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# Prelims Marathon

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HISTORY  
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## Money Supply and Credit in the Indian Banking System

**1. Which of the following statements correctly defines the nature of the 'Stock of Money' in an economy?**

- a) It is a flow concept, as it measures the total value of transactions over a period of time, such as a financial year.
- b) It is a stock concept, as it measures the total quantity of money held by the public at a specific point in time.
- c) It is a purely abstract concept, representing the total capacity of banks to create credit, irrespective of time.
- d) It is measured by the total velocity of currency movement combined with the base money created by the RBI.

**Correct Answer: (b)**

**Explanation:**

The Stock of Money refers to the total quantity of money held by the public in an economy at a particular point in time. This makes it a stock concept, as opposed to a flow concept, which is measured over a period of time (e.g., GDP, income, or investment). The money supply measures (M1, M3, etc.) are all fundamentally stock concepts.

**2. Consider the following financial assets and their corresponding liquidity aggregates:**

- 1. **Demand Deposits of Banks:** Included in M1
- 2. **Post Office Savings Deposits:** Included in M2 but not M3
- 3. **Certificates of Deposit (CDs):** Included in the higher liquidity aggregates L2 and L3

**Which of the above pairs is/are correctly matched in the decreasing order of liquidity (from high to low)?**

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

**Correct Answer: (d)**

**Explanation:**

The money aggregates M1, M2, M3, M4 and liquidity aggregates L1, L2, L3 are arranged in decreasing order of liquidity, where M1 is the most liquid and L3 is the least.

**Statement 1: Correct.** Demand deposits are part of M1 (Narrow Money), which is the most liquid component after Currency with Public.

**Statement 2: Correct.**  $M2 = M1 + \text{Savings Deposits of Post Office Savings Banks}$ . M3 is  $M1 + \text{Net Time Deposits of Banks}$  and generally does not include Post Office Deposits (in the older aggregation), which are primarily included only in M2 and M4.

**Statement 3: Correct.** Certificates of Deposit (CDs), being time deposits, are not part of narrow money (M1). They are included in L2 and L3, the broadest liquidity measures, signifying their lower liquidity compared to M3. (Note: In the new monetary aggregates (NM1, NM2, NM3), term deposits are included in NM2 and NM3, which are less liquid than NM1).

**3. Which of the following components constitute Narrow Money (M1) as defined by the Reserve Bank of India (RBI)?**

1. Currency with the Public
2. Demand Deposits with the Banking System
3. Inter-bank Term Deposits (e.g., Call Money)
4. 'Other' Deposits with the RBI

**Select the correct answer using the code given below:**

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

**Correct Answer: (b)**

**Explanation:**

The RBI defines the monetary aggregate M1 (Narrow Money) as:

$M1 = \text{Currency with the Public} + \text{Demand Deposits with the Banking System} + \text{'Other' Deposits with the RBI}$

**Statement 1: Correct.**

**Statement 2: Correct.** Demand Deposits include current account deposits and the demand liability portion of savings accounts.

**Statement 3: Incorrect.** Inter-bank term deposits, such as Call Money and Certificate of Deposits, are part of the broader money aggregates, not M1.

**Statement 4: Correct.** This includes deposits of international financial institutions, foreign central banks, etc., with the RBI.

**4. In the Indian monetary system, Broad Money (M3) primarily includes:**

- a) Currency with public plus all deposits with post offices
- b) M1 plus time deposits with the banking system
- c) Reserve money plus excess reserves held by banks
- d) Demand deposits plus government securities

**Correct Answer: (b)**

**Explanation:** Broad Money  $M3 = M1 + \text{Time deposits with banks}$ , capturing a wider spectrum of money for long-term economic analysis and credit expansion.

**5. Consider the following statements regarding Money Supply measures in India:**

1. RBI classifies Money Supply into M0 (Reserve Money), M1 (Narrow Money), M2, M3 (Broad Money), and M4.
2. M2 includes M1 plus savings deposits with post offices, serving as an intermediate liquidity measure.
3. As of July 2025, M3 reached ₹281 trillion, reflecting post-pandemic credit growth and digital inclusion.

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

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

**Correct Answer: (d)**

**Explanation:**

**Statement 1: Correct.** RBI's four-tier system (M0-M4) tracks liquidity from base to total money stock.

**Statement 2: Correct.**  $M2 = M1 + \text{Post Office savings}$ , bridging narrow and broad measures. **Statement 3: Correct.** M3 hit ₹281.4 trillion in July 2025, boosted by lending and fintech adoption.

**6. In India, which of the following relate to the Minimum Reserve Requirements under RBI guidelines?**

1. Cash Reserve Ratio (CRR) mandates banks to hold 4.5% of net demand and time liabilities as cash with RBI.
2. Statutory Liquidity Ratio (SLR) requires 18% investment in government securities as of 2025.
3. Both CRR and SLR can be adjusted by RBI without a statutory floor since the 2006 Amendment.

**Select the correct answer using the code given below:**

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

**Correct Answer: (d)**

**Explanation:** All are correct. CRR is 4.5% (post-2024 cuts); SLR at 18%; 2006 Act removed the 3% CRR floor for flexibility in monetary policy.

**7. Reserve Money (M0) in India, also known as high-powered money, comprises:**

- a) Currency in circulation plus demand deposits with commercial banks
- b) Bankers' deposits with RBI plus 'other' deposits and coins
- c) Time deposits plus post office savings
- d) Excess reserves plus government securities

**Correct Answer: (b)**

**Explanation:**  $M0 = \text{Currency outstanding} + \text{Reserves (bankers' and others) with RBI}$ , forming the monetary base for credit creation.

**8. Consider the following factors:**

1. An increase in the Cash Reserve Ratio (CRR)
2. An increase in the Currency Deposit Ratio (CDR)
3. A shift in public preference from Demand Deposits to Time Deposits

**Which of the factors given above will lead to a decrease in the value of the Money Multiplier (M0/M3) in the economy?**

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

**Correct Answer: (b)**

**Explanation:**

The Money Multiplier is the ratio of Broad Money (M3) to Reserve Money (M0) and indicates the extent of money creation by commercial banks.

1. **Increase in CRR: Correct.** A higher CRR means banks must hold more cash reserves, reducing their lending capacity, which slows down the process of credit creation and **decreases** the money multiplier.
2. **Increase in CDR: Correct.** If the public holds more cash (higher CDR), less money is deposited in the banking system. This shrinks the base of loanable funds, reducing the potential for credit creation and thus **decreasing** the money multiplier.

3. **Shift from Demand Deposits to Time Deposits: Incorrect.** This shift generally increases the money multiplier, as time deposits are included in M3 but not M1, and banks can lend a larger proportion of time deposits (subject to SLR/CRR). A larger base of term deposits supports a higher M3 relative to M0, generally increasing the multiplier.

**9. With reference to Credit Counselling in India, consider the following statements:**

1. RBI mandates banks to appoint credit counsellors for distressed borrowers, integrating it with Financial Literacy Centres (FLCCs).
2. Under 2025 guidelines, counselling is voluntary but mandatory for loans above ₹5 lakh in default, focusing on restructuring over recovery.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** RBI encourages dedicated counsellors via FLCCs for debt management and awareness.

**Statement 2: Incorrect.** It's encouraged for all defaults but not mandatory by threshold; emphasis is on ethical recovery.

**10. Consider the following statements regarding Credit Rating Agencies (CRAs) in India:**

1. CRAs are primarily regulated by the Securities and Exchange Board of India (SEBI) and assess the creditworthiness of corporate and government debt instruments.
2. CRAs assign ratings based on an analysis of the issuer's financial strength, market position, and ability to meet its debt obligations.
3. CRISIL, ICRA, and CARE are among the top Credit Rating Agencies operating in the country.

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

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

**Correct Answer: (d)**

**Explanation:**

**Statement 1: Correct.** CRAs are registered with and primarily regulated by SEBI under the SEBI (Credit Rating Agencies) Regulations, 1999. They rate various debt instruments like bonds, debentures, and commercial papers.

**Statement 2: Correct.** The rating reflects the opinion of the CRA on the likelihood of the issuer fulfilling its financial obligations in full and on time.

**Statement 3: Correct.** CRISIL, ICRA, and CARE are among the major domestic credit rating agencies in India, alongside others like India Ratings and Acuité.



## Insurance Sector in India

**1. With reference to the history of the insurance sector in India, consider the following statements:**

1. The Life Insurance Corporation of India (LIC) was formed in 1956 following the nationalization of the life insurance business through a single Act of Parliament.
2. The nationalization of the General Insurance business in 1971 also led to the creation of the General Insurance Corporation of India (GIC), which currently functions as the sole Public Sector General Insurer in the country.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** The life insurance business was nationalized in 1956, leading to the formation of LIC.

**Statement 2: Incorrect.** While the general insurance business was nationalized in 1971 (General Insurance Business Nationalisation Act, 1972) and GIC was created as the holding company, GIC was subsequently converted into a reinsurance company in 2000. Today, there are several Public Sector General Insurers (e.g., New India Assurance, United India Insurance, Oriental Insurance, and National Insurance), which were subsidiaries of GIC until they were delinked.

**2. The opening up of the Indian insurance sector in the late 1990s was primarily based on the recommendations of a key committee. In this context, consider the following statements:**

1. The **Malhotra Committee (1993)** recommended opening the sector to private participation, including foreign players, while creating a strong, independent regulator.
2. The resultant regulator, the Insurance Regulatory and Development Authority of India (IRDAI), is a statutory body established in 1999 to promote and ensure the orderly growth of the insurance and reinsurance business.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** The Malhotra Committee, headed by R. N. Malhotra, was pivotal in recommending reforms, including the denationalization and opening up of the sector to competition, leading to the establishment of the regulator.

**Statement 2: Correct.** IRDA (now IRDAI) was set up in 1999 under the IRDA Act, 1999, as the statutory and autonomous regulator for the insurance sector in India.

3. Consider the following pairs related to key recommendations of the Malhotra Committee (1993) on insurance reforms:

Recommendation	Action Taken
I. Decontrol the sector for private entry	IRDA Act passed in 1999
II. Reduce government stake in LIC/GIC to 50%	Implemented via share sales to PSUs in 2012
III. Set up a regulatory authority	IRDA established in 2000

In how many of the above pairs is the given information correctly matched?

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

**Correct Answer: (c)**

**Explanation:**

**Pair I: Correct.** The committee suggested allowing private (Indian/foreign) entry, leading to the 1999 IRDA Act enabling it from 2000.

**Pair II: Correct.** It recommended 50% divestment; partial steps like 2012 LIC sales to PSUs were taken, though full reduction pending.

**Pair III: Correct.** Establishing a regulator was a core suggestion, realized with IRDA in 2000.

4. Consider the following statements with regard to the regulatory framework of the insurance sector:

- 1. Appeals against the final orders of the Insurance Regulatory and Development Authority of India (IRDAI) are primarily preferred to the High Courts of the respective States where the insurer is headquartered.
- 2. Both the Life Insurance Council and the General Insurance Council have been mandated to function as self-regulating bodies for their respective segments.

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Incorrect.** As per the Insurance Laws (Amendment) Act, 2015, appeals against orders made by the IRDAI are to be preferred to the Securities Appellate Tribunal (SAT), not the High Courts.

**Statement 2: Correct.** The law has strengthened the Industry Councils, making them self-regulating bodies with power to frame bye-laws and collect fees from members.



**5. With reference to the Deposit Insurance and Credit Guarantee Corporation (DICGC), consider the following statements:**

1. DICGC is a subsidiary of the Reserve Bank of India (RBI) and provides deposit insurance coverage for all types of deposits, including those in cooperative banks.
2. The definition of reinsurance under the Insurance Laws (Amendment) Act, 2015, was strengthened to specifically prevent insurance companies from ceding 100 per cent of their risk, thus curbing "front company" practices.
3. The DICGC's maximum liability currently covers deposits up to ₹1 lakh per depositor, including both principal and interest.

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

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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** DICGC is a fully owned subsidiary of the RBI and covers all commercial banks, Local Area Banks, Regional Rural Banks, and Co-operative Banks.

**Statement 2: Correct.** The 2015 amendments introduced a definition of 're-insurer' that prohibits an insurer from ceding 100% of the risk, which prevents them from acting merely as a 'front company' for a re-insurer.

**Statement 3: Incorrect.** The limit was increased to ₹5 lakh per depositor per bank in February 2020 by the government.

**6. The Export Credit Guarantee Corporation of India (ECGC), under the Ministry of Commerce and Industry, primarily provides cover for:**

- a) Short-term domestic trade risks only
- b) Medium- and long-term export credits against political and commercial risks in importing countries
- c) Reinsurance for agricultural exports exclusively
- d) Deposit guarantees for exporters' bank accounts

**Correct Answer: (b)**

**Explanation:** ECGC offers credit insurance for Indian exporters' overseas projects, mitigating risks like non-payment due to political instability or commercial defaults in buyer countries, especially for medium/long-term contracts where reinsurance is limited.

**7. With reference to the National Export Insurance Account (NEIA), consider the following:**

1. NEIA is designed to cover non-payment risks specifically for **medium and long-term (MLT)** high-value infrastructure export projects.
2. Unlike the ECGC, NEIA is a trust and operates exclusively in foreign currency, providing cover to large state-owned enterprises only.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** NEIA was set up to ensure the availability of credit insurance cover for medium and long-term (MLT) high-value export projects, which are typically large and strategically important.

**Statement 2: Incorrect.** NEIA is indeed a trust, but it does not operate exclusively in foreign currency and is not limited to only state-owned enterprises. It provides cover for MLT projects and complements the role of the ECGC, which primarily covers short-term working capital credit risk.

**8. Which of the following is the most appropriate definition of 'Insurance Penetration' for a country?**

- a) The ratio of total insurance claims settled to the total premiums collected during a financial year.
- b) The percentage of the total population that holds at least one valid insurance policy.
- c) The ratio of total insurance premium (life and non-life) written in a year to the country's Gross Domestic Product (GDP).
- d) The total number of insurance companies operating in the country relative to the country's population size.

**Correct Answer: (c)**

**Explanation:**

Insurance penetration is the key metric used globally to measure the development of the insurance sector. It is defined as the ratio of total insurance premium (both life and non-life) collected in a year to the country's Gross Domestic Product (GDP). This measure indicates the size of the insurance industry relative to the size of the economy.

**9. With reference to the status of the Indian Insurance Market (as of FY 2021-22), consider the following statements:**

- 1. India ranks 9th globally in terms of the total premium level (Life and Non-life combined).
- 2. The insurance penetration rate has increased from 2.71% in 2001 to 4.2% in 2022, primarily driven by the growth in the non-life insurance segment.
- 3. The non-life insurance penetration is three times lower than the life insurance penetration.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Incorrect.** India is the 10th largest market globally in terms of total premium level. It ranks 9th only for the Life Insurance Market specifically.

**Statement 2: Incorrect.** While penetration has increased from 2.71% to 4.2%, the growth is primarily driven by the Life Insurance segment (3.2%) over the Non-Life segment (1.0%).

**Statement 3: Correct.** In FY 2021-22, life insurance penetration was 3.2%, and non-life penetration was 1.0%. The non-life penetration (1.0%) is approximately three times lower than the life insurance penetration (3.2%).

**10. Which of the following factor contribute to the significant growth potential and increasing awareness in the Indian insurance industry?**

1. The low insurance penetration rate in rural India, with less than 10% of the rural population having life insurance coverage.
2. India's large and growing digital penetration, facilitating online policy purchase and digital payments.
3. The presence of a high Health Protection Gap (HPG), where a substantial percentage of the population lacks health insurance coverage.

Select the correct answer using the code given below:

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

**Correct Answer: (d)**

**Explanation:**

**All three factors contribute to the high growth potential:**

**Statement 1: Correct.** The massive untapped rural market represents a huge potential customer base, as coverage is currently very low.

**Statement 2: Correct.** High digital penetration and the use of tools like mobile apps make the process of buying and managing insurance simpler, acting as a major growth facilitator.

**Statement 3: Correct.** The High Health Protection Gap (HPG), estimated at nearly 30% of Indians having no health insurance, indicates a significant unmet need and high potential for growth in the health insurance segment.

## External Sector of India

**1. With reference to India's Foreign Exchange Reserves (Forex Reserves), consider the following statements:**

1. India's Forex Reserves are solely composed of Foreign Currency Assets, Gold Reserves, and the Reserve Tranche Position with the IMF.
2. A substantial build-up of Forex Reserves, when driven by RBI buying dollars in the spot market to reduce rupee volatility, can lead to an inflationary effect on the economy.
3. According to recent trends (2024), the rise in India's Forex Reserves can be attributed primarily to the valuation effect, rather than capital inflows.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Incorrect.** The Forex Reserves of an economy are its 'foreign currency assets' **added with** its gold reserves, **SDRs (Special Drawing Rights)**, and Reserve Tranche in the IMF.

**Statement 2: Correct.** When the RBI purchases dollars in the spot market, it infuses the Rupee into the system (liquidity injection), which can lead to an inflationary effect on the economy. To counteract this, RBI may convert spot purchases into forwards or use Open Market Operations (OMOs).

**Statement 3: Correct.** (Based on a recent general trend) In many recent periods, including early 2024, a significant portion of the increase in India's Forex Reserves has been a result of the **valuation effect** (appreciation of non-dollar assets like gold and Euro in the reserves when measured in US dollars) rather than purely new capital inflows.

**2. Which of the following statements correctly reflects India's external debt composition and management?**

- a) India's prudent external debt policy, following the 1991 BoP crisis, primarily focused on increasing the proportion of short-term debt to improve liquidity and financial market depth.
- b) While non-government debt dominates India's external debt, the majority of the sovereign (government) debt is denominated in Indian Rupee, minimizing exchange rate risk.
- c) India's external debt continues to be dominated by the US dollar, which is followed by the Indian Rupee in terms of currency composition.
- d) As per recent data (2024), the external debt-to-GDP ratio has significantly exceeded the 30% mark, signaling a high vulnerability.

**Correct Answer: (c)**

**Explanation:**

**Option (a): Incorrect.** India's prudent external debt policies focused on sustainability, solvency, and liquidity, which helped in obtaining a better, **longer-term maturity profile** (dominance of long-term debt).

**Option (b): Incorrect.** Non-government debt dominates, but the currency composition of government (sovereign) debt indicates the predominance of **SDR-denominated debt** (attributable to borrowing from IDA and SDR allocations by IMF).

**Option (c): Correct.** US dollar-denominated debt is the highest at over 60%, followed by the Indian Rupee, SDR, Japanese Yen, and Euro.

**Option (d): Incorrect.** India's external debt has historically remained within manageable limits. Although the percentage fluctuates, recent data (2024) shows the ratio remains below 20%, far from the 30% mark.

**3. Consider the following exchange rate systems:**

- 1. **Fixed Currency Regime:** The exchange rate is fixed by an external authority (like the IMF) against a basket of currencies.
- 2. **Floating Currency Regime:** The exchange rate is determined entirely by market forces of demand and supply with no intervention by the government or central bank.
- 3. **Managed Exchange Rate System:** A hybrid system where the government/central bank intervenes directly by buying/selling foreign currency.

**How many of the above statements correctly define the exchange rate system?**

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Correct.** In a Fixed Currency Regime, the IMF fixed the exchange rate against a basket of currencies, which economies were supposed to maintain.

**Statement 2: Incorrect.** While a Floating Currency Regime is market-driven by demand and supply, an **ideal free-floating** system with no intervention does not exist in practice. Currencies that are "free float" still have

rare government intervention. The system described in the statement is often termed **free-floating** but the "entirely" and "no intervention" parts make the statement practically incorrect for real-world application.

**Statement 3: Correct.** The managed system is a hybrid of fixed and flexible, where the government/central bank intervenes to affect the rate (either directly by buying/selling foreign currencies or indirectly via monetary policy like interest rates) to reduce volatility or achieve desired objectives.

**4. With reference to the evolution of India's exchange rate mechanism, consider the following events:**

1. Shifting from a peg to the British Pound Sterling to a fixed currency system pegged to gold or the US Dollar.
2. Delinking the Rupee from the British Pound and determining its exchange rate with respect to a basket of world currencies.
3. Introduction of the dual exchange rate mechanism (official rate and market rate).

