugees with in-demand skills at the destination, distressed migrants (some poorly skilled migrants at the US southern border) and refugees in dire need of protection (Rohingya in Bangladesh).

- 3) **Top-migration corridors:** Top migration corridors include India-USA, India-GCC, Bangladesh-India, Mexico-US, China-US, Philippines-US, and Kazakhstan-Russia.
- 4) **Reasons of migration:** Reasons for migration vary and are influenced by factors such as aging populations and declining fertility rates in certain countries, leading to benefits for both origin and destination societies.
- 5) **Indian context:** In the Indian context, migrants working overseas experience substantial income gains of 120%, compared to a 40% rise in internal migration. Low-skilled Indian migrants can experience income jumps of nearly 500% when moving to the US and almost 300% when migrating to the UAE.

Based on its findings, the report presents key recommendations to address migration challenges:

Key recommendations

- 1) **Manage cross-border movements differently:**
 - Use bilateral cooperation to strengthen the match of migrants' skills and attributes with the needs of destination economies.
 - Organize regional and global responses to address refugee movements and reduce the need for distressed movements.
 - Develop new and predictable financing instruments
- 2) **Strategic management of Migrants:** Origin countries should integrate labour migration into development strategies, leveraging remittances and skills transfer, while destination countries should attract skilled migrants to fulfil workforce demands.
- 3) **Distinguish between various types of movements to identify appropriate policy responses:**
 - **Migrant's skills-** How well migrants' skills and attributes match the needs of destination countries largely determine the economic effects of their movements. The motives underlying movements determine destination countries' obligations under international law. Maximize net gains when people bring skills and attributes that strongly match the needs of their destination society—for them, their countries of destination, and their countries of origin.
 - **Protection to refugees:** Provide international protection to refugees in a manner that can be sustained, financially and socially—because most refugee situations last many years.
 - **Reducing the need for distressed movements:** Reduce the need for distressed movements, while respecting migrants' human rights and dignity—and recognize development's key role in this effort.

To effectively implement recommendations, it is crucial to conduct a thorough analysis of the underlying challenges:

Challenges related to migration

- 1) **Socio-cultural Integration Challenges:** Migration often brings cultural diversity, but it can also lead to clashes with the host society's norms, values, and practices, resulting in misunderstandings,

discrimination, and social tensions. Language barriers further impede effective communication and restrict migrants' access to education, employment, and healthcare services.

2) Social Exclusion and Discrimination: Migrants may experience social exclusion and discrimination based on their ethnicity, religion, or nationality, limiting their opportunities and access to essential resources.

3) Legal and Economic Struggles: Navigating complex immigration laws can be daunting for migrants, potentially leading to issues with legal status and residency. Moreover, migrants might face challenges finding suitable employment, making them vulnerable to exploitation and unfair working conditions.

The **World Development Report 2023 by the World Bank** delves into the intricate nature of migration and emphasizes the importance of enhanced migration policies for global prosperity. Amid diverse levels of development, effectively tackling migration challenges and capitalizing on opportunities takes center stage for a thriving world.

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World Development Report 2023: Migrants, Refugees and Societies

Released by- World Bank

About the report-

- Provides a **comprehensive analysis** of **international migration** and its potential to serve as a force for growth and shared prosperity in all countries.
- Proposes an **innovative approach** to **maximize the development impacts of cross-border movements** on both destination and origin countries and on migrants and refugees themselves.
- The framework rests on a **“match and motive” matrix** that focuses on two factors:
 - How **closely migrants’ skills and attributes match** the needs of destination countries?
 - What **motives underlie their movements**?

