

**06 Aug 2025**

**Question 1. With reference to the second phase of the e-Rupee (CBDC) pilot announced by the RBI, consider the following statements:**

1. A key feature of this phase is the introduction of offline transaction capability, aimed at enhancing financial inclusion.
2. The concept of 'programmability' will allow the e-Rupee to be restricted for specific uses, such as subsidy payments.
3. A primary technological challenge for implementing offline CBDC is preventing the risk of 'double-spending'.

**How many of the above statements are correct?**

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

**Answer: (c)**

- **Statement 1 is correct.** The news item explicitly states that the offline feature will allow users to make payments in areas with limited or no internet connectivity, which is a major step for financial inclusion.
- **Statement 2 is correct.** The article mentions that programmability will enable government agencies to disburse benefits for specific purposes, citing the example of fertilizer subsidies. This is a key feature of the Phase-II pilot.
- **Statement 3 is correct.** The analysis section of the news report highlights that implementing secure offline transactions without the risk of 'double-spending' (where the same digital token is spent more than once) is a complex technical problem that needs to be solved.

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**Question 2. The recently launched FAME-III scheme marks a strategic shift in India's EV policy. Which of the following best describes its primary new focus compared to its predecessors?**

- (a) Providing massive subsidies for the purchase of personal electric cars to boost adoption among the middle class.
- (b) Exclusively incentivizing the setting up of battery manufacturing plants to achieve 100% localization.
- (c) Placing a higher emphasis on the electrification of commercial vehicles and building a battery swapping ecosystem.
- (d) Mandating that all government vehicles must be electric by the end of the scheme's tenure.

**Answer: (c)**

- The news report clearly states that FAME-III "marks a strategic shift" and "places a significantly higher emphasis on incentivizing the adoption of electric buses, trucks, and commercial three-wheelers." It also highlights that a "major component...is dedicated funding for building a nationwide battery swapping infrastructure.
- **Statement (a)** was a feature of earlier phases.
- **Statements (b) and (d)**, though related to the EV ecosystem, do not represent the primary new focus of the FAME-III scheme as described.

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**Question 3. Consider the following statements regarding the Indian Navy's submarine projects:**

- 1.The commissioning of INS Vagsheer marked the successful completion of Project-75, which involved the construction of six Kalvari-class submarines.
- 2.The primary technological distinction of the follow-on Project-75 (India) or P-75I is the mandatory requirement for Air-Independent Propulsion (AIP) technology.

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

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

**Answer: (c)**

- **Statement 1 is correct.** The article explicitly states, "INS Vagsheer, the sixth and final submarine of the French-designed Kalvari-class (Scorpène-class), was commissioned... The commissioning marks the successful completion of Project-75."
- **Statement 2 is correct.** The analysis section clarifies the distinction: "the Navy's focus now shifts urgently to the follow-on Project-75 (India) or P-75I, which envisages the construction of six more advanced submarines equipped with Air-Independent Propulsion (AIP) technology." AIP allows conventional submarines to stay submerged for longer, which is a significant capability upgrade.

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**Question 4. The establishment of the Green Hydrogen Hub in Kutch is a major step under the National Green Hydrogen Mission. The 'green' attribute of the hydrogen produced is primarily dependent on:**

- (a) The high efficiency of the hydrogen storage and transport infrastructure.
- (b) The source of energy used to power the electrolysis process.
- (c) The geographical location is a coastal area, allowing the use of seawater.
- (d) The advanced technology of the electrolyzers is imported from foreign countries.

**Answer: (b)**

- Hydrogen is categorized based on the energy source used for its production. 'Green Hydrogen' is produced through the electrolysis of water, where the electricity used for the process comes from renewable sources like solar and wind. The news item confirms this by stating the hub will "leverage the region's immense solar and wind energy potential to power large-scale electrolyzers." Other types include 'Grey Hydrogen' (from fossil fuels, releasing CO<sub>2</sub>) and 'Blue Hydrogen' (from fossil fuels, but with carbon capture). Therefore, the 'green' tag is exclusively tied to the use of renewable energy.

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**Question 5. The recent expansion of the PM-KISAN scheme to include tenant farmers is a significant policy reform. The primary objective of this reform is to:**

- (a) Increase the annual financial support from ₹6,000 to ₹10,000 for all farmers.
- (b) Address the issue of inequity by extending income support to actual cultivators who do not own land.
- (c) Mandate the formalization of all tenancy agreements in the country through a digital platform.
- (d) Link the disbursement of funds directly to the farmer's crop yield and production data.

**Answer: (b)**

- The news report clearly states that the expansion will now include "tenant farmers, sharecroppers, and oral lessees... who were previously excluded due to the scheme's land-ownership criterion." The significance is highlighted as a move to "directly address this inequity" and support "some of the most vulnerable sections of the farming community." While it involves a digital framework (related to option c), the primary goal is not mandatory formalization but benefit extension. Options (a) and (d) are not mentioned in the report.