**Which of the following represents the correct chronological order of the above events?**

- a) 1 - 2 - 3
- b) 2 - 1 - 3
- c) 1 - 3 - 2
- d) 3 - 2 - 1

**Correct Answer: (a)**

**Explanation:** The correct chronological order is:

1. **Shifting to fixed currency (1948):** Rupee, which was historically linked to the British Pound Sterling till 1948, shifted to the IMF's fixed currency system, maintaining its value in terms of gold or the US Dollar (Rs. 3.30 = \$1 was fixed in 1948).
2. **Basket of Currencies (September 1975):** India delinked the Rupee from the British Pound and the RBI started determining its rate with respect to the exchange rate movements of the basket of world currencies.
3. **Dual Exchange Rate (1992-93):** India moved to the floating currency regime with its own method, known as the 'dual exchange rate,' comprising an 'official rate' and a 'market rate'.

**5. Which of the following statements about Trade Balance is correct?**

- a) Trade Balance is the net monetary difference between the total export and import of **goods** and **services** of an economy in a financial year.
- b) A negative Trade Balance is always considered unfavourable for the economy, as it requires drawing down the country's foreign exchange reserves.
- c) Trade Balance reflects the balance of current transactions in foreign currency, including private remittances and interest payments.
- d) Trade Balance is the monetary difference between the total export and import of an economy, and a positive balance is known as favourable.

**Correct Answer: (d)**

**Explanation:**

**Option (a): Incorrect.** Trade Balance refers to the export and import of **goods** only (visible trade). When services are included, it forms part of the Current Account.

**Option (b): Incorrect.** The negative outcome (unfavourable) of the **Balance of Payment** does not mean it is unfavourable, unless the economy lacks the means to fill the gap. However, the Trade Balance itself, if negative, is explicitly referred to as **unfavourable** to the economy.

**Option (c): Incorrect.** Trade Balance is a component of the Current Account. The Current Account includes all current transactions like export, import, interest payments, private remittances, and transfers.



**Option (d): Correct.** Trade Balance is the monetary difference between total export and import, which might be positive or negative, known to be either favourable or unfavourable, respectively.

**6. Consider the following statements regarding a country's Trade Policy:**

1. India's recent Foreign Trade Policy (2023) has introduced provisions for Rupee settlement of international trade, aiming to de-dollarize trade and reduce currency conversion costs.
2. Increasing import duties on certain goods falls outside the scope of the Trade Policy, as it is strictly a fiscal measure.

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

- a) 1 only
- b) 1 and 2 only
- c) Both 1 and 2
- d) None of the above

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Correct.** The Foreign Trade Policy 2023 (FTP 2023) introduced provisions for the internationalization of the Rupee, promoting its settlement for international trade to reduce dollar dependence.

**Statement 2: Incorrect.** Increasing import duties (Tariffs) is a classic instrument of trade policy and is used to regulate imports and protect domestic industry, falling well within its scope.

The Ministry sets policy direction; RBI regulates forex aspects; DGFT handles implementation, licensing, and updates to align with global trade dynamics.

**7. With reference to currency valuation in the foreign exchange market, which of the following pairs is/are correctly matched?**

Term	Definition
1. Depreciation	A loss of domestic currency value against a foreign currency when it is market-driven (floating exchange rate system).
2. Revaluation	Official appreciation, where the government increases the exchange rate of its currency against a foreign currency.
3. Devaluation	Official depreciation, where the government cuts down the exchange rate of its currency against a foreign currency.

**Select the correct answer using the code given below:**

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

**Correct Answer: (d)**

**Explanation:**

1. **Correct.** Depreciation is a market-driven loss of domestic currency value against a foreign currency and can only occur under the floating exchange rate system.
2. **Correct.** Revaluation is an official appreciation, meaning the government increases the currency's exchange rate against a foreign currency.
3. **Correct.** Devaluation is an official depreciation, where the government cuts down the currency's exchange rate.



**8. In the foreign exchange market, "depreciation" of a currency applies exclusively to:**

- a) Economies following a fixed exchange rate regime
- b) Official adjustments by the central bank
- c) Market-driven decline in value under a floating regime
- d) Increase in asset value due to economic growth

**Correct Answer: (c)**

**Explanation:** Depreciation refers to a market-led loss in currency value in floating systems, unlike devaluation (official) or domestic asset wear-and-tear usage.

**9. Consider the following transactions:**

- 1. External Commercial Borrowings (ECBs) by a private company.
- 2. Interest payments made by a resident on an External Debt.
- 3. Foreign Direct Investment (FDI) inflows.
- 4. Private Remittances (e.g., money sent by an NRI to a family in India).

**How many of the above transactions are classified under India's Capital Account?**

- a) Only one
- b) Only two
- c) Only three
- d) All four

**Correct Answer: (b)**

**Explanation:** The Capital Account shows capital-kind of transactions like external lending/borrowing, foreign currency deposits, FDI, FPI/PIS. The Current Account shows current transactions like export, import, interest payments, private remittances, and transfers.

- 1. **ECBs by a private company:** Capital inflow (External Borrowing) → **Capital Account**.
- 2. **Interest payments on External Debt:** Current transaction (payment) → **Current Account**.
- 3. **FDI inflows:** Capital inflow → **Capital Account**.
- 4. **Private Remittances:** Current transaction (transfer) → **Current Account**.

Therefore, only 1 and 3 are classified under the Capital Account.

**10. With reference to the Balance of Payment (BoP), consider the following statements:**

- 1. The BoP is essentially the net outcome of the Current Account and the Capital Account.
- 2. If there is a negative outcome (deficit) in the BoP, the gap must first be filled by drawing from the country's Foreign Exchange Reserves.
- 3. According to the principle of double-entry book-keeping, the total credits (inflows) must always equal the total debits (outflows), meaning the BoP is always technically in balance.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** The BoP is the outcome of the total transactions with the outside world, which is essentially the net outcome of the current and capital accounts.

**Statement 2: Correct.** If there is a negative outcome in the BoP, the necessary foreign exchange is drawn from the country's forex reserves. If reserves are insufficient, it is a BoP crisis, and the economy seeks forex help (e.g., from the IMF) as a last resort.

**Statement 3: Incorrect.** While the BoP is calculated on the principles of double-entry book-keeping (every entry is shown as credit or debit), which ensures that the accounting sum of all transactions must be zero, the final outcome of the Current Account + Capital Account (known as the BoP) might be positive or negative. The difference is managed by changes in the country's reserves, but the statement implies that the **Current Account + Capital Account** outcome is always zero, which is false in economic terms (a deficit means it is not zero).

## External Sector of India-II

**1. With reference to the Liberalised Exchange Rate Management System (LERMS) and the Extended Fund Facility (EFF), consider the following statements:**

1. India's adoption of LERMS in 1993 marked a shift from a floating exchange-rate system to a fixed currency system.
2. The Extended Fund Facility (EFF) is a service provided by the IMF primarily to member countries facing Balance of Payment (BoP) crises, and it mandates structural reforms in the recipient economy.

**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

Correct Answer: (b)

**Explanation:**

**Statement 1: Incorrect.** India announced the LERMS in the Union Budget 1992-93 and operationalised it in March 1993. Under LERMS, India delinked its currency from the **fixed currency system** and moved into the era of the **floating exchange-rate system**. The new system introduced a dual exchange rate—one official and the other market-driven.

**Statement 2: Correct.** The EFF is an IMF service that authorizes member countries to raise foreign exchange to fulfil their BoP crisis, subject to the conditions of structural reforms put forth by the IMF. India signed this agreement in the financial year 1981-82.

**2. Which of the following statements correctly describes the relationship between the Nominal Effective Exchange Rate (NEER) and the Real Effective Exchange Rate (REER) in the context of an economy experiencing higher inflation?**

- a) If domestic inflation is lower than that of its trading partners, the REER will be less against the domestic currency than the NEER.
- b) The REER is the NEER adjusted for the weights of major trading partners' GDPs.
- c) If the domestic inflation rate is higher than that of its trading partners, the REER will be more against the domestic currency than the NEER, implying a loss of external competitiveness.
- d) A persistent appreciation of the REER always implies that the currency's nominal value has remained fixed against the basket of foreign currencies.

Correct Answer: (c)

**Explanation:**

NEER is the weighted average of the exchange rates against the currencies of India's major trading partners. REER is calculated when the weight of **inflation is adjusted with the NEER**. If inflation is higher in the domestic economy (India) compared to its trading partners, the purchasing power of the domestic currency falls more rapidly. When this higher inflation is adjusted to the NEER to get the REER, the REER's value rises (appreciates) more significantly than the NEERs, making the country's exports costlier and imports cheaper—hence it is "**more against it**" (the rupee) than the NEER. This signifies a loss of external competitiveness.

**3. Which of the following measures were part of the structural reforms mandated by the International Monetary Fund (IMF) as pre-conditions for the medium-term loan given to India during the Balance of Payment (BoP) crisis of the early 1990s?**

1. Devaluation of the rupee by 22 per cent.
2. Drastic cut in customs duty to a peak duty of 30 % from the erstwhile level of 130 per cent.
3. Increase in excise duty by 20 % to neutralise revenue loss from custom cuts.
4. Increase in government expenditure by 10% per annum to boost demand.

**Select the correct answer using the code given below:**

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

**Correct Answer: (d)**

**Explanation:**

The structural reforms were guided and decided by the pre-conditions of the IMF.

**Statement 1: Correct.** Devaluation of rupee by 22 % was a condition.

**Statement 2: Correct.** A drastic custom cut to a peak duty of 30 % from the erstwhile level of 130 % was a condition.

**Statement 3: Correct.** Excise duty was to be increased by 20 % to neutralise the loss of revenue due to the custom cut.

**Statement 4: Incorrect.** Government expenditure was to be **cut by 10 %** per annum, not increased.

**4. Consider the following statements regarding a Hard Currency:**

1. It is a currency in which the highest faith is shown globally and is required by every economy.
2. An economy becomes a source of hard currency mainly by having the highest and most diversified exports that are compulsive imports for other countries.
3. The US Dollar, the Euro, and the Japanese Yen are considered some of the best hard currencies of the world today.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Hard currency is the international currency in which the highest faith is shown and is needed by every economy.

**Statement 2: Correct.** The economy with the highest and highly diversified exports that are compulsive imports for other countries (e.g., high-level technology, petroleum products) will create high demand for its currency, making it a hard currency.

**Statement 3: Correct.** The US Dollar, the Euro, Japanese Yen, and the UK Sterling Pound are mentioned as some of the best hard currencies of the world today.

**5. Which of the following is the most definitive characteristic of a Soft Currency?**

- a) It is a currency whose value is permanently pegged to a hard currency like the US Dollar.
- b) It is a currency that is easily available in its domestic foreign exchange market, typically because demand for it in international markets is relatively low.
- c) It is a currency that is undergoing a period of rapid depreciation against major global currencies.
- d) It is a currency that is used for transactions only in the current account but not in the capital account.

**Correct Answer: (b)**

**Explanation:**

A soft currency is a term used in the foreign exchange market which denotes the currency that is **easily available in any economy in its forex market**. It is essentially the opposite term for the hard currency, which is always scarce. The easy availability suggests low international demand/high domestic supply relative to demand. For example, the rupee is a soft currency in the Indian forex market.

**6. With reference to the concept of Hot Currency in the foreign exchange market, consider the following:**

- 1. A hard currency is temporarily termed as hot currency when it is rapidly flowing *into* the domestic economy.
- 2. The term hot is a permanent designation for a currency whose value is appreciating significantly.

**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

**Correct Answer: (d)**

**Explanation:**

**Statement 1: Incorrect.** Hot currency is a temporary name for any hard currency. Due to certain reasons, if a hard currency is **exiting an economy at a fast pace** for a time, the hard currency is known to be hot. The example given is the US dollar becoming hot during the SE Asian crisis.

**Statement 2: Incorrect.** The term is a **temporary name** for a hard currency, not a permanent designation. It is related to the speed of exit, not necessarily appreciation.

**7. The term Heated Currency in the forex market is best understood as a reference to:**

- a) A domestic currency that is experiencing immense appreciation pressure due to large, persistent inflows of foreign direct investment (FDI).
- b) A domestic currency that is under significant depreciation pressure due to a high tendency of a hard currency to exit the economy.
- c) A foreign currency that is being heavily traded in derivative markets, causing volatility.
- d) A currency whose exchange rate has been deliberately inflated by its central bank to boost the national image.

**Correct Answer: (b)**

**Explanation:**

Heated currency is a term used in the forex market to denote the **domestic currency which is under enough pressure (heat) of depreciation**. This pressure is typically caused by a hard currency high tendency of **exiting the economy** (since it has become hot). It is also known as currency under heat or under hammering<sup>26</sup>.

**8. Match the economic terms with their associated characteristics:**

Term	Associated Characteristic in the Banking Industry
<b>1. Cheap Currency</b>	A period of comparatively lower/softer interest rates regime.
<b>2. Dear Currency</b>	A period of comparatively higher/costlier interest rates regime.

**Which of the pairs given above is/are correctly matched?**

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

**Correct Answer: (c)**

**Explanation:**

**Pair 1: Correct.** In the banking industry, **Cheap Currency** (or cheap money) means a period of comparatively **lower/softer interest rates regime**. This typically occurs when a government re-purchases its bonds, causing money to flow into the economy.

**Pair 2: Correct.** In the banking industry, **Dear Currency** (or dear money) means a period of comparatively **higher/costlier interest rates regime**. This occurs when a government issues bonds, causing money to flow from the public to the government.

**9. With reference to Special Economic Zones (SEZs) in India, consider the following statements:**

- 1. The concept of SEZ is an improvement over the Export Processing Zones (EPZs), with the first EPZ in Asia set up in Kandla in 1965.
- 2. A key objective of the SEZ policy was to make SEZs an engine for economic growth, supported by world-class infrastructure and an attractive fiscal package with minimum possible regulations.
- 3. Units operating in SEZs are mandated to become net foreign exchange earners within one year of commencing production.

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

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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** The concept of SEZ is an improvement on the concept of Export Processing Zones. India's first EPZ in Asia was set up in Kandla in 1965.

**Statement 2: Correct.** The SEZ Policy was intended to make SEZs an engine for economic growth supported by quality infrastructure complemented by an attractive fiscal package, with the minimum possible regulations.

**Statement 3: Incorrect.** Units in SEZs have to become **net foreign exchange earners within three years**, not one year.



**10. Consider the following statements about the structure and issues related to Special Economic Zones (SEZs):**

1. An SEZ is a duty-free enclave treated as a foreign territory only for trade operations, duties, and tariffs, and is divided into a processing area and a non-processing area.
2. Land acquisition for SEZs falls under the exclusive purview of the Central Government, as the SEZ Act is a central legislation.
3. The proposed Land Acquisition Bill, 2013, included a provision to enable state legislation on leasing land instead of outright acquisition, allowing ownership to remain with farmers.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Correct.** SEZs are duty-free enclaves treated as foreign territory only for trade operations, duties, and tariffs. Every SEZ is divided into a **processing area** (where SEZ units operate) and a **non-processing area** (for supporting infrastructure).

**Statement 2: Incorrect.** Land acquisition is a matter that comes under the purview of the **state governments**, as land/land usage is a state subject.

**Statement 3: Correct.** The major highlights of the Land Acquisition Bill, 2013, included a provision to enable state legislation on **leasing in place of acquisition of land**, so that the ownership remains with farmers.

### External Sector of India-III

**1. With reference to the General Anti-Avoidance Rule (GAAR) in India, consider the following statements:**

1. GAAR empowers tax authorities to recharacterize transactions that lack commercial substance primarily to obtain tax benefits.
2. It applies exclusively to domestic taxpayers and does not cover cross-border arrangements involving foreign entities.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** GAAR allows authorities to disregard arrangements that are entered into mainly to avail tax benefits without genuine economic intent.

**Statement 2: Incorrect.** GAAR extends to international transactions, including those with foreign investors or entities, to prevent treaty shopping and base erosion.



**2. With reference to External Commercial Borrowings (ECBs) by Indian entities, which of the following risks is/are associated with an appreciation of the Indian Rupee against the currency of borrowing?**

1. Increased debt servicing cost in Rupee terms.
2. Loss on hedging instruments taken to mitigate currency depreciation risk.
3. Translation loss on foreign currency-denominated assets on the entity's balance sheet.

**Select the correct answer using the code given below:**

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

**Correct Answer: (b)**

**Explanation:**

1. **Increased debt servicing cost in Rupee terms: Incorrect.** An **appreciation** of the Indian Rupee (INR ↑) means fewer Rupees are needed to buy one unit of foreign currency. This **reduces** the Rupee equivalent of the debt servicing (principal and interest) cost, benefiting the borrower. A *depreciation* of the Rupee would increase the cost.
2. **Loss on hedging instruments taken to mitigate currency depreciation risk: Correct.** A borrower taking an ECB is primarily exposed to the risk of the Rupee *depreciating* (making the foreign debt more expensive). If they hedge against this depreciation, and the Rupee instead *appreciates*, the hedge instrument (e.g., a forward contract) will result in a loss, offsetting the gain from the appreciating Rupee.
3. **Translation loss on foreign currency-denominated assets on the entity's balance sheet: Incorrect.** Translation risk arises when converting foreign currency financial statements/items into the home currency for reporting. If the Rupee **appreciates**, the Rupee value of a foreign currency-denominated **asset** will **decrease**, resulting in a translation **loss**. However, the question refers to the risk associated with **ECBs (liabilities)**. A Rupee appreciation would lead to a translation **gain** on the foreign currency-denominated **liability** (ECB).

**3. The South Asian Free Trade Area (SAFTA) agreement provides for a "Sensitive List." Consider the following statements regarding this list in the context of India's external trade:**

1. Products included in the Sensitive List are exempt from the tariff reduction schedule under SAFTA.
2. India's Sensitive List under SAFTA is the same for both Least Developed Countries (LDCs) and Non-Least Developed Countries (Non-LDCs) within the SAARC region.
3. The purpose of the Sensitive List is to protect the domestic industry and agriculture of the member countries from sudden import surges.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** The Sensitive List is a list of products on which member countries are *not* required to grant tariff concessions or are subject to a reduced, non-zero tariff cut. This exempts them from the complete tariff liberalisation programme.

**Statement 2: Incorrect.** India maintains separate Sensitive Lists for SAARC LDCs (like Nepal, Bhutan, Bangladesh, Afghanistan) and Non-LDCs (like Pakistan, Sri Lanka). The list for LDCs is typically much smaller than for Non-LDCs, reflecting the principle of Special and Differential Treatment (S&DT) to promote their trade.

**Statement 3: Correct.** The primary objective of maintaining a Sensitive List is to provide protection to specific domestic sectors (e.g., local agriculture or infant industries) that might be vulnerable to competition following the full tariff liberalisation under the FTA.

**4. Consider the following statements with regard to Early Harvest Scheme (EHS) in India's Free Trade Agreements:**

1. EHS typically covers a limited set of tariff lines for immediate duty reductions as a precursor to a comprehensive FTA.
2. The India-Thailand EHS, signed in 2004, focuses exclusively on trade in agricultural goods.
3. EHS provisions often include safeguards against import surges in sensitive sectors.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Correct.** EHS provides quick wins on select goods to build momentum for full agreements.

**Statement 2: Incorrect.** The India-Thailand EHS covers a broader range of 83 products, including non-agricultural items like electronics.

**Statement 3: Correct.** It incorporates mechanisms like anti-dumping duties to protect domestic industries.

**5. In the context of India's Comprehensive Economic Cooperation Agreement (CECA) with Singapore, which of the following sectors are comprehensively covered?**

1. Trade in goods and services
2. Investment protection and facilitation
3. Movement of natural persons for business purposes

**Select the correct answer using the code given below:**

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

**Correct Answer: (d)**

**Explanation:** All three are integral to the CECA, which liberalizes tariffs on goods, opens services markets, provides investment safeguards, and eases temporary business travel for professionals.

