

- d) It is a bank that is blacklisted by the Public Sector Asset Rehabilitation Agency (PARA) due to its rising bad loans or NPAs.

**Q.8) Solution (a)**

A 'bad bank' simply put is a bank that purchases the bad loans of other lenders and financial institutions at market price. Next, the bad bank resolves these bad assets over a period of time. The banks in the process though would be forced to go for write-downs and will be free from the fetters of NPA and can draw a fresh approach toward fresh lending.

**Article reference:** [FM proposes bad bank to tide over NPAs](#)

**Q.9) Consider the following statements:**

1. The total demand for gold in India dwindled by 35 per cent in 2020.
2. India is only behind China in overall consumption of gold.

**Which of the statements given above is/are incorrect?**

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

**Q.9) Solution (d)**

In an attempt to boost consumer demand and to keep a check on smuggled imports, Finance Minister recently announced rationalisation of import duty on gold and silver. It has been brought down to 7.5 per cent from 12.5 per cent (brought in during the July 2019 Budget).

The total demand for gold in India dwindled by 35 per cent in 2020 to 446.4 tonnes — lowest in the last 25 years — from 690.4 tonnes in 2019. Even in 2019, it had fallen by about 9 per cent year-on-year.

**Do you know?**

- India is only behind China in overall consumption.

**Article link:** [Can reduced import duty trigger gold demand?](#)

**Q.10) Recently, the PM addressed 125th anniversary celebrations of 'Prabuddha Bharata', a monthly journal which was started by -**

- a) Swami Vivekananda
- b) Mahatma Gandhi
- c) Dr. B R Ambedkar