

**PRESTORMINGTM 2021
TEST-23 - ECONOMICS**

48. Consider the following statements with reference to National Recruitment Agency (NRA):

1. The National Recruitment Agency (NRA) was first proposed by the government in the union budget of 2020.
2. NRA will conduct the Common Eligibility Test (CET) for recruitment to gazetted and non-gazetted posts in government and public sector banks.
3. NRA will be a Society registered under the Societies Registration Act, headed by a Chairman of the rank of the Secretary to the Government of India.

Which of the statements given above is/are correct?

- (a) 3 only (b) 1 and 2 only (c) 2 and 3 only (d) 1 and 3 only

49. Which of the following statements regarding Corporate Social Responsibility (CSR) in India is/are correct?

1. All companies with a net worth of Rs 500 crore or more, a turnover of Rs 1,000 crore or more, or a net profit of Rs 5 crore or more, are required to spend 2 percent of their average profits of the previous three years on CSR activities every year.
2. The CSR funds can be also contributed to PM National Relief Fund, Swachh Bharat Kosh, Clean Ganga Fund, and any other fund set up by the Government of India for socio-economic development.
3. The non-compliance with CSR provisions would be considered a criminal offense and not a “civil wrong,” which means that there will be severe imprisonment for the violations.

Which of the statements given above is/are correct?

- (a) 1 only (b) 1 and 2 only (c) 1 and 3 only (d) 2 only

50. Which of the following best describes the “Broken Window Fallacy” in economics?

- (a) The broken window fallacy states that if money is spent on repairing the damage, it is a mistake to think this represents an increase in economic output and economic welfare.
- (b) It states that money spent on a broken window is a productive expenditure which adds to the prosperity of the economy.
- (c) The policy states that the expenditure on a broken window shall be undertaken by the government to ensure that private funds are dedicated only to productive purposes.
- (d) None of the above

51. Which of the following initiatives can help in reducing disguised unemployment in agriculture?

1. Promoting food processing industries in rural areas
2. Enforcing Contract farming with adequate safeguards
3. Use of modern farm equipments and machinery
4. Skilling farmers with modern scientific cultivation methods

Select the correct answer using the code given below.

- (a) 4 only (b) 1, 2 and 4 only (c) 1, 3 and 4 only (d) 1, 2 and 3 only

52. According to the Reserve Bank of India, what is Bad Bank in India?

- (a) It is a bank set up to buy the bad loans and other illiquid holdings of another financial institution.
- (b) It is a bank that aims at providing adequate banking and credit in rural areas through a ‘service area approach’.
- (c) It is a bank having high proportions of Non-Performing Assets in its balance sheet.
- (d) It is a bank not complied with the Basel norm which is a set of reforms designed to mitigate risk within the international banking sector.

53. Consider the following statements regarding the Domestically Systemic Important Bank (D-SIBs).

1. According to the RBI, some banks become systemically important due to their size, cross-jurisdictional activities, complexity and lack of substitute and interconnection.
2. Banks whose assets exceed 2% of GDP are considered part of this group.
3. Only the Public Sector Banks will be eligible to be declared as D-SIBs.

Which of the statements given above is/are correct?

- (b) 1 only (c) 1 and 2 only (d) 2 and 3 only (e) 1, 2 and 3

54. Which of the following statements is/are correct regarding the Micro Irrigation Fund?

1. It has been operationalized in Regional Rural Banks (RRBs) from 2019-20.
2. The objective of this fund is to facilitate State Government’s efforts in mobilizing additional resources for expanding coverage under micro irrigation.
3. The main focus of this fund will be in line with the objective of “Per Drop More Crop”.

Which of the statements given above is/are correct?

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