Recommendations:

- **Distinguish between various types of movements to identify appropriate policy responses.** How well migrants’ skills and attributes match the needs of destination countries largely determines the economic effects of their movements. The motives underlying movements determine destination countries’ obligations under international law.
 - **Maximize net gains when people bring skills and attributes that strongly match the needs of their destination society**—for them, their countries of destination, and their countries of origin.
 - **Provide international protection to refugees in a manner that can be sustained, financially and socially**—because most refugee situations last many years.
 - **Reduce the need for distressed movements**, while respecting migrants’ human rights and dignity—and recognize development’s key role in this effort.
- **Manage migration strategically— in both origin and destination countries.**
 - Governments in origin countries should **make labor migration an explicit part of their development strategy**, while governments in **destination countries** should use **“strong match” migration** to meet their labor needs.
- **Manage cross-border movements differently.**
 - Use **bilateral cooperation** to strengthen the match of migrants’ skills and attributes with the needs of destination economies.
 - Organize **regional and global responses** to **address refugee movements** and reduce the need for distressed movements.
 - Develop **new and predictable financing instruments**.

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Q.6) In the light of the Report on Currency and Finance released by the RBI, explain:

A) Macroeconomic Effect of Climate Change

B) Three landmark global collaborations on climate change (600 words, 15 Marks)

Explanation:

The Reserve Bank of India (RBI) has recently released its **Report on Currency and Finance (RCF) for the fiscal year 2022-23**. This year's theme, "**Towards a Greener Cleaner India**," underscores the nation's commitment to environmental sustainability. While the report represents the viewpoints of contributors, it serves as a significant step towards shaping a more eco-conscious future for India, aligned with global efforts for a greener world.

Stressing the importance of sustainable policies for a prosperous future in India, the report highlights its significant effects on the economy:

A) Macroeconomic effect of climate change

1) Impact on supply chain: The impact of climate change on the economy could manifest through its adverse impact on the supply potential of the economy as well as by altering demand conditions. Climate change events are often characterized as adverse supply shocks, which reduce the economy's aggregate output and raise prices, thus posing adverse implications for the potential growth of the economy.

2) Inflationary shock: Fighting climate change could also cause a global inflation shock exacerbating the output-inflation trade-offs faced by central banks and increasing risks to medium-term price stability.

3) Adverse impact on people's lives and livelihoods: India, being among the top 10 economies in terms of vulnerability to climate risk events, is already witnessing the adverse impact of climate change on its people's lives and livelihoods. For instance, in 2019, India lost nearly US\$ 69 billion due to climate-related events, which is in sharp contrast to US\$ 79.5 billion lost from 1998-2017.

4) Sea Level Rise: The IPCC Working Group report states that India is one of the most vulnerable countries globally in terms of the population that would be affected by the sea level rise. By the middle of the present century, around 35 million people in India could face annual coastal flooding, with 45-50 million at risk by the end of the century.

5) Negative Impact on Agriculture: The agriculture sector and fisheries would face significant adverse consequences due to the rising sea level and groundwater scarcity.

6) Reduction in economic growth: India, along with countries such as Brazil and Mexico, face a high risk of reduction in economic growth if global warming raises the temperature by 2 degrees Celsius as against 1.5 degrees Celsius.

Highlighting the macroeconomic effects of climate change in India, the report also emphasizes three landmark global collaborations addressing environmental challenges.

B) Three landmark global collaborations on climate change

1) Carbon Tax or Green Tax: This involves levying a mandatory payment to the government based on activities harmful to the environment, encouraging greener behaviour. Nordic nations, European countries, Australia, Japan, and Chile have implemented Environmental Tax Reforms (ETRs) alongside other tax reductions.

