

15 July 2025

Question 1. With reference to the Finance Commission of India, consider the following statements:

1. The recommendations of the Finance Commission are binding on the Union Government.
2. Its composition, as specified in the Constitution, includes a Chairman and four other members who must be judges of High Courts.
3. The Commission makes recommendations on the distribution of net proceeds of taxes between the Centre and the States, as well as the principles that should govern the grants-in-aid to the States out of the Consolidated Fund of India.

Which of the statements given above is/are correct?

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

Answer 1: (b)

- **Statement 1 is incorrect.** The recommendations of the Finance Commission are advisory in nature and not binding on the government. However, they are generally accepted by the Union Government.
- **Statement 2 is incorrect.** The Constitution (Article 280) authorizes the Parliament to determine the qualifications of the members of the commission. The Finance Commission Act, 1951 specifies that the Chairman should be a person having experience in public affairs, and the four other members should be selected from amongst persons who (a) are, or have been, or are qualified to be appointed as judges of a high court; (b) have special knowledge of the finances and accounts of the government; (c) have had wide experience in financial matters and in administration; (d) have special knowledge of economics. It is not mandatory for all four to be judges.
- **Statement 3 is correct.** This is the primary mandate of the Finance Commission as laid down in Article 280 of the Constitution. It recommends the vertical (Centre to States) and horizontal (amongst States) distribution of taxes and suggests principles for grants-in-aid.

15 July 2025

Question 2. Consider the following statements regarding India's Gaganyaan Mission:

1. The mission aims to demonstrate human spaceflight capability by launching a crew of three members to a Low Earth Orbit (LEO) of 400 km for a 3-day mission.
2. The launch vehicle identified for the mission is the Geosynchronous Satellite Launch Vehicle (GSLV) Mk-II.
3. 'Vyommitra' is the name given to the half-humanoid robot developed to be part of the first manned crew alongside the astronauts.

How many of the statements given above are correct?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

Answer 2: (a)

- **Statement 1 is correct.** The objective of the Gaganyaan mission is indeed to launch a crew of 3 to a Low Earth Orbit (LEO) of 400 km and bring them back safely after a 3-day mission.
- **Statement 2 is incorrect.** The launch vehicle for the Gaganyaan mission is the LVM3 (Launch Vehicle Mark-3), formerly known as the GSLV-MkIII, which is ISRO's most powerful and human-rated rocket. GSLV Mk-II does not have the required payload capacity.
- **Statement 3 is incorrect.** 'Vyommitra' is a female-looking half-humanoid robot designed to fly on uncrewed missions to simulate human functions and test the systems before the actual manned flight. It is not intended to be part of the manned crew.

15 July 2025

Question 3. With reference to the India-UAE Comprehensive Economic Partnership Agreement (CEPA), which was recently in the news for a review, consider the following statements:

1. It was the first major free trade agreement signed by India with a major trading partner in over a decade.
2. The agreement exclusively covers trade in goods and aims to eliminate tariffs on over 90% of products.
3. The CEPA includes a dedicated chapter on protecting the intellectual property of both nations.

Which of the statements given above is/are correct?

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

Answer 3: (a)

- **Statement 1 is correct.** The India-UAE CEPA, which came into effect on May 1, 2022, was the first full free trade agreement signed by the Modi government and India's first with a major economy in over a decade.
- **Statement 2 is incorrect.** The agreement is comprehensive. It covers not just Trade in Goods, but also Trade in Services, Rules of Origin, Technical Barriers to Trade (TBT), and Sanitary and Phytosanitary (SPS) measures, among others. It is not limited exclusively to goods.
- **Statement 3 is correct.** The CEPA has a dedicated chapter on Intellectual Property Rights (IPR) to facilitate trade and investment by providing a framework for protecting and enforcing IPRs in both countries.

15 July 2025

Question 4. The National Monetisation Pipeline (NMP), often seen in the news, is an initiative that aims to:

- (a) Disinvest the government's shareholding in Central Public Sector Enterprises (CPSEs) to private entities.
- (b) Provide a medium-term roadmap for identifying and monetising 'brownfield' public sector assets.
- (c) Offer Production Linked Incentives (PLIs) to boost domestic manufacturing in core sectors.
- (d) Create a dedicated fund for the construction of new 'greenfield' infrastructure projects across the country.

Answer 4: (b)

The National Monetisation Pipeline (NMP) is a strategic initiative that aims to unlock value in 'brownfield' assets by engaging the private sector. Brownfield assets are existing infrastructure assets that are already built and operational but may be underutilized. The government transfers revenue rights to private parties for a specific period in return for an upfront payment or a revenue share.

15 July 2025

Question 5. The term 'Sadiya region', recently in the news for an ecological discovery, is a geographically and historically significant area located at the tri-junction of which of the following states?

- (a) Assam, Arunachal Pradesh, and Nagaland
- (b) Arunachal Pradesh, Manipur, and Mizoram
- (c) West Bengal, Sikkim, and Assam
- (d) Assam, Meghalaya, and Tripura

Answer 5: (a)

Sadiya is a historic and strategic town in the Tinsukia district of Assam. It is located near the easternmost border of the state and is geographically positioned at the tri-junction of Assam, Arunachal Pradesh, and Nagaland. It is also the location where the Lohit (also known as the Zayu river) and the Dibang rivers join the Siang river to form the mighty Brahmaputra. Its location makes it a gateway to the Eastern Himalayas, a region of rich biodiversity.