

1. Consider the following statements regarding fiscal federalism in India:

1. The Constitution grants primary tax-raising powers to the States to maintain horizontal fiscal equality.
2. Statutory grants under Article 275 address specific, non-formulaic needs of States beyond general tax devolution.
3. The Finance Commission functions as a constitutional mechanism for correcting structural vertical fiscal imbalances.

Which one of the following conclusions based on the above statements is correct?

- A. There are two correct statements, including Statement 3.
- B. There is no correct statement.
- C. All three statements are correct.
- D. There is only one correct statement.

Answer: A

Explanation

- **Statement 1 is incorrect:** The Constitution assigns relatively greater and more productive tax-raising powers to the **Union Government**, while States have substantial expenditure responsibilities, particularly in areas such as health, education and local infrastructure. This creates a **vertical fiscal imbalance**.
- **Statement 2 is correct:** Grants-in-aid under **Article 275** are statutory transfers that can address specific needs of States that may not be adequately covered through general tax devolution. They can cater to particular geographical, social or structural requirements.
- **Statement 3 is correct:** The **Finance Commission under Article 280** is a constitutional mechanism designed to address both **vertical fiscal imbalance** between the Union and States and **horizontal fiscal imbalance** among States by recommending the distribution of tax revenues and grants.

Therefore, **Statements 2 and 3 are correct.**

2. Consider the following statements regarding Urban Cooperative Banks (UCBs) in India:

1. UCBs require a banking licence from the Reserve Bank of India under Section 22 of the Banking Regulation Act, 1949.
2. The Banking Regulation (Amendment) Act, 2020 strengthened the Reserve Bank of India's supervisory powers over the management and resolution of UCBs.
3. Single-State primary cooperative credit societies are completely barred from applying for a licence to operate as UCBs.

How many of the above statements are correct?

- A. Only one
- B. Only two
- C. All three
- D. None

Answer: B. Only two

Explanation

- **Statement 1 is correct:** UCBs are governed by the **Banking Regulation Act, 1949**, with Section 22 dealing with licensing of banking companies and Section 56 extending relevant provisions to cooperative banks.
- **Statement 2 is correct:** The **Banking Regulation (Amendment) Act, 2020** significantly strengthened the RBI's regulatory and supervisory powers over cooperative banks, including matters relating to management, board supersession and resolution.
- **Statement 3 is incorrect:** Single-State cooperative credit societies are **not completely barred** from obtaining a banking licence. Eligibility depends on meeting the applicable regulatory, financial, capital adequacy and governance requirements.

Therefore, **only Statements 1 and 2 are correct.**

3. Consider the following statements regarding inter-State river water disputes in India:

1. Awards of Inter-State Water Disputes Tribunals constituted under the Inter-State River Water Disputes Act, 1956 have final and binding legal effect.
2. The Inter-State River Water Disputes Act, 1956 expressly excludes the jurisdiction of the Supreme Court over disputes referred to a tribunal.
3. Article 262(2) of the Constitution empowers Parliament to exclude the jurisdiction of the Supreme Court and other courts over inter-State river water disputes.

Which one of the following conclusions based on the above statements is correct?

- A. There are two correct statements, including Statement 2.
- B. There are two correct statements, namely Statements 1 and 3.
- C. All three statements are correct.
- D. There is only one correct statement, namely Statement 2.

Answer: C. All three statements are correct

Explanation

- **Statement 1 is correct:** Under the **Inter-State River Water Disputes Act, 1956**, a tribunal's decision becomes final and binding after its publication by the Central Government in the Official Gazette. The award has the force of an order or decree of the Supreme Court.
- **Statement 2 is correct:** **Section 11** of the Act bars the jurisdiction of the Supreme Court and other courts in respect of water disputes that are referable to a tribunal under the Act.

- **Statement 3 is correct: Article 262(2)** specifically empowers Parliament to provide by law that neither the Supreme Court nor any other court shall exercise jurisdiction over such disputes. The 1956 Act was enacted pursuant to this constitutional provision.