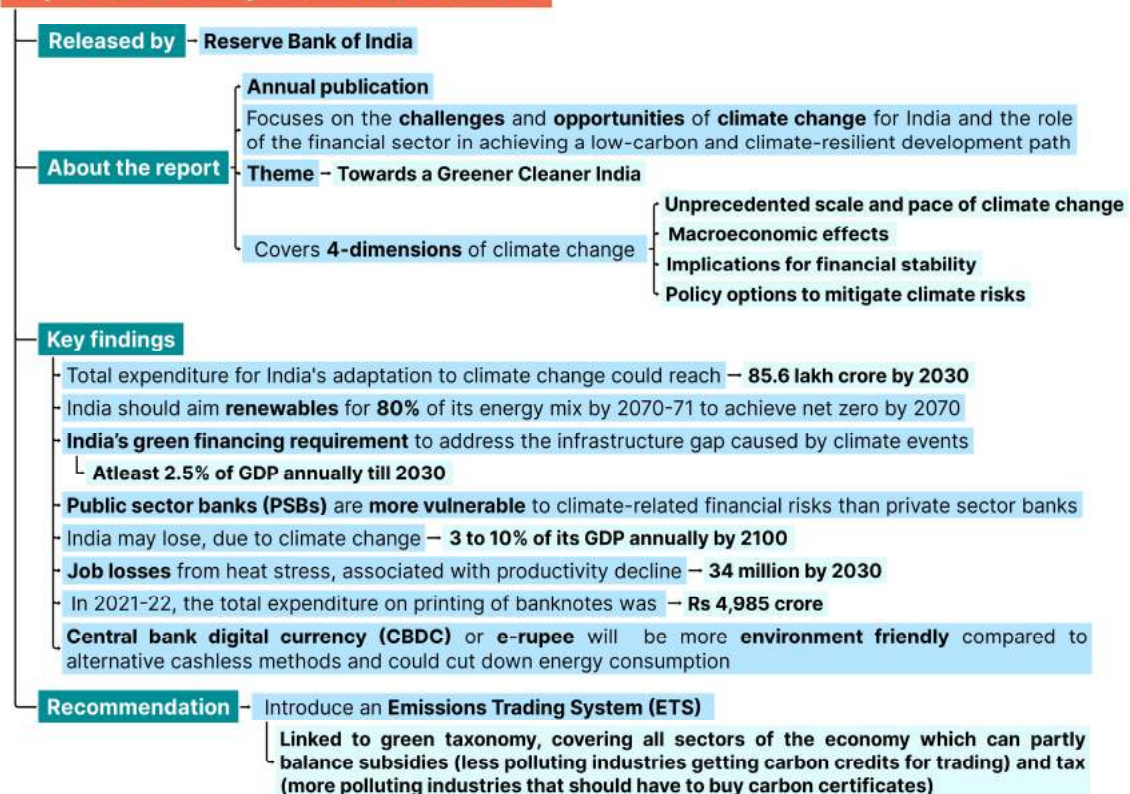
2) Emission Trading Systems (ETS): ETS allows carbon emitters to trade emission units to meet targets. Cap-and-trade and baseline and credit systems are two main types. Entities exceeding emission limits must buy carbon credits, while those operating within limits can earn credits.

3) Feebates and Regulation: Feebates employ fees or rebates based on carbon emissions above or below certain rates. Examples include vehicle emission standards, fuel quality standards, and tax rebates for electric vehicles.

4) Public Green Investment: Governments play a crucial role in catalysing the transition to sustainability through direct investment, co-financing, public-private partnerships, or state guarantees. Implementing a green golden rule can incentivize governments to increase green investment.

The RBI's Report on Currency and Finance provides comprehensive insights. By fostering transparency and understanding, the report bolsters confidence in India's financial system. RBI's commitment to openness remains a cornerstone for achieving sustainable economic growth.