**6. With reference to the Regional Comprehensive Economic Partnership (RCEP), consider the following statements:**

1. India opted out of RCEP negotiations in November 2019 due to concerns over trade deficits with China.
2. RCEP comprises 10 ASEAN countries plus five others, including Japan and South Korea.
3. The agreement entered into force in 2022 and covers about 30% of global GDP.
4. India retains an open invitation to rejoin without needing to renegotiate terms.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Correct.** India's withdrawal was driven by fears of flooding domestic markets with cheap imports.

**Statement 2: Correct.** It includes ASEAN bloc and partners like Australia, China, Japan, and South Korea.

**Statement 3: Correct.** RCEP's scope makes it the world's largest trading bloc by economic size. **Statement 4: Incorrect.** Rejoining would likely require fresh negotiations to address India's original concerns.

**7. Consider the following agreements under India's external trade framework:**

1. Bilateral Trade and Investment Agreement (BTIA) with the EU
2. Comprehensive Economic Partnership Agreement (CEPA) with UAE
3. Comprehensive Economic Cooperation Agreement (CECA) with Australia

**How many of the above are currently under active negotiations as of 2025?**

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

**Correct Answer: (a)**

**Explanation:** Only the India-EU BTIA remains stalled in negotiations since 2013, with recent pushes in 2025; the others have been signed and implemented.

**8. With reference to the Global System of Trade Preferences (GSTP) among developing countries, "GSTP facilitates reciprocal tariff concessions on a non-reciprocal basis for least developed participants" is most accurately described as:**

- a) A multilateral framework under WTO
- b) A preferential trade arrangement outside WTO
- c) An investment promotion scheme
- d) A services liberalization pact

**Correct Answer: (b)**

**Explanation:** GSTP operates as an autonomous initiative by developing nations for mutual tariff reductions, independent of WTO rules, with special provisions for LDCs.

**9. Consider the following statements regarding the impact of rising crude oil prices on India's external sector in 2025:**

1. It exacerbates the current account deficit due to higher import bills.
2. It contributes to domestic inflation through pass-through to fuel and commodity prices.
3. It enhances the competitiveness of India's petroleum exports globally.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statements 1 and 2: Correct.** Elevated prices strain the trade balance and fuel cost-push inflation. **Statement 3: Incorrect.** Higher global prices reduce the margin for refined product exports from India.

**10. Consider the following statements with regard to India's Foreign Trade Policy 2023:**

1. It introduces an amnesty scheme allowing one-time settlement for exporters with defaulted export obligations.
2. E-commerce exports are recognized with hubs to facilitate small shipments up to ₹10 lakh per consignment.
3. The policy extends validity of status holder certificates from five to lifetime.

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

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

**Correct Answer: (d)**

**Explanation:**

**Statement 1: Correct.** The scheme aids regularization of past defaults to boost compliance. **Statement 2: Correct.** It promotes MSMEs by streamlining small-value e-commerce shipments. **Statement 3: Correct.** Lifetime validity simplifies renewals for recognized exporters.

## International Economic Organisations & India

**1. With reference to the International Monetary System established under Bretton Woods, consider the following statements:**

1. The adjustment mechanism primarily addresses imbalances in balance of payments through exchange rate flexibility and fiscal policies to restore equilibrium.
2. Liquidity in the system is enhanced by Special Drawing Rights (SDRs) to supplement member countries' reserves without relying solely on gold or dollars.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Adjustment involves correcting persistent deficits or surpluses via policy tools and, post-Bretton Woods, floating rates to prevent global instability.

**Statement 2: Correct.** SDRs act as an international reserve asset allocated by the IMF to provide liquidity during shortages, reducing dependence on national currencies.

**2. The Bretton Woods Conference of 1944 is most closely associated with:**

- a) Establishing the General Agreement on Tariffs and Trade (GATT)
- b) Creating the framework for fixed exchange rates pegged to gold via the US dollar
- c) Launching the Asian Infrastructure Investment Bank (AIIB)
- d) Forming the Organisation for Economic Co-operation and Development (OECD)

**Correct Answer: (b)**

**Explanation:** Bretton Woods laid the foundation for a stable post-war monetary order, with currencies fixed to the dollar, which was convertible to gold, to foster international trade and growth.

**3. With reference to India's engagement with the International Monetary Fund (IMF), consider the following statements:**

- 1. India's quota in the IMF stands at approximately 2.76% of total quotas as of 2025.
- 2. India holds the 8th largest quota among IMF members, reflecting its growing economic weight.
- 3. The IMF's 16th General Review of Quotas in 2023 resulted in a 50% increase, but India's voting share remained unchanged.
- 4. India has accessed IMF facilities seven times since joining in 1945, primarily for balance of payments support.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Correct.** This quota translates to SDR 13,114.4 million, positioning India as a significant contributor.

**Statement 2: Correct.** The ranking underscores India's influence in decision-making.

**Statement 3: Incorrect.** The increase adjusted shares, slightly boosting emerging economies like India.

**Statement 4: Correct.** These arrangements aided India's economic stabilizations, including in the 1990s crisis.

**4. Consider the following pairs:**

**Institution – Primary Role**

- I. International Bank for Reconstruction and Development (IBRD) – Concessional loans to low-income countries
- II. International Development Association (IDA) – Market-based loans to middle-income countries
- III. International Finance Corporation (IFC) – Mobilizing private investment in developing economies

**In how many of the above rows is the given information correctly matched?**

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

**Correct Answer: (d)**



**Explanation:** All pairs are incorrectly matched. IBRD provides non-concessional loans to middle-income countries; IDA offers concessional financing to the poorest nations; IFC focuses on private sector development without government guarantees.

**5. With reference to the Multilateral Investment Guarantee Agency (MIGA) and International Centre for Settlement of Investment Disputes (ICSID) under the World Bank Group, "These institutions primarily facilitate foreign direct investment through risk mitigation and dispute resolution" is most accurately described as:**

- a) Instruments of the International Monetary Fund
- b) Components of the Asian Development Bank
- c) Pillars of the World Trade Organization's investment framework
- d) Specialized agencies of the World Bank Group

**Correct Answer: (d)**

**Explanation:** MIGA provides political risk insurance to investors, while ICSID handles investor-state disputes, both promoting FDI in developing countries as part of the World Bank ecosystem.

**6. Consider the following statements regarding India's role in the Asian Development Bank (ADB):**

- 1. India is a founding member and holds the fourth largest shareholding at 6.317%.
- 2. As of 2025, ADB's active portfolio in India includes over \$16.5 billion in sovereign loans for infrastructure.
- 3. India has veto power in ADB decisions due to its substantial subscription.

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

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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** This share reflects India's strategic importance in regional development. **Statement 2: Correct.** Projects span urban transport, energy, and climate resilience.

**Statement 3: Incorrect.** ADB operates on majority voting, with no single member holding veto except in specific cases like amendments.

**7. In the context of the Organisation for Economic Co-operation and Development (OECD), which of the following best describes India's status as of 2025?**

- 1. Full membership with voting rights in all committees
- 2. Key Partner status with enhanced engagement in policy dialogues
- 3. Observer role limited to economic outlook reports

**Select the correct answer using the code given below:**

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

**Correct Answer: (b)**

**Explanation:** India has been a Key Partner since 2007, participating actively in enhanced engagement on issues like taxation and trade, but without full membership privileges.



**8. Consider the following statements with regard to the World Trade Organization (WTO) and India:**

1. India became the 75th member of the WTO in 1995, inheriting commitments from GATT.
2. The 14th Ministerial Conference (MC14) is scheduled for March 2026 in Cameroon, following MC13 in Abu Dhabi.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** This accession marked India's integration into the multilateral trading system.

**Statement 2: Incorrect.** MC14 is set for March 2025 in Cameroon, with preparations ongoing as of October 2025.

**9. With reference to India's negotiations at the WTO's Ninth Ministerial Conference in Bali (2013), consider the following statements:**

1. The Bali Package included the Trade Facilitation Agreement to streamline customs procedures globally.
2. India secured a peace clause on public food stockholding for food security, exempting it from subsidy caps until a permanent solution.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** It aimed to reduce trade costs, benefiting developing nations like India. **Statement 2: Correct.** This interim measure protected India's Minimum Support Price operations for staples like rice.

**10. Consider the following in the context of India's involvement with the New Development Bank (NDB) of BRICS and the Asian Infrastructure Investment Bank (AIIB):**

1. India holds an equal 20% share in the NDB alongside other BRICS members.
2. AIIB's exposure to India is projected to reach \$20 billion by 2030 from \$12 billion in 2025.
3. Both banks prioritize sustainable infrastructure, with NDB approving nearly \$10 billion for Indian projects by 2025.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Equal ownership ensures balanced governance among Brazil, Russia, India, China, and South Africa.

**Statement 2: Correct.** This growth supports India's infrastructure push amid global shifts. **Statement 3: Correct.** Focus areas include metros and renewables, aligning with India's development goals.

## International Economic Organisations & India

**1. With reference to the International Monetary System established under Bretton Woods, consider the following statements:**

1. The adjustment mechanism primarily addresses imbalances in balance of payments through exchange rate flexibility and fiscal policies to restore equilibrium.
2. Liquidity in the system is enhanced by Special Drawing Rights (SDRs) to supplement member countries' reserves without relying solely on gold or dollars.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Adjustment involves correcting persistent deficits or surpluses via policy tools and, post-Bretton Woods, floating rates to prevent global instability.

**Statement 2: Correct.** SDRs act as an international reserve asset allocated by the IMF to provide liquidity during shortages, reducing dependence on national currencies.

**2. The Bretton Woods Conference of 1944 is most closely associated with:**

- a) Establishing the General Agreement on Tariffs and Trade (GATT)
- b) Creating the framework for fixed exchange rates pegged to gold via the US dollar
- c) Launching the Asian Infrastructure Investment Bank (AIIB)
- d) Forming the Organisation for Economic Co-operation and Development (OECD)

**Correct Answer: (b)**

**Explanation:** Bretton Woods laid the foundation for a stable post-war monetary order, with currencies fixed to the dollar, which was convertible to gold, to foster international trade and growth.

**3. With reference to India's engagement with the International Monetary Fund (IMF), consider the following statements:**

1. India's quota in the IMF stands at approximately 2.76% of total quotas as of 2025.
2. India holds the 8th largest quota among IMF members, reflecting its growing economic weight.
3. The IMF's 16th General Review of Quotas in 2023 resulted in a 50% increase, but India's voting share remained unchanged.
4. India has accessed IMF facilities seven times since joining in 1945, primarily for balance of payments support.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Correct.** This quota translates to SDR 13,114.4 million, positioning India as a significant contributor.

**Statement 2: Correct.** The ranking underscores India's influence in decision-making.

**Statement 3: Incorrect.** The increase adjusted shares, slightly boosting emerging economies like India.

**Statement 4: Correct.** These arrangements aided India's economic stabilizations, including in the 1990s crisis.

**4. Consider the following pairs:**

**Institution – Primary Role**

I. International Bank for Reconstruction and Development (IBRD) – Concessional loans to low-income countries

II. II. International Development Association (IDA) – Market-based loans to middle-income countries

III. III. International Finance Corporation (IFC) – Mobilizing private investment in developing economies

**In how many of the above rows is the given information correctly matched?**

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

**Correct Answer: (d)**

**Explanation:** All pairs are incorrectly matched. IBRD provides non-concessional loans to middle-income countries; IDA offers concessional financing to the poorest nations; IFC focuses on private sector development without government guarantees.

**5. With reference to the Multilateral Investment Guarantee Agency (MIGA) and International Centre for Settlement of Investment Disputes (ICSID) under the World Bank Group, "These institutions primarily facilitate foreign direct investment through risk mitigation and dispute resolution" is most accurately described as:**

- a) Instruments of the International Monetary Fund
- b) Components of the Asian Development Bank
- c) Pillars of the World Trade Organization's investment framework
- d) Specialized agencies of the World Bank Group

**Correct Answer: (d)**

**Explanation:** MIGA provides political risk insurance to investors, while ICSID handles investor-state disputes, both promoting FDI in developing countries as part of the World Bank ecosystem.

**6. Consider the following statements regarding India's role in the Asian Development Bank (ADB):**

- 1. India is a founding member and holds the fourth largest shareholding at 6.317%.
- 2. As of 2025, ADB's active portfolio in India includes over \$16.5 billion in sovereign loans for infrastructure.
- 3. India has veto power in ADB decisions due to its substantial subscription.

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

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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** This share reflects India's strategic importance in regional development. **Statement 2: Correct.** Projects span urban transport, energy, and climate resilience.

**Statement 3: Incorrect.** ADB operates on majority voting, with no single member holding veto except in specific cases like amendments.

**7. In the context of the Organisation for Economic Co-operation and Development (OECD), which of the following best describes India's status as of 2025?**

1. Full membership with voting rights in all committees
2. Key Partner status with enhanced engagement in policy dialogues
3. Observer role limited to economic outlook reports

**Select the correct answer using the code given below:**

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

**Correct Answer: (b)**

**Explanation:** India has been a Key Partner since 2007, participating actively in enhanced engagement on issues like taxation and trade, but without full membership privileges.

**8. Consider the following statements with regard to the World Trade Organization (WTO) and India:**

1. India became the 75th member of the WTO in 1995, inheriting commitments from GATT.
2. The 14th Ministerial Conference (MC14) is scheduled for March 2026 in Cameroon, following MC13 in Abu Dhabi.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** This accession marked India's integration into the multilateral trading system.

**Statement 2: Incorrect.** MC14 is set for March 2025 in Cameroon, with preparations ongoing as of October 2025.

**9. With reference to India's negotiations at the WTO's Ninth Ministerial Conference in Bali (2013), consider the following statements:**

1. The Bali Package included the Trade Facilitation Agreement to streamline customs procedures globally.
2. India secured a peace clause on public food stockholding for food security, exempting it from subsidy caps until a permanent solution.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** It aimed to reduce trade costs, benefiting developing nations like India. **Statement 2: Correct.** This interim measure protected India's Minimum Support Price operations for staples like rice.

**10. Consider the following in the context of India's involvement with the New Development Bank (NDB) of BRICS and the Asian Infrastructure Investment Bank (AIIB):**

1. India holds an equal 20% share in the NDB alongside other BRICS members.
2. AIIB's exposure to India is projected to reach \$20 billion by 2030 from \$12 billion in 2025.
3. Both banks prioritize sustainable infrastructure, with NDB approving nearly \$10 billion for Indian projects by 2025.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Equal ownership ensures balanced governance among Brazil, Russia, India, China, and South Africa.

**Statement 2: Correct.** This growth supports India's infrastructure push amid global shifts. **Statement 3: Correct.** Focus areas include metros and renewables, aligning with India's development goals.

## Tax Structure in India

**1. With reference to the methods of taxation in India, consider the following statements:**

1. Progressive taxation imposes increasing rates on higher income slabs to promote equity, but it may inadvertently discourage higher earnings and encourage tax evasion.
2. Regressive taxation rewards higher producers by decreasing rates with volume, as seen historically in India's excise duties for small-scale industries.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** It aligns with the pro-poor intent but poses risks to growth incentives and compliance.

**Statement 2: Correct.** This approach was used to support small producers, though criticized for burdening the poor disproportionately.

**2. The incidence of tax refers to:**

- a) The after-effect of tax on economic decisions like saving or investment
- b) The point where the tax is legally imposed, regardless of who ultimately bears it
- c) The redistribution of income through progressive slabs only
- d) The cascading effect in multi-point tax collections



**Correct Answer: (b)**

**Explanation:** Incidence marks the legal point of tax imposition, distinguishing direct taxes (where payer and bearer coincide) from indirect ones (shifted to consumers).

**3. Consider the following pairs:**

Principle of Good Tax System	Description
I. Fairness	Ensures horizontal and vertical equity in tax burdens
II. Efficiency	Minimizes interference in resource allocation while raising revenue
III. Administrative Simplicity	Involves complex filing to deter evasion

**In how many of the above rows is the given information correctly matched?**

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

**Correct Answer: (b)**

**Explanation:** Pairs I and II are correct, emphasizing equity and minimal economic distortion. Pair III is incorrect, as simplicity in computation and collection is key to reducing evasion.

**4. With reference to methods of government expenditure in India, consider the following statements:**

- Progressive expenditure suits developing economies by enhancing spending on social sectors as development levels rise.
- Proportional expenditure maintains fixed rates across all income levels, avoiding both progression and regression.
- Regressive expenditure decreases with higher development, rewarding efficiency in resource use.

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

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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** It matches progressive taxation to fund rising needs in infrastructure and welfare.

**Statement 2: Correct.** It remains neutral across levels.

**Statement 3: Incorrect.** Practical trends show increasing expenditures, making progressive forms ideal.

**5. Which method of government expenditure is deemed the 'best form' and is most suitable when combined with the most popular method of taxation?**

- a) Regressive Expenditure, complementing Regressive Taxation.
- b) Proportional Expenditure, complementing Proportional Taxation.
- c) Progressive Expenditure, complementing Progressive Taxation.
- d) Progressive Expenditure, complementing Regressive Taxation.

**Correct Answer: (c)**



**Explanation:**

The best way of taxation is Progressive, and the best way of government expenditure is also **Progressive**. These two methods suit each other beautifully, and most economies around the world employ progressive taxation with progressive expenditure

**6. With reference to the Goods and Services Tax (GST) in India, consider the following statements:**

1. The GST is a tax proposal that will merge many of the central and state level indirect taxes into a single tax.
2. Taxes like CENVAT, Service Tax, State Excise, and Octroi were proposed to be withdrawn or merged into the GST.
3. Crude petroleum, diesel, petrol, natural gas, and alcohol were not initially intended to come under the purview of the GST.

Which of the statements given above is/are correct?

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

**Correct Answer: (d)**

**Explanation:**

**Statement 1: Correct.** The GST was proposed to emerge after merging many of the state and central level indirect taxes, resulting in a single VAT.

**Statement 2: Correct.** The Central Taxes to be merged included CENVAT and service tax, while State Taxes included state excise, octroi, and sales tax.

**Statement 3: Correct.** The constitutional amendment bill for GST exempted crude petroleum, diesel, petrol, aviation turbine fuel, natural gas, and alcohol from the GST's purview.

**7. With reference to Additional Excise Duty (AED) in India, "It is collected by the Centre on select commodities like tobacco and sugar but fully devolved to states for uniform national pricing" is most accurately described as:**

- a) A direct tax under state jurisdiction
- b) A compensatory mechanism under the Goods of Special Importance Act, 1957
- c) An integral part of VAT without revenue sharing
- d) A regressive tax on services

**Correct Answer: (b)**

**Explanation:** AED ensures affordable prices for nationally consumed goods by central collection and state transfer, to be integrated into VAT at  $\leq 4\%$ . The AED is a tax imposed and collected by the **Centre**. Although collected by the Centre, the total corpus is handed over to the **states**. It was levied on **tobacco, textile, and sugar** (Goods of Special Importance) in **lieu of the states' sales tax** on them, for the purpose of maintaining uniform and affordable prices across the country.

**8. Consider the following statements with regard to Central Sales Tax (CST) reforms in India:**

1. CST is origin-based and non-rebatable, necessitating its phase-out for VAT compatibility.
2. It has been reduced to 2% through staged cuts, with states compensated via tax devolution.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Its structure causes distortions, conflicting with destination-based VAT. **Statement 2: Correct.** Phasing began with 1% annual reductions to mitigate revenue losses.

**9. With reference to the Goods and Services Tax (GST) Council in India, consider the following statements:**

1. The GST Council is a **statutory body** established under the GST Acts, deriving its authority from the recommendations of the Union Finance Ministry.
2. In the voting mechanism of the GST Council, the votes of the State Governments collectively hold a weightage of **two-thirds** of the total votes cast, whereas the Centre's vote holds a weightage of one-third.
3. Petroleum crude, high-speed diesel, motor spirit (petrol), natural gas, and aviation turbine fuel are outside the current purview of GST, but the GST Council is empowered to recommend the **date** from which GST will be levied on these products.

How many of the statements given above are correct?

