

**PRESTORMINGTM 2021**  
**GS MOCK TEST 3 (SOLUTION)**

<b><u>Society</u></b>	<ol style="list-style-type: none"> <li>1. The Rajputs were great warriors and chivalrous by nature.</li> <li>2. They believed in protecting the women and the weak.</li> <li>3. The Rajputs were staunch followers of Hinduism. But they also patronized Buddhism and Jainism.</li> <li>4. Rajput Society was Feudal in its organizational setup.</li> <li>5. Each kingdom was divided into a large number of Jagirs held by the Jagirdars</li> </ol>
<b><u>Architecture</u></b>	<ol style="list-style-type: none"> <li>1) The Khajuraho temples are considered to build during Rajputs rule. They are the most beautiful, as they are made of pink buff- coloured and yellow fine-grained sandstone. The most awesome feature of these temples is the balcony window. There are floral designs carved on the doors, passages, pillars and ceilings.</li> <li>2) The Rajputs had built magnificent fortresses at Chittorgarh, Amber (Jaipur), Jaisalmer, Jodhpur, Ranthambhor, Gwalior, and many other places. It is noted that these forts are usually made on small hills and some barriers were also made to prevent the entry of any unwanted person. All the forts had magnificent walls and various towers</li> <li>3) In 1088 AD, the Dilwara Jain Temples were constructed in white marble. A deity is placed in a cell, raised on a high platform surrounded by a courtyard</li> <li>4) During 950-70 AD, the Parswanatha Temple was built as one of the largest Jain temples in Khajuraho.</li> </ol>

**11. Correct Answer B**

**EXPLANATION**

Higher fiscal deficit in economy will not definitely face inflationary condition. When government increases its spending (increased expenditure) or when reduces its taxes (reduced receipts) it leads to Fiscal deficit. During fiscal deficit, demand may increase and if demand is met through increased output it may not lead to inflation. **So, statement 1 is not correct.**

If the borrowed resources are left unutilized by government, there may be no inflation due to lack of demand. Because inflation may arise from either cost push inflation or demand pull inflation. If borrowed resources are left unutilized by government, it may not lead to increased money supply in hand of people. Limited money with people does not lead to higher demands. So, it may leads to non-inflationary situation. **So, statement 2 is correct.**

One of the main criticisms of deficits is that they are inflationary. This is because when government increases spending or cuts taxes, aggregate demand increases. Firms may not be able to produce higher quantities that are being demanded at the ongoing prices. **Prices will, therefore, have to rise. So, statement 3 is correct.**

However, if there are unutilised resources, output is held back by lack of demand. A high fiscal deficit is accompanied by higher demand and greater output and, therefore, need not be inflationary. **So, statement 4 is correct.**

**ADDITIONAL INFORMATION**

<b><u>Deficit and types</u></b>	<p>When a government spends more than it collects by way of revenue, it incurs a budget deficit</p> <p>Types</p> <ol style="list-style-type: none"> <li>1. <b>Revenue Deficit:</b> The revenue deficit refers to the excess of government's revenue expenditure over revenue receipts  Revenue deficit = Revenue expenditure – Revenue receipts</li> <li>2. <b>Fiscal Deficit:</b> Fiscal deficit is the difference between the government's total expenditure and its total receipts excluding borrowing  Gross fiscal deficit = Total expenditure – (Revenue receipts + Non-debt creating capital receipts)</li> <li>3. <b>Primary deficit:</b> It is simply the fiscal deficit minus the interest payments  Gross primary deficit = Gross fiscal deficit – Net interest liabilities  Net interest liabilities consist of interest payments minus interest receipts by the government on net domestic lending.</li> </ol>
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