Report on Currency and Finance 2022-23



Objective Type Question Paper Analysis:

TABLE 1

Question #	Marks	Economics or Social Issues	Topic	Static or Current	Difficulty Level
1	2	SOCIAL ISSUES	SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL ISSUES	CURRENT	EASY
2	2	SOCIAL ISSUES	SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL ISSUES	CURRENT	EASY
3	2	SOCIAL ISSUES	SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL ISSUES	CURRENT	EASY
4	2	SOCIAL ISSUES	SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL ISSUES	CURRENT	EASY
5	2	ECONOMICS	INTERNATIONAL ORGANIZATIONS	STATIC	MODERATE
6	2	ECONOMICS	INTERNATIONAL ORGANIZATIONS	STATIC	MODERATE
7	2	ECONOMICS	INTERNATIONAL ORGANIZATIONS	STATIC	MODERATE
8	2	ECONOMICS	INTERNATIONAL ORGANIZATIONS	STATIC	MODERATE
9	2	ECONOMICS	INTERNATIONAL ORGANIZATIONS	CURRENT	MODERATE
10	2	ECONOMICS	INTERNATIONAL ORGANIZATIONS	CURRENT	MODERATE
11	2	ECONOMICS	INTERNATIONAL ORGANIZATIONS	CURRENT	TOUGH
12	2	ECONOMICS	INTERNATIONAL ORGANIZATIONS	STATIC	TOUGH
13	2	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	MODERATE
14	2	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	MODERATE
15	2	SOCIAL ISSUES	SOCIAL JUSTICE	STATIC	TOUGH
16	2	SOCIAL ISSUES	SOCIAL JUSTICE	STATIC	TOUGH
17	2	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	MODERATE
18	2	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	MODERATE

19	2	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	MODERATE
20	2	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	TOUGH
21	1	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	MODERATE
22	1	SOCIAL ISSUES	EMPLOYMENT GENERATION IN INDIA	CURRENT	MODERATE
23	1	SOCIAL ISSUES	GENDER ISSUES	CURRENT	MODERATE
24	1	ECONOMICS	MONETARY AND FISCAL POLICY	CURRENT	EASY
25	1	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	TOUGH
26	1	SOCIAL ISSUES	GENDER ISSUES	CURRENT	MODERATE
27	1	SOCIAL ISSUES	SOCIAL JUSTICE	CURRENT	MODERATE
28	1	SOCIAL ISSUES	INDIAN AGRICULTURE	CURRENT	EASY
29	1	SOCIAL ISSUES	EMPLOYMENT GENERATION IN INDIA	CURRENT	MODERATE
30	1	SOCIAL ISSUES	GENDER ISSUES	CURRENT	MODERATE

Analysis:

A lot of inference-based statement-based questions were asked in the one marker questions in the exam, which is a continuity from the past years. Students should be prepared to handle such tricky questions going ahead in the future examination.

TABLE 2

SUBJECT	TOTAL NUMBER OF QUESTIONS ASKED	TOTAL MARKS ALLOCATED
ECONOMICS	9	17
SOCIAL ISSUES	21	33

Analysis:

There was a balance between the questions asked in economics and social issues. This is likely to continue going ahead as well. Students are advised to give due importance to Economics over Social Issues in their overall preparation.

TABLE 3

DIFFICULTY LEVEL	TOTAL NUMBER OF QUESTIONS ASKED	TOTAL NUMBER OF MARKS
EASY	6	10
MODERATE	18	29
TOUGH	6	11

Analysis:

Easy questions were interspersed between moderate and tough questions. More than two-thirds of the questions required very good preparation / knowledge / understanding. Given the competitive nature of the examination, students are advised that they should be prepared to face such kind of paper going ahead.

Apart from a strong preparation, emotional quotient is also important. One must not be unnerved by coming across tough questions. The pursuit of easy and moderate question should guide us firmly in the examination. If we are thrown completely off track by the presence of a few tough questions, we will not be able to compete well in the examination.

Solving a good number of Quizzes and Mocks on the EduTap platform will go a long way in helping students be better prepared for this kind of an examination.

TABLE 4

TYPE OF QUESTION	TOTAL NUMBER OF QUESTIONS ASKED	TOTAL NUMBER OF MARKS
CURRENT	23	36
STATIC	7	14

Analysis:

The number of static questions have increased as compared to the previous year and the questions have been asked by mixing the static with the current affairs.