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Incorrect.** The GST Council is a **constitutional body**, established under **Article 279A** of the Indian Constitution, inserted by the **101st Constitutional Amendment Act, 2016**. It is not merely a statutory body deriving authority from the Union Finance Ministry.

**Statement 2: Correct.** The voting system within the GST Council requires a majority of **not less than three-fourths** of the weighted votes of the members present and voting. The weightage is:

- Votes of the **Central Government: one-third** (1/3) of the total votes cast.
- Votes of **all State Governments** combined: **two-thirds** (2/3) of the total votes cast.

**Statement 3: Correct.** Article 279A(5) of the Constitution specifically empowers the GST Council to recommend the date on which GST shall be levied on five petroleum products: Petroleum crude, High Speed Diesel, Motor spirit (petrol), Natural gas, and Aviation Turbine Fuel. This power ensures the Council controls the eventual inclusion of these major revenue sources into the GST framework.

**10. With reference to the recent Goods and Services Tax (GST) rate rationalisation in India, consider the following statements:**

1. The primary change involves moving from the initial multi-tier structure (0%, 5%, 12%, 18%, 28%) to a simplified two-tier system with core standard rates of **5% and 18%**.
2. The purpose of this rationalisation is to eliminate the 'inverted duty structure' in sectors like textiles and pharmaceuticals, where the GST rate on the final product is higher than that on the inputs, leading to tax credit refunds.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** Recent GST reforms have focused on rationalizing the multiple tax slabs into a streamlined structure. The core standard rates have been consolidated mainly into **5% (Merit Rate)** for essentials and priority sectors, and **18% (Standard Rate)** for most goods and services, with a special demerit rate (e.g., 40%) for luxury/sin goods. This effectively simplifies the previous multi-tier system.

**Statement 2: Incorrect.** The purpose of rationalization is indeed to simplify rates and enhance affordability. However, the explanation regarding the inverted duty structure is **reversed**. The inverted duty structure (IDS) occurs when the GST rate on **inputs** is **higher** than the GST rate on the **output/final product**. This mismatch causes an accumulation of Input Tax Credit (ITC) for the producer, creating liquidity stress, not the other way around. While rationalization aims to correct IDS, the statement's description of the IDS itself is wrong.

## Tax Structure in India-II

**1. With reference to the Commodities Transaction Tax (CTT) in India, consider the following statements:**

1. CTT is levied on the sale of commodity derivatives such as futures and options traded on recognized exchanges.
2. It applies uniformly at 0.01% on all agricultural and non-agricultural commodities without any exemptions.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** CTT is specifically levied on the taxable value of sales of commodity derivatives like futures and options on recognized exchanges, effective from July 1, 2013. **Statement 2: Incorrect.** The rate varies; for example, non-agricultural commodities like gold and silver are taxed at 0.01%, while agricultural commodities are exempt from CTT.

**2. Securities Transaction Tax in India is a direct tax levied on:**

- All over-the-counter trades in unlisted securities
- Purchase and sale of equity shares, derivatives, and units of equity-oriented mutual funds on recognized stock exchanges
- Transactions in government bonds and treasury bills
- Currency derivatives traded on commodity exchanges

**Correct Answer: (b)**

**Explanation:** Securities Transaction Tax (STT) applies to the value of specified securities transacted through recognized stock exchanges, excluding commodities and currency, and is collected on both buy and sell sides for equity delivery at 0.1%.

**3. With reference to Capital Gains Tax in India, consider the following statements:**

- 'Capital gains' arise from the transfer of a capital asset, which includes both movable and immovable property.
- 'Short-term capital assets' are those held for more than 24 months in the case of immovable property.
- 'Long-term capital gains' on listed equity shares exceeding Rs. 1.25 lakh are taxed at 12.5% without indexation benefit.
- Indexation adjustment is available for computing long-term capital gains on all types of assets, including shares.

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

- 1 and 2 only
- 3 only
- 1 and 3 only
- 2, 3 and 4 only

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Capital gains tax is levied on profits from the transfer (sale or exchange) of capital assets, encompassing property, shares, and other assets held as investments. **Statement 2: Incorrect.** For immovable property, the holding period for long-term classification is 24 months or more; thus, short-term is 24 months or less.

**Statement 3: Correct.** Effective from July 23, 2024, long-term capital gains on listed equity shares above Rs. 1.25 lakh are taxed at a flat 12.5% rate, without indexation.

**Statement 4: Incorrect.** Indexation is not available for listed equity shares or equity-oriented mutual funds; it applies to debt funds and property.

**4. Consider the following pairs:**

	Tax Type	Applicability
I	Minimum Alternate Tax	Companies, based on book profits
II	Alternate Minimum Tax	Non-corporate assessee claiming certain deductions
III	Both MAT and AMT	Levied at 15% plus surcharge and cess

**In how many of the above rows is the given information correctly matched?**

- Only one
- Only two
- All the three
- None

**Correct Answer: (b)**

**Explanation:**

**Pair I: Correct.** MAT under Section 115JB applies to all companies (including foreign) on book profits at 15%.

**Pair II: Correct.** AMT targets non-corporate entities like partnerships availing profit-linked deductions, to ensure minimum tax payment.

**Pair III: Incorrect.** The base rate is 15% for MAT and 9% for AMT (for non-companies), with applicable surcharge and cess added.

**5. With reference to Investment Allowance under the Income Tax Act in India, consider the following statements:**

1. It allows a deduction of 15% on the actual cost of new plant and machinery acquired by manufacturing undertakings.
2. The allowance is available to service sector enterprises as well, provided the investment exceeds Rs. 100 crore.
3. If the asset is sold within 8 years, the allowance claimed earlier may be withdrawn as deemed income.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Under Section 32AD, eligible manufacturing units can claim 15% investment allowance on new machinery installed after September 1, 2015.

**Statement 2: Incorrect.** It is restricted to manufacturing or production undertakings, excluding service sectors.

**Statement 3: Correct.** The benefit is clawed back if the asset is transferred or business discontinued within 8 years from installation.

**6. Consider the following taxes in India:**

1. Corporation Tax
2. Personal Income Tax
3. Goods and Services Tax

**How many of the above have recorded an annualized growth rate of 15% or more in collections between 2000-01 and 2023-24?**

- a) Only one
- b) Only two
- c) Only three
- d) All four

**Correct Answer: (b)**

**Explanation:** Corporation Tax has grown at 15% annually, and Personal Income Tax at 16% over the period, driven by base expansion and compliance measures. GST, being an indirect tax introduced in 2017, does not qualify under the same direct tax growth metric for the full period.



**7. In the context of Tax Expenditure in India, which of the following are considered as revenue foregone due to tax concessions?**

1. Deduction under Section 80C for investments in specified instruments
2. Exemption of income from agricultural activities
3. Direct cash subsidies provided by the government for food security

**Select the correct answer using the code given below:**

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

**Correct Answer: (a)**

**Explanation:** Tax expenditures represent estimated revenue losses from exemptions, deductions, or credits like Section 80C investments and agricultural income exemptions, as reported annually in the Union Budget since 2006. Direct cash subsidies are budgetary expenditures, not tax-based concessions.

**8. The Fifteenth Finance Commission of India recommended the vertical devolution of central taxes to states at:**

- a) 40% of the divisible tax pool
- b) 41% of the divisible tax pool
- c) 42% of the divisible tax pool
- d) 15% of the divisible tax pool

**Correct Answer: (b)**

**Explanation:**

The 15th Finance Commission, in its report for 2021-26, maintained the states' share at 41% of the net proceeds of shareable central taxes, accounting for the exclusion of Jammu & Kashmir as a state.

**9. With reference to the Finance Commission of India, consider the following statements:**

1. It is a quasi-judicial body constituted every five years under Article 280 of the Constitution to recommend the distribution of tax revenues between the Union and states.
2. Its recommendations on tax devolution are binding on the executive but can be altered by Parliament through legislation.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** The Finance Commission, appointed by the President every five years (or earlier), advises on tax sharing, grants-in-aid, and fiscal consolidation as per Article 280. **Statement 2: Incorrect.** The Commission's recommendations are advisory and not binding; the government implements them via the Finance Act, but Parliament can modify through appropriation.

**10. Consider the following statements with regard to the Direct Tax Code (DTC) 2025 in India:**

1. It replaces the Income Tax Act, 1961, and aims to simplify tax administration by consolidating over 70 sections into fewer provisions.
2. The DTC expands the scope of Tax Deducted at Source (TDS) to cover virtual digital assets and expands Tax Collected at Source (TCS) for high-value remittances.
3. It introduces a uniform flat tax rate of 15% for all resident individuals, abolishing the slab system entirely.

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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** The Income-tax Bill, 2025 (enacting DTC) repeals the 1961 Act, reducing complexity by merging provisions and modernizing definitions for better compliance.

**Statement 2: Correct.** It broadens TDS applicability to digital assets and TCS for remittances exceeding thresholds, enhancing collection efficiency.

**Statement 3: Incorrect.** The DTC retains progressive slab rates under the new regime (with options), without a flat 15% for all individuals.

## Public Finance In India

**1. With reference to the Union Budget of India, consider the following statements:**

1. The Revenue Budget comprises revenue receipts and revenue expenditure, focusing on day-to-day operations without creating assets or liabilities.
2. Capital receipts include only disinvestment proceeds and do not encompass market borrowings or recoveries of loans.
3. The total budget outlay for 2025-26 is estimated at ₹50.65 lakh crore, with capital expenditure targeted at 3.1% of GDP.
4. Fiscal Deficit is calculated as the difference between total expenditure and total receipts excluding borrowings.

Which of the statements given above is/are correct?

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** The Revenue Budget deals with recurring income and expenses like taxes, salaries, and subsidies, maintaining operational continuity.

**Statement 2: Incorrect.** Capital receipts broadly include borrowings (market loans, external aid), disinvestment, and loan recoveries, not limited to disinvestment.

**Statement 3: Correct.** For 2025-26, total expenditure is budgeted at ₹50.65 lakh crore, with ₹11.21 lakh crore allocated for capital expenditure, equating to 3.1% of GDP.

**Statement 4: Incorrect.** Fiscal Deficit measures total expenditure minus (revenue receipts + non-debt capital receipts), highlighting borrowing needs.

**2. Consider the following pairs:**

	Expenditure Type	Classification
I	Education and Health	Developmental
II	Defence Services	Developmental
III	Administrative Expenses	Non-developmental

**In how many of the above rows is the given information correctly matched?**

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

**Correct Answer: (b)**

**Explanation:**

**Pair I: Correct.** Developmental expenditure promotes economic growth and social welfare, including sectors like education and health.

**Pair II: Incorrect.** Defence is classified as non-developmental, focusing on security rather than direct economic development.

**Pair III: Correct.** Non-developmental expenditure covers administrative costs, pensions, and interest payments that support governance without asset creation.

**3. With reference to government receipts in India, consider the following statements:**

1. Revenue receipts are those that neither create a liability nor lead to a reduction in government assets, such as taxes and fees.
2. Non-revenue receipts, or capital receipts, include proceeds from disinvestment and loan recoveries, which may reduce assets.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Revenue receipts, like income tax and dividends, are recurring and do not impact the government's balance sheet in terms of liabilities or assets.

**Statement 2: Correct.** Capital receipts (non-revenue) involve one-time inflows such as asset sales or loan repayments, potentially depleting government holdings.

**4. In India, which of the following are components of Non-tax Revenue Receipts?**

1. Corporation Tax collections
2. Profits from Public Sector Undertakings
3. Spectrum auction fees

**Select the correct answer using the code given below:**

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

**Correct Answer: (b)**

**Explanation:** Non-tax revenue includes earnings from government operations like PSU dividends and spectrum charges, excluding direct taxes such as corporation tax, which falls under tax revenue.

**5. Consider the following statements regarding Revenue Expenditure in India:**

1. It includes interest payments on debt and subsidies but excludes creation of capital assets.
2. Revenue Deficit arises when revenue expenditure exceeds revenue receipts, indicating reliance on borrowings for routine expenses.
3. Grants-in-aid to states for revenue purposes are treated as revenue expenditure, even if used for capital projects.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Revenue expenditure covers operational costs like salaries, pensions, and subsidies, distinct from asset-building activities.

**Statement 2: Correct.** Revenue Deficit = Revenue Expenditure - Revenue Receipts, signaling unproductive borrowing if positive.

**Statement 3: Correct.** Such grants are classified as revenue expenditure regardless of end-use, to maintain fiscal transparency.

**6. Revenue Deficit in the context of Indian public finance is best described as:**

- a) Total expenditure minus total receipts excluding borrowings
- b) Excess of revenue expenditure over revenue receipts
- c) Capital expenditure minus non-debt capital receipts
- d) Primary expenditure minus tax revenues

**Correct Answer: (b)**

**Explanation:** Revenue Deficit specifically measures the gap where day-to-day spending outpaces recurring income, highlighting the need for capital inflows to fund operations.

**7. Effective Revenue Deficit in India refers to:**

- a) Revenue Deficit plus grants for capital asset creation
- b) Revenue Deficit minus grants-in-aid for creation of capital assets
- c) Fiscal Deficit excluding interest payments
- d) Primary Deficit adjusted for disinvestment proceeds

**Correct Answer: (b)**

**Explanation:** It refines the Revenue Deficit by subtracting productive grants (for assets like infrastructure), focusing on truly unproductive revenue shortfalls.

**8. With reference to the Revenue Budget in India, consider the following statements:**

- 1. It encompasses all revenue receipts and expenditures, aiming for balance without impacting capital structure.
- 2. Major components include tax revenues like GST and non-tax items like spectrum fees, with expenditures on salaries and interest.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** The Revenue Budget maintains fiscal operations annually, ensuring no net change in assets or liabilities.

**Statement 2: Correct.** It includes diverse income sources and routine outlays, forming the core of annual fiscal planning.

**9. Consider the following items:**

- 1. Market borrowings
- 2. Disinvestment of PSUs
- 3. Acquisition of land and buildings
- 4. Payment of subsidies

**How many of the above are included in the Capital Budget?**

- a) Only one
- b) Only two
- c) Only three
- d) All four

**Correct Answer: (c)**

**Explanation:** The Capital Budget covers capital receipts (1 and 2) and capital expenditures (3), excluding revenue items like subsidies (4).



**10. Consider the following statements:**

1. Capital Receipts include internal debt like small savings and external borrowings, but exclude tax revenues.
2. Capital Expenditure is classified into plan and non-plan, focusing on asset creation like machinery and investments in shares.
3. Recoveries of loans advanced are treated as capital receipts, reducing the government's outstanding liabilities.

**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

**Correct Answer: (d)**

**Explanation:**

**Statement 1: Correct.** Capital receipts comprise borrowings (domestic and foreign) and non-debt items, separate from revenue streams.

**Statement 2: Correct.** Though the plan/non-plan distinction was merged in 2017, capital outlay still emphasizes long-term assets and investments.

**Statement 3: Correct.** Loan recoveries are non-debt capital receipts, improving the government's financial position by settling dues.

## Public Finance in India-II

**1. Consider the following statements with reference to Capital Receipts and Capital Expenditure in Indian public finance:**

1. Capital receipts include market borrowings and disinvestment proceeds, which either create liabilities or reduce government assets.
2. Capital expenditure encompasses investments in physical assets like infrastructure and loans advanced to state governments for productive purposes.
3. Unlike revenue receipts, capital receipts are recurring in nature and do not impact the government's balance sheet.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** Capital receipts, such as borrowings and asset sales, lead to future obligations or asset reductions, distinguishing them from operational inflows.

**Statement 2: Correct.** Capital outlay focuses on long-term asset creation and financial assistance for development, enhancing productive capacity.

**Statement 3: Incorrect.** Capital receipts are non-recurring and directly affect the balance sheet by altering liabilities or assets.

2. Consider the following pairs:

	Term	Description
I	Capital Deficit	Shortfall when capital expenditure exceeds capital receipts
II	Fiscal Deficit	Total borrowings to meet overall budgetary gap
III	Primary Deficit	Fiscal deficit adjusted for interest payments

In how many of the above rows is the given information correctly matched?

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

**Correct Answer: (b)**

**Explanation:**

**Pair I: Correct.** Capital deficit informally denotes the gap in the capital account where outlays surpass inflows, necessitating additional funding.

**Pair II: Correct.** Fiscal deficit captures the total borrowing requirement to bridge the difference between total expenditure and non-borrowing receipts.

**Pair III: Incorrect.** Primary deficit excludes interest on past debt from fiscal deficit, focusing on current borrowing needs.

1. **Fiscal Deficit (FD)** = Total Expenditure – Total Receipts (excluding borrowings)

- Total Expenditure = Revenue Expenditure (RE) + Capital Expenditure (CE)
- Total Receipts (excluding borrowings) = Revenue Receipts (RR) + Non-debt Capital Receipts (NDCR)
- **FD** = (RE + CE) – (RR + NDCR)

2. **Revenue Deficit (RD)** = Revenue Expenditure (RE) – Revenue Receipts (RR)

Therefore, **FD – RD** = [(RE + CE) – (RR + NDCR)] – [RE – RR] **FD – RD** = CE – NDCR

The term (CE – NDCR) represents the **Capital Expenditure that is not financed by the government's own non-debt capital receipts** (like disinvestment and loan recovery). This net figure is approximately the **net addition to the government's capital assets** for the year, or **Net Capital Expenditure / Gross Capital Formation** minus non-debt capital receipts. It represents the portion of the government's borrowing that is used to finance asset creation (investment), as opposed to consumption (Revenue Deficit).

3. Fiscal Deficit in India is calculated as:

- a) Revenue expenditure minus revenue receipts
- b) Total expenditure minus (revenue receipts + non-debt capital receipts)
- c) Capital expenditure minus capital receipts
- d) Total receipts minus total expenditure excluding borrowings

**Correct Answer: (b)**

**Explanation:** Fiscal deficit measures the overall borrowing requirement by subtracting non-borrowing resources from total spending, indicating the scale of market and external financing needed.

**4. With reference to deficits in Indian public finance, consider the following statements:**

1. 'Monetised Deficit' refers to the portion of fiscal deficit financed through Reserve Bank of India purchases of government securities, leading to money supply expansion.
2. 'Surplus Budget' occurs when total receipts exceed total expenditure, allowing debt reduction or reserve accumulation.
3. 'Deficit Budget' is always undesirable, as it invariably causes inflation regardless of economic conditions.
4. Ad hoc Treasury Bills were a key instrument for monetised deficit until their discontinuation in 1997.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Monetised deficit involves RBI directly funding government shortfalls, injecting liquidity into the economy.

**Statement 2: Correct.** A surplus budget reflects fiscal prudence, enabling repayment of liabilities or building buffers.

**Statement 3: Incorrect.** Deficit budgets can be expansionary and beneficial during recessions to stimulate growth.

**Statement 4: Correct.** These short-term instruments facilitated automatic RBI financing until phased out to curb inflationary pressures.

**5. With reference to Deficit Financing in India, consider the following statements:**

1. It involves bridging the gap between total expenditure and total receipts through methods like public borrowings and drawing down cash balances.
2. Deficit financing through RBI is prohibited under the Reserve Bank of India Act to maintain monetary independence.

**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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** Deficit financing employs various tools, including domestic and external borrowings, to fund excess spending over revenues.

**Statement 2: Incorrect.** While direct monetisation is restricted post-1997, ways and means advances allow temporary RBI support.

**6. Consider the following components:**

1. Revenue deficit
2. Capital outlay
3. Non-debt capital receipts
4. Interest payments on debt

**How many of the above directly contribute to the composition of fiscal deficit in India?**

- a) Only one
- b) Only two
- c) Only three
- d) All four

**Correct Answer: (c)**

**Explanation:**

Fiscal deficit comprises revenue deficit plus capital outlay minus non-debt capital receipts, with interest payments embedded in revenue expenditure; all except isolated debt servicing adjustments factor in.