Therefore, **all three statements are correct.**

4. With reference to the Danube River, consider the following statements:

1. The Danube is the longest river located entirely within the continent of Europe.
2. It empties into the Mediterranean Sea through a broad delta region.

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: D. Neither 1 nor 2

Explanation

- **Statement 1 is incorrect:** The **Volga** is the longest river in Europe. The Danube is the **second-longest river in Europe**. The Danube originates in Germany's Black Forest and flows through or along the borders of numerous European countries.
- **Statement 2 is incorrect:** The Danube does not drain into the Mediterranean Sea. It forms the **Danube Delta** before emptying into the **Black Sea**, primarily along the Romania–Ukraine region.

Therefore, **neither Statement 1 nor Statement 2 is correct.**

5. With reference to the 'Seafarer-First' initiative, consider the following statements:

1. It is a contingency framework implemented under the nodal oversight of the Ministry of Ports, Shipping and Waterways.
2. It seeks to safeguard, monitor and provide emergency assistance to Indian maritime workers operating in high-risk conflict zones.

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. Both 1 and 2

Explanation

- **Statement 1 is correct:** The ‘**Seafarer-First**’ initiative was introduced as a crisis-response framework under the nodal oversight of the **Ministry of Ports, Shipping and Waterways (MoPSW)** to coordinate assistance to Indian seafarers amid heightened maritime security risks.
- **Statement 2 is correct:** The initiative focuses on protecting Indian seafarers working in conflict-affected maritime regions. It includes measures such as **real-time vessel monitoring, dedicated liaison mechanisms, 24×7 grievance support, threat assessment and emergency assistance.**

The framework is particularly relevant for Indian maritime workers operating in high-risk areas such as the **Strait of Hormuz**.

Therefore, **both Statements 1 and 2 are correct.**

6. The primary objective of replacing the colonial-era Bankers' Books Evidence Act, 1891 with modern legislation is to:

- A. Eliminate the requirement for commercial banks to maintain physical branch ledgers.
- B. Formally recognize certified electronic, digital and cloud-based records as valid evidence in legal proceedings.
- C. Grant commercial banks complete immunity from producing financial documents during criminal investigations.
- D. Transfer the authority of financial dispute resolution from civil courts to the Reserve Bank of India.

Answer: B. Formally recognize certified electronic, digital and cloud-based records as valid evidence in legal proceedings.

Explanation

The **Bankers' Books Evidence Bill, 2026** seeks to replace the 135-year-old legal framework with provisions suited to modern banking and fintech infrastructure.

- It expands the concept of “**bankers' books**” to cover electronic databases, digital records, virtual ledgers and cloud-based records.
- Certified electronic extracts can be presented as evidence in legal proceedings without necessarily requiring the production of original physical records or personal appearance of bank officials.
- The reform therefore seeks to bring evidentiary law in line with the **digital transformation of banking.**

Hence, **Option B is correct.**

7. Consider the following statements regarding the National Urban Cooperative Finance and Development Corporation (NUCFDC):

1. It functions as an ad-hoc judicial tribunal for resolving disputes between primary urban cooperative banks.
2. It completely replaces the Reserve Bank of India as the primary regulatory and licensing authority for Urban Cooperative Banks.
3. It was established under Article 280 of the Constitution to administer central grants-in-aid to cooperative sector banks.

How many of the above statements are correct?

- A. Only one
- B. Only two
- C. All three
- D. None

Answer: D. None

Explanation

- **Statement 1 is incorrect:** NUCFDC is an **umbrella organization for the Urban Cooperative Banking sector**. It is intended to provide services such as shared infrastructure, liquidity support and capital mobilisation. It does not function as a judicial tribunal for resolving disputes.
- **Statement 2 is incorrect:** The **Reserve Bank of India** continues to exercise regulatory and licensing authority over UCBs under the applicable provisions of the Banking Regulation Act, 1949. NUCFDC does not replace the RBI in this regard.
- **Statement 3 is incorrect:** NUCFDC is a sector-specific development and financial support institution and is **not established under Article 280**. Article 280 provides for the establishment of the **Finance Commission**, which deals primarily with tax devolution and grants between the Union and States.