So students are advised to give due importance to the static as well as current affairs for the future examination.

TABLE 5

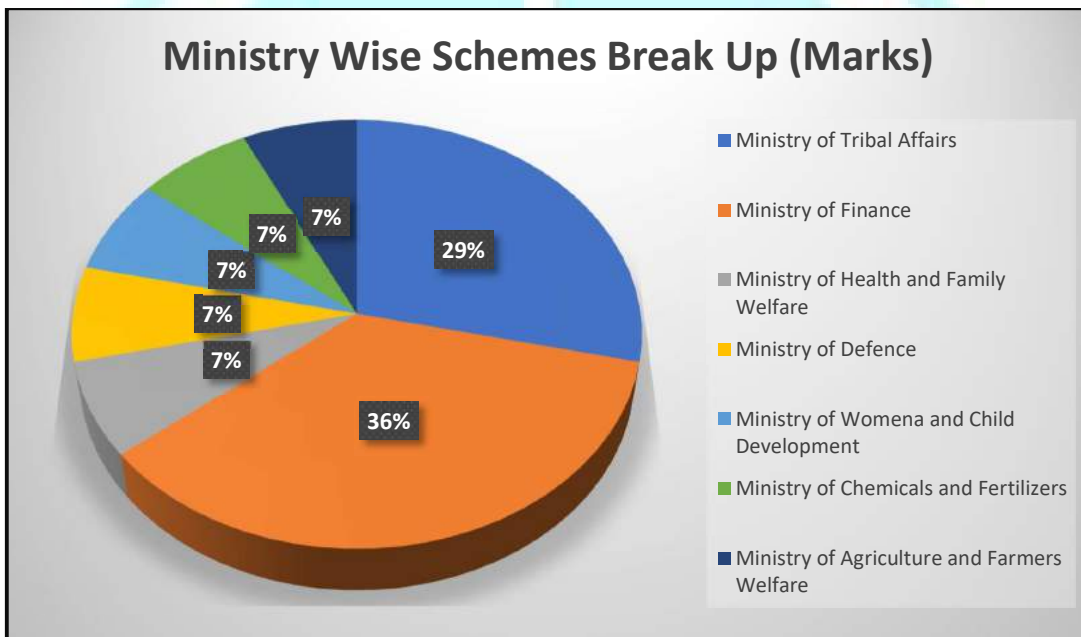
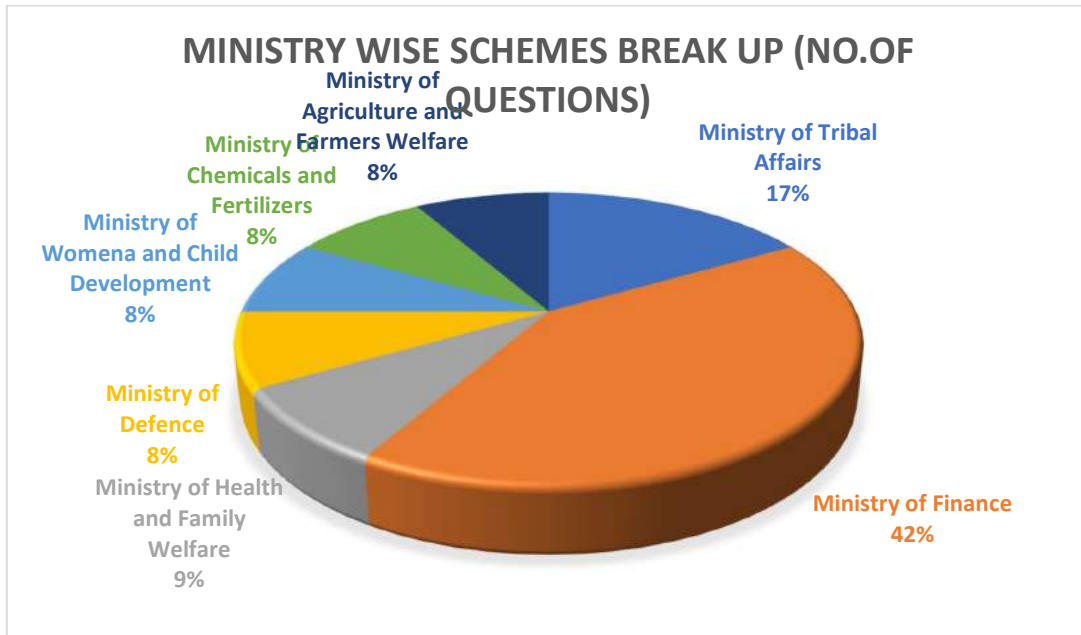
No. OF QUESTION	Months before the examination	TOTAL NUMBER OF MARKS
4	July	6
4	June	6
4	May	8
5	April	9
4	March	4
0	February	0
2	Before February	2