**7. In the context of Indian fiscal policy, "Automatic Stabilizers" are best exemplified by:**

- a) Discretionary tax cuts during recessions
- b) Progressive income taxation and unemployment benefits that adjust without policy changes
- c) Increase in public investment through annual budgets
- d) Borrowing from international agencies for infrastructure

**Correct Answer: (b)**

**Explanation:**

Automatic stabilizers, like built-in tax progressivity and welfare payments, inherently dampen economic cycles by rising during downturns and falling in booms, without needing active intervention.

**8. In India, which of the following characterize the phases of deficit financing?**

1. First Phase (1947-1970): Focused on planned investments for development, with moderate deficits.
2. Second Phase (1970-1991): Marked by high deficits, oil shocks, and culminating in a balance of payments crisis.
3. Third Phase (1991 onwards): Emphasized liberalization, FRBM targets, and gradual fiscal consolidation.

**Select the correct answer using the code given below:**

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

**Correct Answer: (d)**

**Explanation:** The original FRBM Act (2003) did mandate the reduction of the **Revenue Deficit** to zero and the **Fiscal Deficit** to 3% of GDP, but these targets were later revised based on the N.K. Singh Committee recommendations. The Act's core is the **fiscal discipline**, but the exact target for Revenue Deficit to be zero is often considered too stringent and has been replaced by the goal of reducing it. The phases reflect evolving strategies: early post-independence emphasis on growth via controlled deficits, mid-period excesses leading to instability, and post-reform discipline for sustainability.

**9. With reference to the Fiscal Responsibility and Budget Management (FRBM) Act, 2003, consider the following statements:**

1. It mandates a fiscal deficit target of 3% of GDP by 2008-09, with provisions for annual reductions.
2. Amendments in 2018 introduced a medium-term debt sustainability framework, targeting central government debt at 40% of GDP.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** The original Act aimed for fiscal discipline through phased deficit reduction to 3% within five years.

**Statement 2: Correct.** The 2018 amendments shifted focus to debt anchors, setting glide paths for both deficit and overall liabilities.

**10. Consider the following statements regarding Fiscal Consolidation and Zero-Base Budgeting in India:**

1. Fiscal consolidation involves reducing fiscal deficits and public debt to sustainable levels, often through expenditure rationalization and revenue enhancement.
2. Zero-Base Budgeting requires justifying all expenditures from a zero base annually, differing from incremental budgeting by eliminating automatic carryovers.

**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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Fiscal Consolidation is a policy strategy aimed at reducing the government's deficits and debt accumulation. While the term primarily refers to the **Fiscal Deficit**, a successful consolidation effort also helps reduce the **Current Account Deficit (CAD)** by reducing consumption, managing imports, and building international investor confidence. The co-existence of high Fiscal Deficit and high CAD is often referred to as the 'twin deficits' problem, which consolidation aims to resolve. It entails multi-year strategies to lower deficits, as seen in post-2021 paths targeting below 4.5% by 2025-26.

**Statement 2: Correct.** Zero-Base Budgeting (ZBB) is a budgeting method where all expenditures must be justified for each new period. Every line item in the budget must be approved, rather than just approving incremental increases over previous budgets, thereby making the base zero.. ZBB promotes efficiency by scrutinizing every expense anew, applied selectively in ministries to curb wasteful spending.



## Ancient India (Pre-history phase)

**1. With reference to the Lower Palaeolithic Age in the Indian Subcontinent, consider the following statements:**

1. The tools of this phase, like Hand Axe, Choppers, and Cleavers, were generally made of limestone and quartzite.
2. The human species associated with this period was primarily *Homo Sapiens*.
3. The main occupation was hunting and gathering, and there is no evidence of burials during this phase.

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

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

**Correct Answer: (b)**

**Explanation:**

**Statement 1: Correct.** Tools used in the Lower Palaeolithic Age include Hand Axe, Choppers, and Cleavers. The primary stones used were Limestone and Quartzite, leading to the designation of the people as 'Quartzite Men'.

**Statement 2: Incorrect.** The human species associated with the Lower Palaeolithic Age was **Homo-Erectus**. The emergence of *Homo Sapiens* is associated with the **Upper Palaeolithic Age**.

**Statement 3: Correct.** The occupation during the entire Palaeolithic Age (Lower, Middle, Upper) was Hunting and Gathering. There is no evidence of burials during the Palaeolithic Age.

**2. With reference to the phases of the Palaeolithic Age in India, consider the following statements:**

1. The Middle Palaeolithic phase saw the decline in the use of hand axes and the emergence of flake tools like scrapers and borers, linked to Neanderthals during the Ice Age.
2. The Upper Palaeolithic phase is marked by the first evidence of blade tools and burins, reflecting the emergence of *Homo Sapiens* and advancements in hunting techniques.
3. Sites like Bhimbetka in Madhya Pradesh provide evidence across all three phases, with the Lower phase dominated by limestone tools and the Upper by chert and jasper.

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

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

**Correct Answer: (d)**

**Explanation: All statements are correct.**

**Statement 1** aligns with the Middle Palaeolithic (100,000–40,000 BCE), where hand axes declined, flake tools (blades, pointers, scrapers, borers) from quartzite emerged, associated with Neanderthals.

**Statement 2** matches the Upper Palaeolithic (40,000–10,000 BCE), with bone tools, needles, harpoons, parallel-sided blades, and burins for *Homo Sapiens*.

**Statement 3 is true;** Bhimbetka (MP) spans all phases—Lower (limestone/quartzite), Middle (chert/jasper/agate), Upper (dyke/basalt/dolomite)—with rock shelters and paintings.

3. Consider the following pairs related to important Mesolithic (Late Stone Age) sites in India:

Site	Key Feature/Evidence
I. Bagor (Rajasthan)	Earliest evidence of animal domestication (sheep and goat)
II. Adamgarh (MP)	Microliths and rock paintings depicting hunters and dancers
III. Langhnaj (Gujarat)	Human graves with bone ornaments and evidence of wild animal bones

In how many of the above pairs is the given information correctly matched?

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

**Correct Answer: (b)**

**Explanation:**

**Pair I is correct;** Bagor (Rajasthan, Kothari River) is the best-documented Mesolithic site with earliest animal domestication (sheep/goat).

**Pair III is correct;** Langhnaj (Gujarat) has bones of wild animals (rhinoceros, blackbuck), pottery, and some burial references.

**Pair II is incorrect;** Adamgarh (MP) evidences earliest domestication, while rock paintings (hunters, dancers, social life) are from Bhimbetka (MP). Mesolithic (10,000–8,000 BCE) featured microliths, semi-permanent settlements, and Holocene climate.

4. Which of the following sites provides the earliest conclusive evidence of **Pit-dwelling** and the burial of **domestic dogs with their masters** in the graves?

- a) Chirand
- b) Mehrgarh
- c) Burzahom
- d) Koldihwa

**Correct Answer: (c)**

**Explanation:**

**Burzahom** (Kashmir) is a Neolithic site famous for the evidence of **Pit-dwelling** and the practice of burying **domestic dogs with their masters** in graves.

- Mehrgarh is known for sun-dried bricks, wheat, and the earliest evidence of settled life/agriculture in the subcontinent (if Lahuradev is not an option).
- Chirand is known for Neolithic men using tools and weapons made of **bones**.
- Koldihwa is known for circular huts and one of the oldest evidence of **rice**.

5. Which one of the following Neolithic sites in India is well-known for providing the earliest evidence of **rice cultivation and handmade crude pottery, along with circular huts**?

- (a) Burzahom
- (b) Mehrgarh
- (c) Koldihwa
- (d) Chirand

**Correct Answer: (c)**

**Explanation:**

Koldihwa (Allahabad, UP) evidences one of the oldest rice cultivations, crude handmade pottery, and circular huts. Burzahom (Kashmir) has pit dwellings and dogs in graves; Mehrgarh (Pakistan) shows sun-dried bricks, wheat, and settled life; Chirand (Bihar) features bone tools/weapons. Neolithic agriculture prioritized barley (first), wheat (second), rice (third), with Lahuradeva as potential earliest rice site per new research.

**6. With reference to Chalcolithic settlements in ancient India, consider the following statements:**

1. These settlements were predominantly rural with rectangular houses for chiefs and round huts for commoners, reflecting social differentiation, but lacked burnt bricks.
2. Sites like Navdatoli on the Narmada River show cultivation of all major food grains including wheat, rice, and bajra, alongside black and red pottery.

**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

**Correct Answer: (c)**

**Explanation:**

**Both statements are correct.** Chalcolithic (4,000–1,500 BCE) settlements were rural without burnt bricks, showing social differences (rectangular houses for chiefs, round for commoners). Navdatoli (MP, Narmada) cultivated wheat, rice, bajra, pulses, cotton, with black/red pottery. Economy was village-based barter, with copper smelting and ochre-coloured ware at Hastinapur/Atranjikhhera.

**7. Consider the following pairs of Chalcolithic sites and their unique importance:**

Site	Unique Evidence
1. Ahar-Banas (Rajasthan)	Evidence of rice and copper smelting
2. Kayatha (MP)	Pre-Harappan elements in pottery and copper objects
3. Daimabad (Maharashtra)	Largest Jorwe culture site with bronze goods

**In how many of the above rows is the given information correctly matched?**

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

**Correct Answer: (c)**

**Explanation:**

**Pair 1: Correct.** Ahar-Banas is known for **Smelting & metallurgy** (Copper) and is a site with **Rice evidence** and Black red Pottery.

**Pair 2: Correct.** Kayatha (Chambal River) is noted for having **Pre-Harappan elements in pottery** and copper objects.

**Pair 3: Correct.** Daimabad is the **largest Jorwe culture site** in the Godavari valley and is famous for the recovery of **bronze goods** (e.g., bronze rhinoceros, elephant, chariot).

**8. Which one of the following best describes the importance of the Chalcolithic phase in ancient Indian prehistory?**

- (a) It marked the first widespread use of iron tools and urban planning in the subcontinent.
- (b) It represented a transitional era introducing copper metallurgy, painted pottery, and fortified settlements bridging Neolithic to Bronze Age.
- (c) It was characterized by the dominance of horse-drawn chariots and script-based administration.
- (d) It provided the earliest evidence of maritime trade and monumental architecture in the Indus region.

**Correct Answer: (b)**

**Explanation:** Option (b) is correct; Chalcolithic (Copper-Stone Age, 4,000–1,500 BCE) transitioned from Neolithic by introducing copper (first metal), black/red/ochre pottery, rural settlements with social hierarchy, agriculture (wheat/rice/bajra/cotton), and crafts (spinning/weaving, stone beads). It bridged to Bronze Age without iron, urbanization, or script—those are later (e.g., Indus for trade/architecture, Vedic for chariots).

**9. Which of the following was a major limitation of the Chalcolithic cultures?**

- a) Their inability to cultivate any food grains, relying solely on hunting.
- b) Their exclusive use of Black and Red pottery, limiting ceramic diversity.
- c) Their unawareness of the art of writing, confining them to the Proto-history phase.
- d) Their lack of knowledge about the domestication of animals.

**Correct Answer: (c)**

**Explanation:**

**Option (c):** Chalcolithic cultures fall under the **Proto-history** division. A key limitation cited in the notes is their unawareness of the **Art of writing**, which is the defining factor separating Proto-history from History (where written records exist and are deciphered).

- **Option (a) is incorrect;** they cultivated food grains like Wheat, Rice, Bajra, and Pulses.
- **Option (b) is incorrect;** they used Ochre-coloured pottery as well, and ceramic diversity existed across sites.
- **Option (d) is incorrect;** they domesticated animals like Cow, Sheep, and Goat

**10. Consider the following statements regarding the Chalcolithic Age (Copper Age) in India:**

- 1. The largest concentration of settlements and evidence of high infant mortality are found in the Deccan region, particularly West Maharashtra (Jorwe culture).
- 2. The art of tanning, battle scenes, and complex geometric patterns are visible in the paintings of this period.
- 3. The people were aware of the utility of burnt bricks but primarily used sun-dried bricks due to resource constraints.

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

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

**Correct Answer: (a)**

**Explanation:**

**Statement 1: Correct.** West Maharashtra, home to the Jorwe culture (e.g., Daimabad), shows a large number of children's burials, indicating high infant mortality. Daimabad is the largest Jorwe culture site.

**Statement 2: Correct.** Chalcolithic paintings included themes like **Battle Scenes**, Men riding horses, the **art of tanning**, and **complex geometric patterns**.

**Statement 3: Incorrect.** The Chalcolithic people were **Not acquainted with burnt bricks**; they used mud and reeds for their houses. Sun-dried bricks, as found at Mehrgarh, are characteristic of the **Neolithic** and early Harappan phases, not the general Chalcolithic culture described here.

## Harappan Civilization

**1. With reference to the architecture and structures of the Mature Harappan phase, consider the following statements:**

1. The largest number of large, pillared halls and communal cooking areas were found in the Citadel complex of Harappa and Mohenjo-Daro.
2. The city of Dholavira is architecturally unique among the major sites as it was divided into three principal segments: a Citadel, a Middle Town, and a Lower Town.
3. The Great Bath at Mohenjo-Daro featured a sophisticated system for filling the tank from a specific well and for draining the used water through a covered outlet.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** While large structures like the Granary and the Great Bath are in the Citadel area, the large pillared hall (often referred to as the Assembly Hall) is found in the Lower Town area of **Mohenjo-Daro**. Communal cooking areas were generally not a feature of the Citadel.
- **Statement 2: Correct.** Dholavira is the only major Harappan site to show a tripartite (three-part) division of the city, in contrast to the usual bipartite (Citadel and Lower Town) division seen at Harappa and Mohenjo-Daro.
- **Statement 3: Correct.** The Great Bath was a marvel of hydraulic engineering, featuring a large tank with staircases on two sides, a watertight surface, and a well connected to the side to supply water, along with a massive brick-lined drain for disposal.

**2. With reference to the famous 'Pashupati' seal from Mohenjo-Daro, consider the following statements:**

1. The central figure is seated in a yogic posture and is surrounded by a total of six animals, including two antelopes beneath the seat.
2. The animals depicted on the right side of the figure are the rhinoceros and the buffalo, while the elephant and the tiger are on the left side.

**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

**Correct Answer: (a)**

**Explanation:**



- **Statement 1: Correct.** The figure is seated in a cross-legged position (yogic *asan*), and is flanked by four animals (elephant, tiger, rhinoceros, and buffalo) plus two antelopes beneath the seat, totaling six animals.
- **Statement 2: Incorrect.** The animals are arranged as follows: **Elephant** and **Tiger** on the **right** side of the figure; **Rhinoceros** and **Buffalo** on the **left** side.

**3. Consider the following pairs regarding the technical aspects of the Indus Valley Civilization (IVC):**

System Aspect	Description/Feature
I. Boustrophedon	The common direction of writing in longer inscriptions of the Harappan script, alternating lines.
II. Weights System	Lower denominations followed a binary system (1, 2, 4, 8, 16...), while higher ones adopted a decimal system.
III. Measurement Rod	Standardised rods of bone, often marked with precision subdivisions, found in sites like Mohenjo-Daro and Lothal.

**In how many of the above pairs is the information correctly matched?**

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

**Correct Answer: (c)**

**Explanation:**

- **Pair I: Correct.** The Indus script is generally written from right-to-left, but the longer inscriptions often use the **boustrophedon** style, meaning alternating lines are written in opposite directions (right-to-left, then left-to-right, and so on).
- **Pair II: Correct.** The chert weights found across the IVC show remarkable standardisation. The smaller weights follow a **binary progression** (1, 2, 4, 8, 16, 32, up to 12,800), while the heavier weights follow a **decimal system**.
- **Pair III: Correct.** Graduated scales/rods, made of materials like shell and bone, have been found at sites like Mohenjo-Daro and Lothal, indicating a standardised system of linear measurement, sometimes with high precision markings.

**4. With reference to the agricultural practices and animal husbandry of the Harappan people, consider the following statements:**

1. The Harappans were the earliest people in the world to cultivate **cotton**, which the later Mesopotamians knew as *sindon*.
2. Clear archaeological evidence of a ploughed field has been found at Kalibangan, though no physical remains of a wooden or copper plough have been discovered.
3. While the bones of sheep, goats, and buffaloes are common, there is no conclusive archaeological evidence for the use of the **horse** or the **camel** by the Harappans in the Mature phase.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** The Harappans are the earliest known people to produce cotton. The Greeks later called it *sin don* (derived from the word 'Indus'), but the statement incorrectly attributes the name 'sin don' to the **Mesopotamians**.
- **Statement 2: Correct.** The discovery of a furrowed field at **Kalibangan** (Rajasthan) is the most definitive evidence of ploughing, dating back to the Early Harappan phase, even though the actual implement has not survived.
- **Statement 3: Correct.** The IVC people domesticated buffaloes, oxen (zebu), sheep, and pigs. While skeletal remains of the horse have been reported from sites like Surkotada, its presence is rare and highly debated, and its use, especially for warfare, remains unproven. Similarly, evidence for the camel is limited.

**5. Which of the following technological or craft practices are confirmed to have been in use by the Mature Harappan Civilisation?**

1. Use of Iron to manufacture agricultural tools and weaponry.
2. Manufacturing of 'Faience' to produce beads, bangles, and small vessels.
3. Employment of the lost-wax technique (cire-perdue) for complex bronze casting.
4. Grinding, drilling, and polishing of hard stone beads, such as carnelian and agate.

**Select the correct answer using the code given below:**

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** The IVC was a **Bronze Age** civilization. The knowledge and large-scale use of **Iron** (Iron Age) came much later in the Indian subcontinent (around 1000 BCE or later).
- **Statement 2: Correct. Faience**, a synthetic material made from crushed quartz/sand and coloured minerals, was extensively used for ornaments and pottery by the Harappans, showing advanced ceramic/glazing technology.
- **Statement 3: Correct.** The famous 'Dancing Girl' sculpture from Mohenjo-Daro and the bronze bull from Kalibangan are prime examples of the advanced **lost-wax technique** (cire-perdue) used for bronze statues.
- **Statement 4: Correct.** Bead-making was a key industry, and Harappan artisans were highly skilled in working with hard, semi-precious stones like carnelian, lapis lazuli, and agate, using specialised drills.

**6. With respect to the pottery found at Harappan sites, consider the following statements:**

1. The plain (unpainted) pottery, generally of red clay, was more prevalent than the painted ware, which was mostly decorated in glossy black pigment.
2. Polychrome pottery, featuring intricate geometric patterns in multiple colours like red, black, and green, was common in the larger urban centres.
3. The Harappans were among the earliest civilizations to develop and use glazed pottery.

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

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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** The vast majority of pottery excavated is plain (unpainted) utility ware, which is more common than the painted ware. The painted ware is typically red-and-black pottery.
- **Statement 2: Incorrect. Polychrome pottery** (using three or more colours) was **rare** and usually consisted of small vessels with simple geometric designs, contrary to the statement that it was "common."
- **Statement 3: Correct.** The Harappans are credited with pioneering the use of **glazed pottery** in the ancient world, demonstrating their advanced firing and ceramic knowledge.

**7. Which of the following best describes the probable political organization of the Mature Harappan Civilisation, given the archaeological evidence?**

- (a) A centralized, dynastic monarchy, where a priest-king ruled from the twin capitals of Harappa and Mohenjo-Daro.
- (b) A powerful military state that enforced cultural homogeneity and controlled its vast territory through military outposts.
- (c) A decentralized system, possibly a merchant oligarchy or a council-based civic administration, due to the absence of clear monarchical symbols.
- (d) A theocratic state where the main deity, the Proto-Shiva, was worshipped, and the administration was run by a high-priest class.

**Correct Answer: (c)**

**Explanation:**

- The most striking feature of the IVC is the **uniformity** in town planning, bricks, and weights across a massive area, which suggests strong administrative control.
- However, the civilization conspicuously **lacks** clear evidence of a powerful centralized ruler: no great palaces, no royal tombs, and no dynastic statues (unlike Egypt or Mesopotamia).
- Therefore, the consensus among scholars leans towards a form of collective governance—a **merchant oligarchy** (given the extensive trade) or a council of elites/elders responsible for civic order—rather than a single monarch.