Therefore, **none of the three statements is correct.**

8. With reference to the constitutional provisions relating to water resources in the Seventh Schedule, consider the following statements:

1. Entry 17 of the State List gives States absolute legislative authority over water resources without any constitutional limitations.
2. Entry 56 of the Union List empowers Parliament to regulate and develop inter-State rivers and river valleys to the extent provided by law.
3. The jurisdiction of High Courts over inter-State water disputes is automatically excluded by Entry 17 of the State List.

How many of the above statements are correct?

- A. Only one
- B. Only two

- C. All three
- D. None

Answer: A. Only one

Explanation

- **Statement 1 is incorrect:** Entry 17 of the State List covers **water, water supplies, irrigation, canals, drainage, water storage and water power**, but it is expressly subject to the provisions of **Entry 56 of the Union List**. Hence, State authority is not absolute.
- **Statement 2 is correct:** **Entry 56 of the Union List** empowers Parliament to regulate and develop inter-State rivers and river valleys to the extent that such regulation and development is declared by Parliament to be expedient in the public interest.
- **Statement 3 is incorrect:** The exclusion of judicial jurisdiction in inter-State river water disputes does not arise automatically from Entry 17. Such exclusion derives from **Article 262** and legislation enacted pursuant to it, such as the Inter-State River Water Disputes Act, 1956.

Therefore, **only Statement 2 is correct.**

9. Consider the following statements regarding the production and chemical characteristics of biochar:

1. Biochar is a highly porous, carbon-rich solid material produced through pyrolysis.
2. Pyrolysis involves heating organic agricultural and urban wastes under high-oxygen conditions.
3. The pH, nutrient content and other baseline properties of biochar remain uniform irrespective of the biomass feedstock used.

Which one of the following conclusions based on the above statements is correct?

- A. All three statements are correct.
- B. There is no correct statement.
- C. There are two correct statements that include Statement 3.
- D. There is only one correct statement.

Answer: D. There is only one correct statement.

Explanation

- **Statement 1 is correct:** Biochar is a **carbon-rich, highly porous solid** produced through the thermal decomposition of organic material, generally through pyrolysis. Its porous structure can improve soil properties and help retain water and nutrients.
- **Statement 2 is incorrect:** Pyrolysis takes place under **low-oxygen or oxygen-limited conditions**, rather than under high-oxygen conditions. Limited oxygen prevents complete combustion of the biomass.

- **Statement 3 is incorrect:** Biochar does not have uniform chemical characteristics. Properties such as **pH, nutrient content, ash content, surface area and carbon stability** vary depending on the feedstock and the temperature and conditions of pyrolysis.

Therefore, **only Statement 1 is correct.**

10. Consider the following statements regarding the Index of Services Production (ISP):

1. It is intended to serve as a short-term macroeconomic indicator for the services sector, analogous to the Index of Industrial Production (IIP) for the industrial sector.
2. It is compiled and disseminated by the Ministry of Statistics and Programme Implementation (MoSPI).
3. Its final structural compilation uses a fixed-weight Laspeyres volume index methodology.

How many of the above statements are correct?

- A. Only one
- B. Only two
- C. All three
- D. None

Answer: C. All three

Explanation

- **Statement 1 is correct:** The **Index of Services Production (ISP)** is designed as a short-term indicator of changes in the real volume of services-sector output, broadly serving as a services-sector counterpart to the **Index of Industrial Production (IIP)**.
- **Statement 2 is correct:** The index is associated with the **Ministry of Statistics and Programme Implementation (MoSPI)**, which is responsible for its compilation and dissemination.
- **Statement 3 is correct:** The framework uses a **fixed-weight Laspeyres volume index** approach for aggregating changes in the output of different services. The weights are linked to the relative contribution of sectors to **Gross Value Added (GVA)**.