Current Affairs covering a period of 6 months before the examination should be prepared very thoroughly from EduTap's current affairs magazine. Note that current affairs comprise of three important pillars: General current affairs, Government Schemes and Programmes and Reports.

TABLE 6

TYPE OF QUESTION	TOTAL NUMBER OF QUESTIONS ASKED	TOTAL NUMBER OF MARKS
QUESTIONS BASED ON OLD SCHEMES (LAUNCHED MORE THAN AN YEAR BEFORE THE EXAM)	9	9
QUESTIONS BASED ON NEW SCHEMES (LAUNCHED WITHIN THE ONE YEAR PERIOD BEFORE THE EXAM)	3	5
QUESTIONS BASED ON OLD AND NEW SCHEMES	12	14

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Analysis:

EduTap’s innovative ‘Schemes Tap’ document has served students well given that over 30% of the objective paper (14 marks to be precise) was covered only from schemes of Government of India and if the student has covered the SchemesTap he can score 12 marks in the paper.

As the above table shows, students are advised to cover both old and new schemes well.

Given that a lot of statement based, moderate to tough level questions were asked from various schemes, students are advised to give due importance to the 'Schemes Tap' document.

Note: Flagship schemes asked in the question were seen in the news in the past one year so students are advised to give due importance to the 'Schemes Tap' document from the past one year

TABLE 7

TYPE OF QUESTION	TOTAL NUMBER OF QUESTIONS ASKED	TOTAL NUMBER OF MARKS
QUESTIONS BASED ON INTERNATIONAL REPORTS	03	06
QUESTIONS BASED ON NATIONAL REPORTS	00	00
QUESTIONS BASED ON NATIONAL AND INTERNATIONAL REPORTS	03	06

Analysis:

Trend of reports playing an important role in the exam has continued, with a respectable 12% weightage for this component.

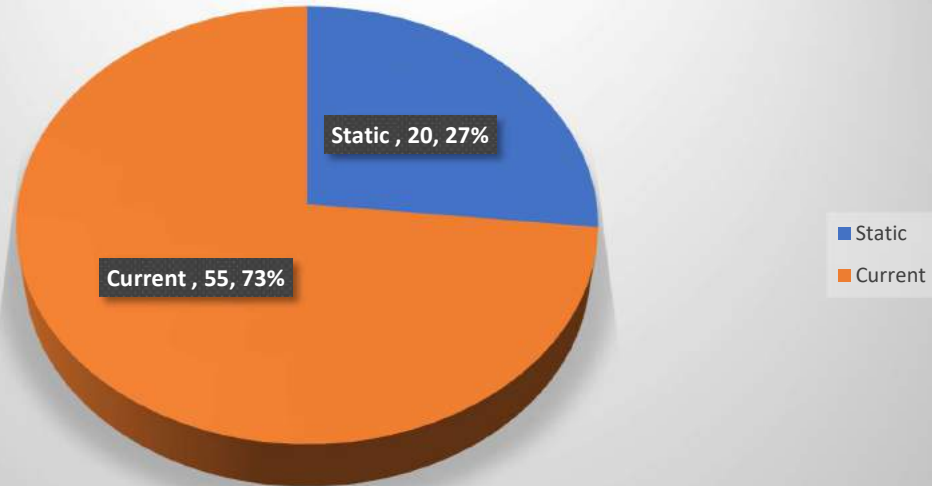
Although in this exam all the weightage has been given to an international report, national reports continue to be of importance and students should cover them well.