**8. Which one of the following is the most likely reason for the Harappans to have held the Unicorn and the Humped Bull in high ritualistic or totemic regard?**

- (a) Their widespread presence in the terracotta figurines of the Mother Goddess.
- (b) The discovery of their bones in sacrificial pits at Kalibangan and Lothal.
- (c) Their almost exclusive and prominent depiction on the majority of the discovered seals.
- (d) The mention of these animals in the yet-to-be-deciphered Harappan script as names of deities.

**Correct Answer: (c)**

**Explanation:**

- The **Unicorn** (a mythical one-horned animal) is the most frequent motif on Harappan seals, and the **Humped Bull** (Zebu) is another highly distinctive and common motif. This widespread, prominent, and almost exclusive use on seals—which are associated with trade and potentially administrative or clan identity—is the strongest evidence for their high symbolic or totemic status.
- (a) Mother Goddess figurines mainly feature female forms, not animals. (b) While animal sacrifice is a possibility, the *Unicorn* is mythical, and the prominence is primarily via the seals, not sacrificial remains. (d) The script is undeciphered, so we cannot know what the symbols mean.

**9. Consider the following statements regarding the geographical extent and trade of the Indus Valley Civilization:**

1. The Harappans conducted long-distance maritime trade with contemporary West Asian civilizations from port-towns like **Lothal** and **Sutkagendor**.
2. The Harappan civilization's boundary extended beyond the Indus system, encompassing the northernmost site of **Manda** in Jammu and the southernmost site of **Daimabad** in Maharashtra.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** Lothal (Gujarat) is well-known for its dockyard and clear evidence of external trade (e.g., Persian Gulf seals). Sutkagendor (Balochistan, Pakistan) is the westernmost site and is believed to have acted as a crucial coastal outpost for trade with Mesopotamia.
- **Statement 2: Correct.** The IVC covered a vast area:
  - **North:** Manda (Jammu and Kashmir, on the Chenab river).
  - **South:** Daimabad (Maharashtra, on the Pravara river, a tributary of the Godavari).
  - **East:** Alamgirpur (Uttar Pradesh, on the Hindon river).
  - **West:** Sutkagendor (Balochistan).

**10. Which one of the following ancient sites of the Indus Valley Civilization is well-known as a major trade point between Harappa and Babylon, located in the west at Dasht?**

- (a) Mohenjo-Daro
- (b) Chanhudaro
- (c) Sutkagendor
- (d) Kalibangan

**Correct Answer:**

**(c) Explanation:**

Sutkagendor (1929, Dasht) served as a trade link between Harappa and Babylon. Mohenjo-Daro had Mesopotamian seals but was not primarily a western trade point; Chanhudaro focused on bead-making; Kalibangan on ploughed fields.

## Later Vedic Age

1. With reference to the political developments of the Later Vedic Age, consider the following statements:

1. The transition from Jana (tribe) to Janapada or Rashtra (territorial state) was marked by the decline of the king's authority, who was now supported only by the Ratnins.
2. The king's sacrifices, such as **Rajsuya** and **Ashwamedh**, were primarily intended to control the tribe (Jana) rather than for its welfare.
3. The emergence of standing armies was a defining feature of the consolidation of territorial kingdoms in the core Later Vedic region.

Which of the statements given above is/are correct?

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** Larger kingdoms were formed by amalgamation, called **Janapada / Rashtra**. The **authority of the Rajana** (king) became stronger, and his office became almost hereditary. The Ratnins (12 jewels of the king) were a supporting staff.
- **Statement 2: Correct.** The sacrifices were performed to control the **Jana** (tribe) rather than for the Jana. Sacrifices like **Rajsuya** (coronation for supreme power) and **Ashwamedh** (to become ruler of all directions **Chakravarti**) affirmed the king's new political dominance.
- **Statement 3: Incorrect.** Although agriculture was the main occupation and the fight was for territory, there was **No Standing Army**.

2. With reference to the four-fold varna system during the Later Vedic Age, consider the following statements:

1. The system is discussed in the **Purushsukta** of the 10th Mandala, which was compiled in the Later Vedic Period.
2. The classification was strictly hereditary and birth-based, making social mobility impossible for the lower three Varnas.
3. The **Upnayana Sanskara** (Sacred Thread ceremony) was a privilege reserved only for the male members of the Brahmana and Kshatriya Varnas, qualifying them as **Dwija**.

Which of the statements given above is/are correct?

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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** The four-fold varna system is discussed in the **Purushsukta** of the 10th Mandala of the Rigveda. Mandala 10 was compiled in the Later Vedic Period.
- **Statement 2: Partially Incorrect.** While the varna system became more rigid, based on birth, making it largely hereditary, some mobility and sub-divisions were still possible, making the claim "impossible" too absolute for this phase.



- **Statement 3: Incorrect.** The male members of the **top 3 Varnas** (Brahmana, Kshatriya, and **Vaishya**) were entitled to the **Upnayana Sanskara** and were known as **Dwija** (Twice Born).

**3. Consider the following statements regarding the economy and material culture of the Later Vedic Age:**

1. The transition to an agricultural economy was characterized by the cultivation of new crops like **Godhuma** (wheat) and **Sali** (rice), alongside barley.
2. The earliest archaeological evidence of iron from sites like **Ahichchatra** and **Atranjikheda** is directly associated with the Painted Grey Ware (PGW) culture.
3. The revenue officer responsible for collecting the mandatory tax, **Bhaga**, was known as the **Samgrahitri**.

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

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

**Correct Answer: (d)**

**Explanation:**

- **Statement 1: Correct.** The main crops mentioned include **Vrihi**, **Tandula**, **Sali (Rice)**, **Godhuma (wheat)**, Barley (Yava), Mudga (Mung Bean), and Ikshu (Sugarcane).
- **Statement 2: Correct.** The **Painted Grey Ware (PGW)** was the type of pottery found. The Earliest Iron Evidence was found at **Ahichchatra** and **Atranjikheda** (UP). The PGW culture is broadly associated with the Iron Phase in the Gangetic plain.
- **Statement 3: Correct.** The mandatory tax revenue was **Bhaga** (1/6th or 1/12th), and the Revenue officer was the **Samgrahitri**.

**4. In the context of the shift in religious beliefs during the Later Vedic Age, which of the following is the most significant development?**

- (a) The complete disappearance of the worship of Rig Vedic deities like Indra and Agni.
- (b) The elevation of Prajapati to the status of the Supreme God, replacing the natural forces as the focus of rituals.
- (c) The development of household-level sacrifices leading to the decline in the status of the Brahmana class.
- (d) The complete absence of any reference to idol worship or magic and omens in the religious literature.

**Correct Answer: (b)**

**Explanation:**

- **Option (a): Incorrect.** The status of Indra, Agni, and Varuna **degraded**, but they did not completely disappear.
- **Option (b): Correct.** **Prajapati** or **Adipurush** became the **Supreme God**. This marked a shift from the worship of natural forces to a creator deity, which is a major transition.
- **Option (c): Incorrect.** Rituals and sacrifices at the household level with the help of a Priest led to an **increase** in the **Status of Brahmana**.
- **Option (d): Incorrect.** Reference of idol worship are reported (though not dominating) , and **Magic and Omen** entered the socio-religious life.

5. With reference to social practices in the Later Vedic Age, consider the following pairs:

Later Practice/Concept	Vedic Associated Feature
I. Gotra Exogamy	Practice supported by the appearance of the institution of Gotra.
II. Niyoga	Practice of a woman having relations with her deceased husband's brother, which was not supported in this period.
III. Gargi and Maitreyi	Accomplished women who enjoyed high status despite the general degradation of women.
IV. Pushan	God whose status was elevated to become the patron of the Kshatriya Varna.

How many of the above pairs are correctly matched?

- (a) Only two
- (b) Only three
- (c) Only four
- (d) Only one

Correct Answer: (b)

Explanation:

- **Pair I: Correct.** The institution of **Gotra** appeared first time and the practice of **Gotra exogamy** started.
- **Pair II: Correct.** The **Niyoga** practice was not supported.
- **Pair III: Correct.** Women's status degraded, but women like **Gargi** and **Maitreyi** were accomplished in knowledge. Gargi notably outwitted Yajnavalkya.
- **Pair IV: Incorrect.** **Pushan** became the god of **Shudras's**, not Kshatriyas.

6. Consider the following statements regarding the structure of the Vedic literature:

1. Vedic literature is fundamentally divided into **Shruti** (divine revelation) and **Smriti** (remembered by ordinary human beings).
2. Each of the four Vedas generally has four parts, but the entire corpus is divided into two sections: **Karma Kanda** and **Gyana Kanda**.
3. **Aranyakas** and **Upanishads** are considered parts of the **Karma Kanda** as they focus on rituals and proper conduct.

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

Correct Answer: (b)

Explanation:

- **Statement 1: Correct.** Vedic literature was transferred through **Shruti** (product of divine revelation) and **Smriti** (remembered by ordinary human beings).
- **Statement 2: Correct.** Each Veda has four parts and is divided into **Karma Kanda** (Vedic Samhita, Brahmana) and **Gyana Kanda** (Aranyaka, Upanishads).
- **Statement 3: Incorrect.** **Aranyaka** and **Upanishads** constitute the **Gyana Kanda** (knowledge section), emphasizing meditation and spiritual wisdom. **Karma Kanda** consists of Vedic Samhita and Brahmana.

**7. With reference to the Rigveda, consider the following statements:**

1. Mandalas 2-7 are the oldest part, known as "family books," and were compiled by various families of seers.
2. Mandala 9 is unique as it is dedicated entirely to the God **Indra**.
3. The **Nadi Stuti Sukta** in Mandala 10 praises the rivers, considering Sarasvati as the most pious (Naditama, Devitama, Mahetama).

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Correct.** Mandalas 2-7 are the oldest part, called "family books," compiled by families of seers/rishis.
- **Statement 2: Incorrect.** Mandala 9 is dedicated entirely to **Soma**. Mandala 1 is dedicated to Indra and Agni, among others.
- **Statement 3: Correct.** Mandala 10 contains the **Nadi Stuti Sukta**, praising the rivers, with Sarasvati being called **Naditama, Devitama, Mahetama**.

**8. The legend of Satyakam Jabal found in the Chhandogya Upnishada is significant because it suggests which of the following social characteristics?**

- (a) The endorsement of the Niyoga practice as a means of social security.  
(b) The strict adherence to the Gotra system in matters of marriage and lineage.  
(c) The presence of a stigma attached to being born to an unmarried mother, reflecting social rigidity.  
(d) The prevalence of Pratiloma marriage despite it not being sanctioned by the Vedas.

**Correct Answer: (c)**

**Explanation:**

- The **Chhandogya Upnishada** contains the legend of **Satyakam Jabal** and the **stigma of being an unmarried mother**. This illustrates the increasing social rigidity and the importance of lineage, even in philosophical texts.
- **Option (a):** Niyoga was **not supported** in the Later Vedic Age.
- **Option (b):** While the Gotra system appeared, the legend highlights illegitimacy rather than Gotra rules.
- **Option (d):** Pratiloma marriage was a separate topic mentioned in the same Upanishad, but the legend of Jabal specifically relates to the stigma of his birth.

**9. Consider the following statements:**

1. The **Yajurveda** is divided into **Shukla** (White) and **Krishna** (Black) versions, with the Black version including both mantras and prose explanations.
2. The **Shatpatha Brahmana**, associated with the Yajurveda, is one of the most important later Vedic texts, describing the expansion of the Aryans towards the Eastern Gangetic Plains and the **Purush Medha** ritual.
3. The Upveda for Yajurveda is **Dhanur Veda**, which was composed by **Vishwamitra**.

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

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

(d) 1, 2 and 3

**Correct Answer: (d)**

**Explanation:**

- **Statement 1: Correct.** Yajurveda is divided into **Shukla** (only mantras) and **Krishna** (mantras + Prose explanations).
- **Statement 2: Correct.** **Shatpatha Brahmana** (of Yajurveda ) states that Aryans moved towards the **Eastern Gangetic Plains**. It also speaks of the **Purush Medha** ritual and the story of Videgha Madhav.
- **Statement 3: Correct.** The Upveda for Yajurveda is **Dhanur Veda** by **Vishwamitra**.

**10. With reference to the Later Vedic and Post-Vedic concepts of life goals, consider the following statements:**

1. The four **Purusharthas** (goals) are **Dharma, Artha, Kama, and Moksha**, all of which were fully developed and codified during the Later Vedic Period.
2. The **Dharma Shastra** refers to Sanskrit texts defining morality and duty, stating that a person's **dharma** was dependent on gender, marital status, varna, and ashram.
3. The **Ashramas** (stages of life) associate **Brahmacharya** with the goal of **Dharma**, and **Grihastha** with the goals of **Artha** and **Kama**.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** While the four goals are correct , the stage associated with **Moksha** (**Sanyasa**) developed **after** the Later Vedic Period (LVP), meaning the concept wasn't fully codified/developed in this phase.
- **Statement 2: Correct.** **Dharma Shastra** refers to Sanskrit texts about morality and duty (**Dharma**), which was dependent on gender, marital status, Varna and ashram.
- **Statement 3: Correct.** The three out of four Ashramas mentioned associate **Brahmacharya** with **Dharma** and **Grihastha** with **Artha** and **Kama**.

## The Mahajanapadas of the Indo-Gangetic Plain

**1. With reference to the economic developments during the period of Mahajanapadas (6th century BCE), consider the following statements:**

1. The introduction of iron-tipped ploughshares led to a substantial agricultural surplus, primarily by making the cultivation of the fertile alluvial soil in the middle Gangetic plain easier.
2. Punch-marked coins (Karshapana) were initially issued by the state, and their circulation marked the complete end of the barter system in the Indo-Gangetic plain.

**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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** The widespread use of **iron-tipped ploughshares** enabled the clearance of the rain-fed forested, hard-soil area of the middle Ganga basin and facilitated deep ploughing, which led to a significant **agricultural surplus** and supported the urban population.
- **Statement 2: Incorrect.** While **punch-marked coins** (Karshapana) marked a significant growth in trade and the use of metallic currency, they were initially issued by **merchant guilds** and later became state-issued currency. Furthermore, their circulation did **not** lead to the complete end of the barter system; elements of barter co-existed with currency for a long time.

**2. Consider the following pairs:**

	Mahajanapada	Capital
I.	Vatsa	Kaushambi
II.	Anga	Champa
III.	Chedi	Suktimati
IV.	Ashmaka	Ujjaini

**How many of the above pairs are correctly matched?**

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

**Correct Answer: (c)**

**Explanation:**

- **Pair I (Vatsa - Kaushambi): Correct.** Kaushambi was the capital of Vatsa, an important kingdom on the bank of the Yamuna river.
- **Pair II (Anga - Champa): Correct.** Champa was the capital of Anga, located at the confluence of the Ganga and Champa rivers, and was a key trade center.
- **Pair III (Chedi - Suktimati): Correct.** Suktimati (or Sothivatinagara) was the capital of the Chedi kingdom, located in the Bundelkhand region.
- **Pair IV (Ashmaka - Ujjaini): Incorrect.** Ujjaini was the capital of the northern part of **Avanti**. **Ashmaka** (or Assaka) was the only Mahajanapada situated in **Dakshinapatha** (South India), on the banks of the Godavari river, with its capital at **Potana** or **Potali**.

**3. Which one of the following is the characteristic pottery of the period of the Mahajanapadas and the Second Urbanisation?**

- (a) Painted Grey Ware (PGW)
- (b) Black and Red Ware (BRW)
- (c) Northern Black Polished Ware (NBPW)
- (d) Ochre Coloured Pottery (OCP)

**Correct Answer: (c)**

**Explanation:**

- The period of the **Mahajanapadas** (c. 6th century BCE to 2nd century BCE) is archaeologically characterised by the **Northern Black Polished Ware (NBPW)**. This highly glossy, shining pottery is



often associated with the wealthy and elite classes of the time and is a key marker of the **Second Urbanisation** in the Gangetic plain.

- PGW is generally associated with the Later Vedic period.

**4. With respect to the administrative structure of the monarchical Mahajanapadas, consider the following statements:**

1. The primary tax on agricultural produce, known as bhaga, was generally fixed at one-sixth of the total yield.
2. The king's authority was absolute, and he was not assisted by any advisory councils like Sabha or Parishad.
3. Officials known as Balisadhakas were appointed specifically to collect the voluntary offerings (Bali) which later became a compulsory tax.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Correct.** The crop tax, called bhaga (a share), was indeed the most significant tax and was usually fixed at **one-sixth** ( $\frac{1}{6}$ ) of the produce.
- **Statement 2: Incorrect.** While the king held significant power, he was typically assisted by various ministers (Mahamatras or Amatyas) and advisory councils such as the **Sabha** and **Parishad**, though their power declined compared to the early Vedic period.
- **Statement 3: Correct.** The term Bali evolved from a voluntary offering in the Vedic period to a compulsory tax during the Mahajanapada period. The officials responsible for collecting this tax were called **Balisadhakas**.

**5. With reference to the Gana-Sanghas (Republics) of the Mahajanapada period, consider the following statements:**

1. Unlike the kingdoms, the Gana-Sanghas were typically governed by a single, hereditary Raja who had absolute power over all ruling clans.
2. The stratification of society was generally less extensive in the Gana-Sanghas, with power largely concentrated in the Kshatriya rajakula (ruling families).

**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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** This describes a **monarchy**. The Gana-Sanghas (e.g., Vajji, Malla) were non-monarchical states, often oligarchies, where power was **diffused** and held by an **assembly** of heads of ruling clans (rajas). The head of the assembly (the Gana Mukhya) was generally elected and his office was not hereditary.
- **Statement 2: Correct.** Since the power was diffused and administration was not extensive, the social stratification in the Gana-Sanghas was limited, primarily consisting of the **Kshatriya rajakula** (ruling

families) and the **dasa-karmakara** (slaves and labourers), excluding others like Brahmans and farmers from political participation.

**6. The shift of the focus of political activity from the western part of the Indo-Gangetic plain to the eastern part (Magadha) by the 6th century BCE was primarily due to:**

- (a) The rise of a charismatic Raja from the Kuru-Panchala clan who consolidated power in the east.
- (b) The depletion of iron ore mines in the western regions, necessitating a move eastward.
- (c) The greater availability of fertile alluvial soil, higher rainfall, and proximity to iron and copper ore deposits in the eastern region.
- (d) The invasion of new Indo-Aryan tribes who settled exclusively in the eastern Gangetic valley.

**Correct Answer: (c)**

**Explanation:**

- The rise of Magadha in the eastern Gangetic plain was fundamentally rooted in its **geographical and economic advantages**. This region benefited from **higher rainfall** and the extremely **fertile Gangetic plains**, leading to agricultural surpluses. Crucially, it was also close to the rich **iron ore** deposits of present-day Jharkhand and Bihar, which supplied material for advanced tools and weapons, enabling the large-scale state-formation and military expansion of Magadha.

**7. Consider the following Mahajanapadas:**

1. **Avanti:** It was one of the four major monarchies along with Magadha, Kosala, and Vatsa, and its capital Ujjaini was a key trade centre connecting North India with the Deccan.
2. **Gandhara:** Its capital Taxila was a significant centre for trade and learning, and its king maintained diplomatic ties with Magadha during the time of the Buddha.
3. **Kamboja:** Several literary sources mention it as a prominent Monarchy, which played a crucial role in the Magadhan expansion towards the North-West.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Correct.** Avanti, with its capital Ujjaini, was indeed one of the most powerful states and was vital for trade routes to the South.
- **Statement 2: Correct.** Gandhara, with its capital Taxila (Takshashila), was a major center for trade and learning. Its king, Pukkusati (Pushkarasarin), is noted to have maintained diplomatic relations with Magadha's Bimbisara.
- **Statement 3: Incorrect.** Kamboja is often mentioned in literary sources as a **Republic** (Gana-Sangha), not a prominent Monarchy. It was located far in the North-West and did not play a direct role in the Magadhan expansion towards the North-West, which happened much later under the Mauryas, after its initial rise.

**8. With reference to the nature of the Second Urbanisation, consider the following statements:**

1. Unlike the Harappan cities, planned urban layouts and the use of burnt bricks on a substantial scale were largely absent in the cities of the Mahajanapada period.