Therefore, **all three statements are correct.**

11. With reference to the e-Jagriti platform, consider the following statements:

1. It is an AI-enabled, paperless digital platform designed to facilitate the electronic filing and processing of consumer disputes.
2. The platform is administered by the Ministry of Law and Justice.

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: A. 1 only

Explanation

- **Statement 1 is correct:** e-Jagriti is an AI-enabled, paperless platform aimed at digitising and streamlining consumer dispute resolution. It incorporates features such as **AI tools, chatbots, voice-to-text functionality and data analytics**. It also integrates earlier systems such as **OCMS, e-Daakhil, NCDRC CMS and CONFONET** into a unified digital framework.
- **Statement 2 is incorrect:** The platform is associated with the **Department of Consumer Affairs under the Ministry of Consumer Affairs, Food & Public Distribution**, and not the Ministry of Law and Justice.

Therefore, **only Statement 1 is correct.**

12. Consider the following statements regarding E85 fuel:

1. E85 is a high-ethanol fuel blend containing approximately 80–85% conventional petrol and only a small proportion of ethanol.
2. The high ethanol content of E85 gives it distinct fuel characteristics and requires compatible engines specifically designed to handle high ethanol blends.

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: B. 2 only

Explanation

- **Statement 1 is incorrect:** The composition is reversed. **E85 generally contains about 51–83% ethanol**, depending on applicable fuel standards and seasonal formulation, with the remainder being petrol. Thus, it is not predominantly petrol with a small amount of ethanol.
- **Statement 2 is correct:** High-ethanol blends have different **combustion characteristics, energy density and material-compatibility requirements** compared with conventional petrol. Vehicles designed to operate on such blends generally require **Flex-Fuel Vehicle (FFV)** technology.

FFVs are designed to accommodate a wide range of ethanol-petrol mixtures, allowing the engine management system to adjust fuel injection and ignition parameters accordingly.

Therefore, **only Statement 2 is correct.**

13. Consider the following statements regarding Maulana Barkatullah Bhopali and the revolutionary movement abroad:

1. He worked primarily within British India and used constitutional and legislative institutions to oppose colonial rule.
2. He co-founded the Provisional Government of India at Kabul in 1915 along with Raja Mahendra Pratap.
3. He opposed armed revolutionary activity and exclusively advocated constitutional methods for achieving Indian independence.

Which of the statements given above is/are correct?

- A. 1 and 3 only
B. 2 and 3 only
C. 2 only
D. 1, 2 and 3

Answer: C. 2 only

Explanation

- **Statement 1 is incorrect:** Maulana Barkatullah spent much of his political life **outside India**, including periods in the United States, Japan, Germany and Afghanistan. He was closely associated with revolutionary networks operating internationally rather than with British India's legislative institutions.
- **Statement 2 is correct:** In **1915**, Barkatullah became associated with **Raja Mahendra Pratap** and **Maulana Ubaidullah Sindhi** in establishing the **Provisional Government of India at Kabul**. Barkatullah served as its Prime Minister.
- **Statement 3 is incorrect:** Barkatullah was associated with the **Ghadar movement** and supported revolutionary and armed resistance against British rule. He did not restrict himself to constitutional methods.

Therefore, **only Statement 2 is correct.**

14. With reference to the Sea of Azov, consider the following statements:

1. It is a semi-enclosed body of water located to the north of the Black Sea.
2. It is regarded as the shallowest sea in the world, with a maximum depth of approximately 14 metres.

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. Both 1 and 2

Explanation

- **Statement 1 is correct:** The **Sea of Azov** is a semi-enclosed sea connected to the **Black Sea** through the **Kerch Strait**. It lies between southern Ukraine and southwestern Russia.
- **Statement 2 is correct:** The Sea of Azov is widely recognised as the **shallowest sea in the world**, with a maximum depth of only about **14 metres**. Its shallow waters and extensive coastal wetlands give it distinctive ecological and geographical characteristics.

Therefore, **both Statements 1 and 2 are correct.**