Students are advised to cover the biennial reports of international organizations also as the reports are relevant till the next release of the report.

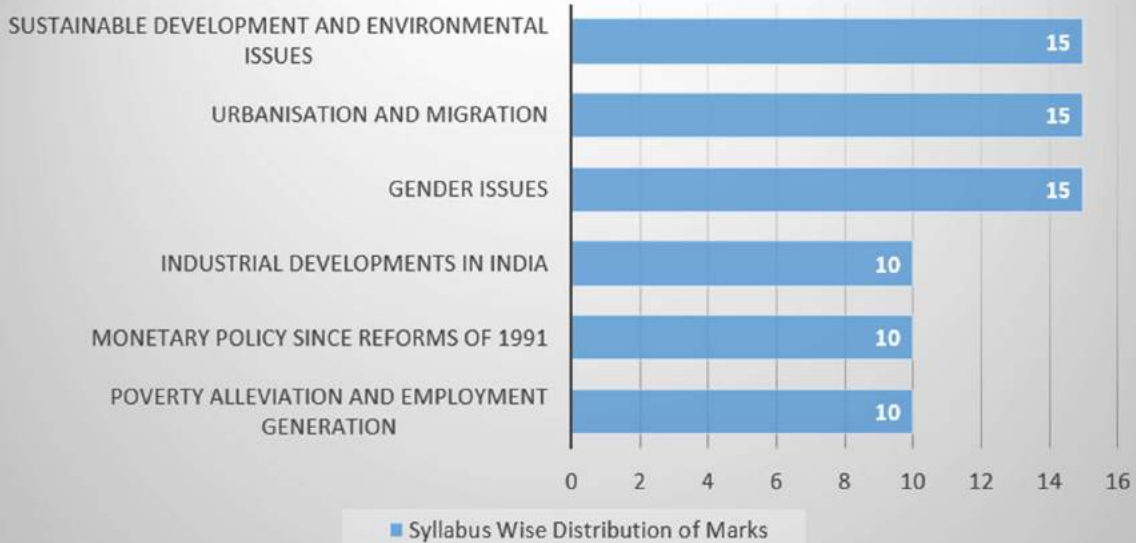
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Descriptive Type Question Paper Analysis:

Marks Distribution, total 75 marks**



Syllabus Wise Distribution of Marks



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Questions Type	Economic Issues	Social Issues
10 Marks (400 Words)	3	
15 Marks (600 Words)	1	2
Total	4	2

****Please be informed that, for holistic coverage, the above-mentioned analysis is done for the whole descriptive component (75 marks), by which we mean that all the 15 markers (15*3=45 marks) and all the 10 markers (10*3=30 marks) are considered for the analysis.**

However, a student only has to attempt the descriptive component worth 50 marks.

Key Takeaways

- **Questions asked in the descriptive section were a mix of direct and application-based.** For example,
 - The questions in the 10 marks category are direct in nature and can be easily answered by having a basic conceptual understanding of the topics.
 - Whereas, questions in 15 marks category are application based and required a thorough understanding of the reports asked.
- **More weightage was given to Economic Issues as 45 marks out of 75 marks were from Economic Issues.**
- **Follow the Syllabus Tags for expected descriptive questions.**
- **Questions in 15 marks category were framed directly from the Reports mentioned in the syllabus. Therefore, Reports need to be covered from the descriptive point of view as well.**
- **Overall, the descriptive paper was moderate to difficult.**