2. The emergence of specialised craft production, such as the Shrenis (guilds) of smiths, carpenters, and potters, was a direct consequence of the agricultural surplus in the Gangetic valley.

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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** The cities of the Second Urbanisation (Mahajanapada period) were less sophisticated in their urban planning than the Harappan cities. While **burnt bricks** were used, their use on a massive, structural scale (like in Harappa) was **inadequate** or limited to specific structures. The use of mud structures and fortifications was more common.
- **Statement 2: Correct.** The **agricultural surplus** was a foundational factor, as it freed a section of the population from food production. This allowed for the rise of **specialisation** in crafts. The organisation of these craftsmen into **guilds (Shrenis)** marks a key socio-economic feature of the urban centers.

9. Consider the following pairs of Gana-Sanghas and their ruling clans/locations:

	Gana-Sangha	Associated Clan/Feature
I.	Vajji	Confederacy of eight clans, including the Lichchhavis.
II.	Malla	Located at Kusinagara, the place of Mahavira's Parinirvana.
III.	Shakya	The clan of Siddhartha Gautama (Buddha).

In how many of the above rows is the given information correctly matched?

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

**Correct Answer: (b)**

**Explanation:**

- **Pair I (Vajji): Correct.** The Vajji (or Vriji) confederacy was one of the most prominent Gana-Sanghas, famously a union of eight or nine clans, with the **Lichchhavis** of Vaishali being the most powerful.
- **Pair II (Malla): Incorrect.** The Mallas were another Gana-Sangha with two main branches. One branch had its centre at **Kusinagara**, which is traditionally the place of **Buddha's Mahaparinirvana** (death). **Mahavira's Parinirvana** (death) took place at **Pava**, which was the other main center of the Mallas.
- **Pair III (Shakya): Correct.** The Shakya clan, based at Kapilavastu, was the clan to which **Siddhartha Gautama** (Gautama Buddha) belonged. The Shakyas were an independent Gana-Sangha or part of a larger confederacy.

10. According to Buddhist texts like the Anguttara Nikaya and Jaina texts like the Bhagwatisutras, the number of major territorial states (Mahajanapadas) that flourished in the Indo-Gangetic plain during the 6th century BCE was:

- (a) 12  
(b) 16  
(c) 18  
(d) 22

**Correct Answer: (b)**

**Explanation:**

- Both the Buddhist text **Anguttara Nikaya** and the Jaina text **Bhagwatisutras** provide the most commonly accepted and repeated list of **sixteen (16)** Mahajanapadas that existed in ancient India around the 6th century BCE. The term Shodasha Mahajanapadas (Sixteen Great States) is derived from these accounts.

## Magadha: The Most Powerful Mahajanapada

**1. With reference to the geographical advantages of Magadha, consider the following statements:**

- Magadha's early capital, Rajagriha, was inherently secure due to its location, being protected by five large, non-negotiable rivers on all sides.
- The location of Pataliputra was instrumental in giving Magadha control over the crucial Dakshinapatha (Southern trade route) by commanding riverine traffic on the Ganga and Son.

**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

**Correct Answer: (b)**

**Explanation:**

- Statement 1: Incorrect.** Rajagriha (or Girivraja) was protected by **five surrounding hills**, not rivers, which made it virtually impregnable. The later capital, Pataliputra, was protected by the confluence of rivers (Ganga, Son, Punpun, etc.).
- Statement 2: Correct.** Pataliputra's location at the confluence of major rivers like the Ganga and Son gave Magadha **mastery over riverine trade**. The river system provided a cheap and convenient mode of transport and also helped control the mainland route between West and East India, which eventually connected with the Dakshinapatha (the route towards Ujjain and the Deccan).

**2. With reference to the economic base of Magadha, consider the following statements:**

- The availability of iron ore in the region enabled the Magadhan state to maintain the monopoly of advanced weaponry, as the skill of hardening iron was exclusively restricted to the capital.
- The fertile alluvial soil of the middle Gangetic valley, coupled with high rainfall, ensured a massive agricultural surplus, which was easily converted into state revenue due to the absence of intermediate landlords.

**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

**Correct Answer: (b)**

**Explanation:**

- Statement 1: Incorrect.** While Magadha greatly benefited from its proximity to huge **iron and copper deposits** (in present-day Jharkhand and Bihar), which allowed for the production of advanced tools and weapons, the **monopoly** of skill was not absolute. Blacksmiths had advanced knowledge across

various Mahajanapadas, and the use of iron was widespread, although Magadha had a quantitative advantage in resources.

- **Statement 2: Correct.** The combination of **fertile land, high rainfall, and river water supply** led to superior rice cultivation and a substantial agricultural surplus. The state's direct collection of **1/6th of the produce (bhaga)** was highly efficient, as the notes confirm the **absence of intermediate landlords**, maximizing the state's revenue.

**3. Which one of the following cultural characteristics primarily contributed to the political and military rise of Magadha, distinguishing it from the more orthodox western kingdoms like Kuru-Panchala?**

- (a) Strict adherence to the Varna system, which promoted social harmony and order.
- (b) The dominance of Brahmanical orthodoxy, which ensured ideological unity among the ruling class.
- (c) A liberal and unorthodox character of society, arising from a mix of Aryan and non-Aryan populations, which welcomed and harnessed talent regardless of social origin.
- (d) The complete rejection of new religious movements like Jainism and Buddhism, maintaining political stability.

**Correct Answer: (c)**

**Explanation:**

- **Magadha** was located in the eastern region, which was less influenced by the strict Brahmanical traditions of the Kuru-Panchala area. The society was a mix of **Aryan and non-Aryan peoples**, resulting in an **unorthodox and liberal** character. This environment allowed for the emergence of **Jainism and Buddhism** and, crucially, permitted the rise of **ambitious rulers** who were often of '**low**' **origin** (like the Nandas), leading to a stable society and a large, unified population base for a strong army.

**4. With reference to the political developments that aided Magadha's expansion, consider the following statements:**

1. Magadha was the first Mahajanapada to maintain a large, centrally paid, and professional standing army, which was a fundamental shift from the reliance on militia forces used by other contemporary states.
2. Magadhan rulers successfully implemented a strategy of expansion through a combination of matrimonial alliances, targeted conquest of its neighbours, and the outright annexation of all *Gana-Sanghas* by the 6th century BCE itself.

**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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** The immense economic resources allowed the Magadhan kings to maintain a **large, permanent, and professional standing army** (infantry, cavalry, chariots, and elephants), paid for by the state. This contrasted with other states that largely relied on tribal levies or part-time militias.
- **Statement 2: Incorrect.** While the Magadhan rulers (especially Bimbisara and Ajatashatru) used **matrimonial alliances** (Kosala, Madra) and **conquest** (Anga) effectively, the complete annexation of all *Gana-Sanghas* and rival kingdoms like Avanti did **not** happen by the 6th century BCE. The powerful



Avanti was only annexed by the **Sisunaga dynasty** later, and the Gana-Sanghas continued to exist until the Nanda/Maurya period.

5. Consider the following pairs of dynasties and their most significant achievement in the context of Magadhan power:

	Dynasty	Defining Achievement
I.	Brihadratha Dynasty	The first consolidation of the Magadha kingdom with a fixed capital at Rajagriha.
II.	Sisunaga Dynasty	Final destruction and annexation of the powerful rival kingdom of Avanti.
III.	Nanda Dynasty	The first empire-builders of India, claiming the title <i>Ekarat</i> (sole sovereign).

In how many of the above rows is the given information correctly matched?

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

**Correct Answer: (c)**

**Explanation:**

- **Pair I (Brihadratha): Correct.** The Brihadratha dynasty, though largely known from Puranic and Epic tradition, is considered the **earliest dynasty** of Magadha, and its rulers like Jarasandha are associated with the initial consolidation of power around **Rajagriha**.
- **Pair II (Sisunaga): Correct.** The Sisunaga dynasty is historically significant because **Shishunaga** (or his successor) finally conquered **Avanti**, bringing an end to the century-old rivalry between the two major powers.
- **Pair III (Nanda): Correct.** The Nanda dynasty, particularly **Mahapadmananda**, is considered the **first empire-builder** (or the **first historical emperor**) of India, who uprooted all minor dynasties and claimed the title '**Ekarat**' (sole monarch).

6. With reference to the Brihadratha Dynasty, which precedes the historical Haryanka Dynasty in the Magadhan lineage, consider the following statements:

1. This dynasty is primarily known from the *Puranas* and the epic *Mahabharata*, which mention its most powerful king, Jarasandha.
2. The dynasty ruled from its capital at Girivraja, which was a strategic city encircled by hills.
3. The dynasty was overthrown by King Bimbisara of the Haryanka Dynasty, who subsequently established his own rule.

Which of the statements given above is/are correct?

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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** The Brihadratha dynasty, which included Brihadratha and Jarasandha, is primarily referenced in the **Puranic tradition** and the **Mahabharata**.
- **Statement 2: Correct.** The dynasty's early capital was **Girivraja** (the old name of Rajagriha), which was naturally defended by a ring of hills.

- **Statement 3: Incorrect.** The Brihadratha line was succeeded by the **Pradyota Dynasty** (briefly) or the **Haryanka Dynasty**. However, Bimbisara did **not** directly overthrow the Brihadrathas; the Haryanka Dynasty followed an intervening period or a weaker successor to the Brihadrathas.

**7. With reference to King Pradyota of Avanti, the major rival of Magadha for nearly a century, consider the following statements:**

1. Pradyota was a contemporary of King Bimbisara and a significant rivalry existed between them, marked by diplomatic engagements such as Bimbisara sending his personal physician, Jivaka, to treat Pradyota for jaundice.
2. The intense rivalry finally concluded when Pradyota was militarily defeated and killed by Ajatashatru, leading to Avanti's immediate annexation into the Magadhan Empire.

**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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** King **Pradyota** of Avanti, with his capital at Ujjain, was one of the four great monarchies. He was a **contemporary of Bimbisara**, and despite the rivalry, the noted exchange of the physician **Jivaka** for Pradyota's treatment highlights their diplomatic engagement and Bimbisara's political foresight.
- **Statement 2: Incorrect.** While Ajatashatru fortified Pataliputra in preparation for a possible war with Avanti, he did not annex it. Avanti was finally conquered and annexed much later by the **Sisunaga Dynasty**, ending the long-standing rivalry.

**8. With reference to the Haryanka Dynasty of Magadha, which consolidated the kingdom's power, consider the following statements:**

1. King Bimbisara pursued an aggressive foreign policy, which included the use of powerful marital alliances with Kosala and Madra, and the strategic conquest of the kingdom of Anga.
2. King Ajatashatru was credited with the construction of the strategically important fort at Pataliputra during his successful war against the powerful Vajji confederacy.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** Bimbisara was a master diplomat and expansionist. He secured his borders and resources through **matrimonial alliances** (with Kosala's Princess Kosaladevi and a princess of Madra) and through **conquest** (annexing Anga to control the Champa river trade).
- **Statement 2: Correct.** Ajatashatru (son of Bimbisara) built the strategic fort (*durga*) at the village of **Patali** (which would become Pataliputra) as a forward operating base during his campaigns against the **Vajji** confederacy of Vaishali. The fort's location proved vital, leading his successor **Udayin** to shift the capital there permanently.

9. With reference to the Sisunaga Dynasty that succeeded the Haryankas, consider the following statements:

1. The founder, Sisunaga, shifted the capital from Pataliputra back to his ancestral home, Vaishali, to better manage the newly conquered western territories of Avanti.
2. Kalasoka, the son of Sisunaga, is historically significant for convening the Second Buddhist Council at Pataliputra to address disciplinary issues in the Sangha.

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

Correct Answer: (d)

Explanation:

- **Statement 1: Incorrect.** Sisunaga did indeed conquer Avanti, but he shifted the capital from Pataliputra to **Vaishali**. However, the primary reason was political, to break the hold of the old capital and establish a new power base, not solely to manage Avanti.
- **Statement 2: Incorrect.** Kalasoka (also known as **Kakavarna**) is indeed famous for convening the **Second Buddhist Council**, but this council was held at **Vaishali**, not Pataliputra.

10. With reference to the Nanda Dynasty, the last rulers before the Mauryan Empire, consider the following statements:

1. The founder, Mahapadmananda, claimed the title '**Ekarat**' (sole sovereign) and is credited with consolidating an empire over a vast territory by annihilating the Kshatriya ruling families.
2. Dhanananda, the last Nanda king, was overthrown by the Mauryan forces led by Chandragupta, primarily because his army was significantly weaker and less professional than that of the Mauryan Empire.

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

Correct Answer: (a)

Explanation:

- **Statement 1: Correct.** Mahapadmananda, the founder, is widely described as a ruthless and ambitious ruler who created the first great empire in North India. He claimed the title '**Ekarat**' (sole monarch) and is known for annihilating lesser dynasties and creating a truly unified kingdom.
- **Statement 2: Incorrect.** While Dhanananda was overthrown by Chandragupta Maurya, the reason was **not** due to a weaker army. The Nanda army was, in fact, famously **massive and powerful**, which is why **Alexander's troops refused to advance** beyond the Beas river, fearing the Nanda forces. Dhanananda's overthrow was primarily due to his **unpopularity** among his own people (due to excessive taxation) and the genius of Chanakya, who rallied support for Chandragupta.

## Magadha-II

1. In the context of the society during the Magadha Empire, the term 'Grihapatis' and 'Vessa' primarily signify:

- Hereditary officials responsible for collecting taxes and maintaining the village records, respectively.
- The two dominant castes (Kshatriya and Vaishya) that held exclusive rights to land ownership and trade.
- Wealthy peasants who owned land and the specialized streets where merchants conducted their trade, respectively.
- Members of the royal court (Parishad) and the specialized military units, respectively.

**Correct Answer: (c)**

**Explanation:**

- The notes clarify the societal and economic structure: 'Grihapatis' referred to the **rich peasants** or householders who owned their land. 'Vessa' denoted the **Merchants Street**, indicating the physical grouping and specialization of trade within the emerging urban centres.

2. With reference to the economic characteristics of the Magadha Empire, consider the following statements:

- The primary agricultural tax, known as *Bhaga*, was fixed at one-sixth of the farm produce, a system efficiently managed due to the absence of intermediate landlords.
- The earliest archaeological evidence of coinage, the Punch Marked Coins (*Aahat coins*), was initially issued by the state to consolidate its economic control.

Which of the statements given above is/are correct?

- 1 only
- 2 only
- Both 1 and 2
- Neither 1 nor 2

**Correct Answer: (a)**

**Explanation:**

- Statement 1: Correct.** The key to Magadha's revenue was the efficient taxation system where **1/6th of the farm produce** was collected as *Bhaga*. The notes confirm that this system was efficient due to the **absence of intermediate landlords**.
- Statement 2: Incorrect.** The notes state that the **Punch Marked Coins** (*Aahat coins*) were issued by **Merchants first** (as *Negama Coins*) and only in a later phase by the State.

3. Consider the following administrative officials of the Magadha Empire:

	Official	Primary Function
I.	<b>Mahamatras</b>	General ministers ( <i>Mantrin</i> ) and Commander ( <i>Senanayaka</i> ).
II.	<b>Balisadhakas</b>	Officials appointed to collect the compulsory taxes.
III.	<b>Gramabhojaka</b>	The supreme judicial officer presiding over the capital court.

In how many of the above rows is the given information correctly matched?

- Only one
- Only two
- All three
- None

**Correct Answer: (b)**

**Explanation:**

- **Pair I (Mahamatras): Correct.** The notes list Mahamatras as high-ranking officials, including the **Mantrin (minister)** and **Senanayaka (Commander)**.
- **Pair II (Balisadhakas): Correct.** The notes specifically identify **Balisadhakas** as the **Tax Officer** who collected taxes from peasants and *Vaishyas* only.
- **Pair III (Gramabhojaka): Incorrect.** **Gramabhojaka** (also *Gramini* or *Gramika*) was the **Head of the Village**, an important local administrative post, not the supreme judicial officer.

**4. With reference to the political control exercised by the Magadhan state over its territory, consider the following statements:**

1. The Mahajanapadas era saw the beginning of a hereditary and centralized administrative system, replacing the clan-based governance seen in the early Vedic period.
2. The existence of the '**sartha**' guilds for merchants and artisans significantly weakened the political control of the state over urban economic activities.

**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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** The rise of Magadha solidified the trend of **monarchy** and a **centralized, hierarchical administrative structure**, moving away from the egalitarian, clan-based governance of the *Gana-Sanghas* and early Vedic polities.
- **Statement 2: Incorrect.** While '**sartha**' (guilds) represented the organization of trade and crafts, they did **not** weaken the state. The state benefited greatly from the taxes and tributes paid by these prosperous guilds, which often had a regulatory role under the state's ultimate authority.

**5. With reference to the Persian and Macedonian Invasions of North-Western India during the Magadha Dynasties, consider the following statements:**

1. Darius-I, the grandson of Cyrus, was the first foreign ruler to conquer Indian territory, establishing control over Gandhara, Kamboja, and Madra.
2. The Persian invasion is credited with introducing the Kharoshthi script and influencing the design of the Bell-shaped capital found on Ashokan pillars.

**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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** **Cyrus**, the founder of the Achaemenid Dynasty, was the **first** foreign ruler to conquer an Indian region (west of the Indus), establishing control over **Gandhara, Kamboja, and Madra**. His grandson, **Darius-I**, later conquered Punjab and Sindh.



- **Statement 2: Correct.** The notes confirm that the impact of the Persian invasion included the introduction of the **Kharoshthi script** (right to left) and the architectural influence of the **Bell-shaped capital** on later Maurya art.

**6. Consider the following statements regarding the developments initiated by the Haryanka rulers of Magadha:**

1. King **Bimbisara** used a multi-pronged strategy involving **matrimonial alliances** (with Kosala and Madra) and direct **conquest** (Anga) to consolidate his economic and political position.
2. King **Ajatashatru** deployed two advanced war engines, **Rathamusala** (scythe-chariot) and **Mahasilakantaka** (stone-pelting machine), during his successful campaign against the **Vajji** confederacy.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** Bimbisara strengthened the Magadhan kingdom by using marriage to secure the western borders (Kosala, Madra) and conquest (Anga) to gain economic hegemony over trade routes.
- **Statement 2: Correct.** Ajatashatru's war against the powerful Vajji (Vriji) confederacy is documented as the period when he used these two new and technologically advanced war machines to break the Vajjian resistance.

**7. With reference to the Sisunaga and Nanda dynasties of Magadha, consider the following statements:**

1. The Sisunaga king, **Kalasoka (Kakavarana)**, is famous for presiding over the **Second Buddhist Council** at Vaishali and permanently shifting the capital back to Pataliputra.
2. The Nanda ruler, **Mahapadmananda**, is considered the first empire-builder of India, credited with conquering all Kshatriya kingdoms and assuming the title '**Ekarat**' (sole monarch).

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** Kalasoka convened the **Second Buddhist Council** at **Vaishali** (383 BCE) and restored the capital to **Pataliputra**, where it remained thereafter.
- **Statement 2: Correct.** Mahapadmananda, often described as a figure of humble origins, is historically recognized as the **first great empire-builder** (or **first historical emperor**) who conquered all kingdoms of Northern India and took the title '**Ekarat**'.

8. Consider the following Major Rock Edicts (MRE) of Ashoka and their primary message:

	Rock Edict	Primary Subject Matter
I.	<b>MRE-2</b>	Prohibition of animal sacrifice, especially during festive seasons.
II.	<b>MRE-3</b>	Fixing the tenure of officials ( <i>Yuktas</i> , <i>Pradeshikas</i> , and <i>Rajukas</i> ) to spread Dhamma.
III.	<b>MRE-8</b>	Emphasis on <b>Dhammaghosha</b> (Dhamma) over <i>Bherighosha</i> (War).

How many of the above pairs are correctly matched?

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

Correct Answer: (a)

Explanation:

- **Pair I (MRE-2): Incorrect.** MRE-1 prohibits animal sacrifice. MRE-2 deals with **Medical treatment** for humans and animals, and digging of wells, as well as welfare measures in South Indian kingdoms.
- **Pair II (MRE-3): Correct.** MRE-3 describes the Generosity to Brahmins and the **fixing of the five-year touring cycle** for officials (*Yuktas*, *Pradeshikas*, and *Rajukas*) for spreading Dhamma.
- **Pair III (MRE-8): Incorrect.** MRE-4 emphasizes **Dhammaghosha** over *Bherighosha*. MRE-8 details **Ashoka's first visit to Bodh Gaya** and the Bodhi tree after ten years of his coronation (*dharma-yatras*).

9. With reference to the languages and scripts used in Ashokan inscriptions, consider the following statements:

1. The majority of the Edicts across the empire were composed in the **Prakrit** language, using the **Brahmi** script, written from left to right.
2. In the North-Western part of the empire (modern-day Pakistan/Afghanistan), the inscriptions exclusively used the **Kharoshthi** script and the **Greek** language.

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

Correct Answer: (a)

Explanation:

- **Statement 1: Correct.** The majority of the empire's edicts (in the core region of Magadha and India) were written in **Prakrit** language using the **Brahmi** script.
- **Statement 2: Incorrect.** While the North-Western regions used **Kharoshthi** (for Prakrit) and **Greek/Aramaic**, they were **not used exclusively**. For instance, the Kandahar Bilingual Edict uses both Greek and Aramaic, and the Shahbazgarhi/Mansehra Major Rock Edicts use the Kharoshthi script for the Prakrit language.

**10. Which one of the following Major Rock Edicts of Ashoka mentions the names of the South Indian contemporary kingdoms, indicating the geographical extent of his diplomatic engagement?**

- (a) MRE-1
- (b) MRE-2
- (c) MRE-7
- (d) MRE-13

**Correct Answer: (b)**

**Explanation:**

- **Major Rock Edict (MRE)-2** mentions the welfare measures taken by Ashoka in his own domain and in the neighbouring territories, including the South Indian kingdoms of the **Chola, Pandyas, Satyaputras, Keralaputras**, and also **Tamrapani** (Sri Lanka).

## **PILLAR EDICTS / MINOR ROCK EDICTs of Mauryan Empire**

**1. With reference to the Pillar Edicts and Minor Rock Edicts of Ashoka, consider the following statements:**

1. The Minor Rock Edicts were the first inscriptions to contain Ashoka's personal name (Ashoka), establishing his identity, whereas the Major Rock Edicts (MREs) only use his titles.
2. Pillar Edict-5 is notable for being the sole inscription to list prohibited animal killings and is specifically known as the Delhi-Topra Pillar Edict.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** Ashoka's personal name (Ashoka) is used in a few Minor Rock Edicts (e.g., Maski and Gujjara) and not in the Major Rock Edicts. These MREs were the first to provide this vital information.
- **Statement 2: Correct.** Pillar Edict-5 contains a detailed list of animals that should not be killed on certain days and is also referred to as the Delhi-Topra Pillar Edict (one of the locations where it was found).

**2. Consider the following statements regarding specific Mauryan Edicts:**

1. The Kalinga Edicts were issued to specifically address the issue of oppression by royal officers and introduced the policy of rotation of officials (Rajukas) in the restive province.
2. The Kosam/Queens Edict is the only inscription that mentions the name of Ashoka's son, Tivara/Tivala, and records the Emperor's order to the Buddhist Sangha to refrain from causing division.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** The Kalinga Edicts show Ashoka was concerned about "oppression in the province" and, therefore, introduced the **rotation of officers** in places like Torali, Ujjain, and Taxila.
- **Statement 2: Correct.** The Kosam/Queens Edict (found at Allahabad) mentions **Tivara/Tivala** as Ashoka's only son mentioned by name in the inscriptions. It also includes the **Schism Edict**, an order to the Sangha members to refrain from causing division.

**3. Which one of the following Pillar Edicts records Ashoka's pilgrimage to the birthplace of the Buddha and the consequent remission of the religious tax (Bali) and reduction of the land tax (Bhaga) to one-eighth (1/8th)?**

- (a) Sarnath Pillar Edict
- (b) Delhi-Topra Pillar Edict (PE-7)
- (c) Rummindei Pillar Edict
- (d) Allahabad-Kosam Pillar Edict

**Correct Answer: (c)**

**Explanation:**

- The **Rummindei Pillar Edict** records Ashoka's visit to **Lumbini** (Buddha's birthplace) and his subsequent decision to grant a tax concession: the religious tax (Bali) was fully remitted, and the land tax (Bhaga) was reduced from the usual one-sixth (1/6th) to **one-eighth (1/8th)**.

**4. With reference to social welfare and religious tolerance in the Magadha Empire, as reflected in Ashokan Edicts, consider the following statements:**

1. **Major Rock Edict-2** records the establishment of medical treatment for humans and animals, alongside the digging of wells and welfare measures in South Indian kingdoms.
2. **Pillar Edict-7** is the only one to mention Ashoka's explicit policy of **tolerance towards all religious sects** and details the duties of the **Dhamma Mahamattas** in ensuring this tolerance.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** MRE-2 provides comprehensive details on social welfare, including medical treatment for both species and the digging of wells.
- **Statement 2: Correct.** Pillar Edict-7 is the longest Edict and records both the policy of **tolerance for all sects** and the functions of the **Dhamma Mahamattas** in implementing welfare measures for all religious groups.

**5. With reference to the Central Administration of the Magadha Empire, consider the following statements:**

1. The highest financial officials were the Samharta (Chief of Revenue Department) and the Sannidhata (Treasurer), both of whom directly reported to the Emperor.
2. All major military and civil officials, including the Mantrin (Minister) and Senanayaka (Commander), were designated as Mahamatras in the broad administrative categorization.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** The **Samharta** (Chief of revenue) was responsible for tax collection, while the **Sannidhata** (treasurer) oversaw the state treasury and storehouses.
- **Statement 2: Correct.** The notes list **Mahamatras** as the high-ranking officials which included the **Mantrin (minister)** and the **Senanayaka (Commander)**, indicating a broad classification for top bureaucracy.

**6. In the decentralized units of the Magadha Empire's administration, the official designated as the Gramabhojaka (or Gramini/Gramika) was the most crucial link between the state and the populace, functioning as the:**

- (a) Head of the village, responsible for local revenue and order.
- (b) Administrator of the district (Ahara), responsible for judicial reviews.
- (c) Commander of the provincial army, operating from the fortress (Durga).
- (d) Inspector of the market, controlling weights and measures (Pautavadhayka).

**Correct Answer: (a)**

**Explanation:**

- The **Gramabhojaka, gramini or gramika** is listed as the **Head of the village**, which formed the smallest and most essential unit of local administration.

**7. With reference to the structure of provincial administration in the Mauryan Empire, consider the following statements:**

1. The three main categories of villages (Gramas) included settlements dominated by various castes, those linked to urban centres by craftsmen, and backward communities of hunters/fowlers.
2. The highest officials in the provincial administration, such as the Pradeshika and Rajukas, were required to tour the provinces every five years to enforce Dhamma and check on the administration.

**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

**Correct Answer: (c)**

**Explanation:**



- **Statement 1: Correct.** The notes mention **3 types of villages**: (1) various castes/communities, (2) dominated by craftsmen/urban-linked, and (3) fowlers/hunters (backward life).
- **Statement 2: Correct.** Major Rock Edict-3 mentions the **Yuktas, Pradeshikas, and Rajukas** having a mandated **five-year tenure** (Anusamyana) to tour the empire and spread Dhamma.

8. Consider the following pairs regarding the judicial and police system of the Magadha Empire:

	Term	Function / Meaning
I.	Kantakshadhona	Court dealing with Civil cases.
II.	Dharmasthiya	Court dealing with Criminal cases.
III.	Bandhangara	General Jail or prison.
IV.	Charaka	Small Lock-up or detention center.

How many of the above pairs are correctly matched?

- (a) Only one  
(b) Only two  
(c) Only three  
(d) All four

**Correct Answer: (b)**

**Explanation:**

- **Pair I (Kantakshadhona): Incorrect.** Kantakshadhona dealt with **Criminal** cases.
- **Pair II (Dharmasthiya): Incorrect.** Dharmasthiya dealt with **Civil** cases.
- **Pair III (Bandhangara): Correct.** Bandhangara is listed as **Jail**.
- **Pair IV (Charaka): Correct.** Charaka is listed as **Lock-up**.

9. Consider the following pairs related to the well-developed espionage system of the Magadha Empire:

	Term	Role
I.	Gudhapurushas	Spies picked from different segments of society.
II.	Mahamatyapasarpa	Officer controlling the entire espionage network.
III.	Vishakanyas	Stationary spies reporting from the provinces.

In how many of the above rows is the given information correctly matched?

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

**Correct Answer: (b)**

**Explanation:**

- **Pair I (Gudhapurushas): Correct.** These were the spies "picked from different segments."
- **Pair II (Mahamatyapasarpa): Correct.** This officer controlled the entire espionage network.
- **Pair III (Vishakanyas): Incorrect.** Vishakanyas were "poisonous girls" used as assassins or special agents. **Sansthana** were the **stationary** spies.

**10. With reference to the factors contributing to the decline of the Mauryan Empire, consider the following statements:**

1. The Mauryan economy, despite its vastness, suffered a significant **Financial Crisis** due to the massive expenditure on maintaining the large standing army and the patronage of Buddhist sanghas.
2. The theory of **Brahmanical Reaction** posits that resentment arose due to Ashoka's perceived anti-Brahmanical policies, which was manifested by the last Mauryan king being assassinated by his own Senapati.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** The notes list "Financial Crisis" as a reason. The enormous state expenditure on administration, the army, and Ashoka's Dhamma yatras and patronage are widely cited causes of the treasury's depletion.
- **Statement 2: Correct.** The notes list "Brahmanical Reaction" as a reason. This theory is supported by the fact that the last Mauryan ruler, **Brihadratha**, was assassinated by his own Senapati (**Pushyamitra Sunga**), a Brahmin, who then established the Sunga Dynasty.

## Buddhism-II

**1. With reference to the major schools of Buddhism, consider the following statements:**

1. The Hinayana/Theravada school, often referred to as the 'School of Elders', uses Pali as its primary canonical language.
2. Vajrayana Buddhism, which developed in Tibet, emphasizes magical power and the help of female Bodhisattvas for salvation.
3. The central concept of Mahayana Buddhism is the Arhat, who strives to attain individual salvation and exit the cycle of rebirth.

**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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Correct.** Hinayana/Theravada is the 'School of Elders' and uses the language Pali.
- **Statement 2: Correct.** Vajrayana (Diamond Vehicle) developed in Tibet, and salvation is sought through magical power and the help of female Bodhisattvas.
- **Statement 3: Incorrect.** The central concept of Mahayana Buddhism is the **Bodhisattva**, a being who delays their own nirvana to help others. The central concept of Hinayana/Theravada is the **Arhat**.

**2. With reference to the historical divisions within Buddhism, consider the following statements:**

1. The first division of the Sangha into Stharvadin and Mahasanghika occurred after the Second Buddhist Council.
2. The Sarvastivadin school of thought holds that all constituents of phenomena are wholly momentary and exist only in the present.
3. The deification of the Buddha by the Mahasanghikas fostered the eventual rise of Mahayana Buddhism.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Correct.** The first division into Stharvadin and Mahasanghika occurred after the Second Buddhist Council.
- **Statement 2: Incorrect.** The Sarvastivadin school believed that the constituents of phenomena were **not wholly momentary**, but existed forever in a latent form.
- **Statement 3: Correct.** The Mahasanghikas worshipped Buddha in an anthropomorphic form, and their deification of the Buddha fostered Mahayana Buddhism.

**3. Which of the following pairs of Buddhist concepts and their associated schools/philosophers are correctly matched?**

1. Shunyavaad (Doctrine of Voidness): Nagarjuna
2. Vigyanvaad (Doctrine of Consciousness): Vasubandhu
3. Sautrantika: Ultimate truth is indivisible.

Select the correct code:

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

**Correct Answer: (b)**

**Explanation:**

- **Pair 1: Correct.** Madhyamika Shunyavaad was given by Nagarjuna.
- **Pair 2: Correct.** Vigyanvaad/Yogacharya was given by Asanaga and Vasubandhu.
- **Pair 3: Incorrect.** Sautrantika is a Stharvadin sub-sect known for its reliance on the Sutras and rejection of the Abhidharma. The doctrine that the **ultimate truth is indivisible** is associated with the **Vaibhashika** school.

**4. With reference to Bodhisattvas in the Mahayana tradition, consider the following pairs:**

1. Padampani: Manifestation of Compassion
2. Vajrapani: Associated with the 'Laughing Buddha'
3. Kshitigarbha: Universal Bodhisattva

**How many of the pairs given above are correctly matched?**

- (a) Only one pair

- (b) Only two pairs
- (c) All three pairs
- (d) None of the pairs

**Correct Answer: (a)**

**Explanation:**

- **Pair 1: Correct.** Padampani/Avalokiteshwara manifests Compassion.
- **Pair 2: Incorrect.** Vajrapani manifests **Power**. The 'Laughing Buddha' is claimed to be an incarnation of **Maitreya**.
- **Pair 3: Incorrect.** Kshitigarbha is the **Deity of diseased Children**. **Samantabhadra** is the Universal Bodhisattva.

**5. Consider the following statements regarding the Bodhisattva Maitreya:**

1. Maitreya is also known by the name Ajitaboddhisatva.
2. Maitreya is considered to be the earliest Bodhisattva in the Buddhist tradition.

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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** Maitreya is also known as Ajitaboddhisatva.
- **Statement 2: Correct.** Maitreya is referred to as the **Future Buddha** and the **Earliest bodhisattva**.

**6. With reference to the Buddhist monastic life and associated terms, consider the following statements:**

1. UPASAMPADA refers to the ritual of ordination by which a candidate is authorized to undertake ascetic life.
2. SHEEL refers to the layperson leaving home to live the life of a Buddhist renunciate among the community of bhikkhus.
3. UPOSTHA is the formal confession by Monks of their offences committed during the Rainy Season.

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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** UPASAMPADA refers to the rite and ritual of ascetic vetting (ordination).
- **Statement 2: Correct.** SHEEL refers to when a layperson leaves home to live the life of a Buddhist renunciate.
- **Statement 3: Incorrect.** **PAVARANA** is the confession by Monks of their offences committed during the Rainy Season (Vassa). UPOSTHA is the day for "cleansing of the defiled mind" resulting in inner calm and joy.

7. Which of the following pairs of sites and related events/patrons are correctly matched?

1. VELAVAN: Monastery built by Bimbisara at Rajgriha.
2. Jetavana Vihara: Donated by the royal courtesan Amarapali.
3. Ashokaram Monastery: Built by Emperor Ashoka in Patliputra.

Which of the statements given above is/are correct?

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Correct.** VELAVAN was built at Rajgriha by Bimbisara.
- **Statement 2: Incorrect.** Jetavana Vihara was donated by **Anathpindak**. Amarapali provided her **Amarvatika** for the residence of Buddhist Monks.
- **Statement 3: Correct.** Ashokaram Monastery was built by Ashoka in Patliputra.

8. In the context of ancient Indian rock-cut architecture, what is the fundamental difference between a Chaitya and a Vihara?

- (a) A Vihara is a place of worship, while a Chaitya is the dwelling place of the monks.  
(b) A Chaitya is a place of worship, while a Vihara is the dwelling place of the monks.  
(c) A Chaitya is the stupa at the far end of the cave, while a Vihara is the circumambulatory path around it.  
(d) A Vihara belongs to the Hinayana tradition, while a Chaitya belongs exclusively to the Mahayana tradition.

**Correct Answer: (b)**

**Explanation:**

- **Option (b) is correct.** Chaityas (Chaitya-grihas) were primarily prayer halls or places of worship, often containing a Stupa. Viharas were residential complexes or monasteries (dwelling places) for the Buddhist monks to live, study, and meditate.

9. With reference to the end of Buddha's life and the Sangha, consider the following statements:

1. Buddha gave his last sermon to his disciple Subhada at Kushinara, the capital of the Malla Republic.
2. The decision to allow women to become Bhikshunis in the Buddhist Sangha was taken at Vaishali.
3. Buddha appointed his disciple Ananda to succeed him as the leader of the Sangha.

Which of the statements given above is/are correct?

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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** Buddha died at Kushinara and gave his last sermon to Subhada there.



- **Statement 2: Correct.** Buddha allowed women to enter the Sangha at Vaishali on the advice of Ananda.
- **Statement 3: Incorrect.** Buddha did not appoint any successor to lead the Sangha.

**10. Consider the following statements:**

1. The Sanchi Stupa is one of the sites considered to be a key location marking an important event in the life of Gautama Buddha.
2. The Saptarni Cave in Rajgir is the venue where the first congregation of the Buddhist Council was held.
3. The Mahabodhi Tree, a direct descendent of the original under which Buddha attained enlightenment, is the 5th generation tree planted by Cunningham.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** The Sanchi Stupa **doesn't have any relation with Buddha's life.**
- **Statement 2: Correct.** Saptarni Cave is the place of the 1st congregation of the Buddhist Council.
- **Statement 3: Correct.** The recent Mahabodhi Tree is the 5th generation tree planted by Cunningham.

## Indian Philosophy

**1. With reference to the Samkhya and Yoga schools of Hindu philosophy, consider the following statements:**

1. The Samkhya philosophy is dualistic, positing two eternal entities: Purusha (Spirit) and Prakriti (Nature), but it does not accept the existence of God.
2. The Yoga school, founded by Patanjali, provides the practical means to achieve the liberation theorized by the Samkhya school, and its doctrine of Ashtanga includes Pranayama (Breathing) and Dharana (Concentration).

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** Samkhya is the **oldest dualistic philosophy** with Purusha and Prakriti as its two entities, and the notes clearly state that **God is not accepted.**
- **Statement 2: Correct.** Yoga forms the philosophical basis for liberating Purusha from Prakriti through physical and mental discipline, and the **Ashtanga** (Eight Limbs) includes Pranayama and Dharana (along with Yama, Niyama, Asana, Pratyahara, Dhyana, Samadhi).

**2. Regarding the Nyaya and Vaisheshika schools, which often developed in tandem, consider the following statements:**

1. The Nyaya school, founded by Gautama, is primarily focused on epistemology, asserting that knowledge is achieved through logical reasoning and experience using various means of true knowledge (pramanas).
2. The Vaisheshika school, founded by Kanada, developed the earliest form of the Atomic Theory in India, stating that everything, including the soul, mind, time, and space, is a combination of permanent, indivisible atoms.

**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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** Nyaya focuses on knowledge (pramana) achieved through **logical reasoning and experience** (scientific approach).
- **Statement 2: Incorrect.** Vaisheshika developed the **Atomic Theory**, but it holds that atoms combine to form everything **except** time, space, mind, and soul, which are considered eternal and non-atomic substances.

**3. Which one of the following philosophies does not believe in the existence of a Creator God and instead asserts that the Vedas are eternal and salvation is achieved solely through the perfect performance of Vedic rituals and duties (Karma Kanda)?**

- (a) Samkhya
- (b) Nyaya
- (c) Purva-Mimamsa
- (d) Uttar-Mimamsa (Vedanta)

**Correct Answer: (c)**

**Explanation:**

- The **Purva-Mimamsa** school focuses on the analysis and understanding of the **Vedas** (Mimamsa means 'to analyze'). It emphasizes Karma Kanda (the ritualistic portion) and holds that the **Vedas are eternal and doesn't believe in God.**

**4. Consider the following pairs related to the philosophical schools of Uttar-Mimamsa (Vedanta) and their founders/proponents:**

	Scholar	Doctrine of Soul and Brahman
I.	<b>Shankaracharya</b>	Advaita (Non-dualism)
II.	<b>Ramanuja</b>	Dvaita (Dualism)
III.	<b>Vallabhacharya</b>	Shuddha Advaita (Pure Non-dualism)

**How many of the above rows are correctly matched?**

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

**Correct Answer: (b)**

**Explanation:**

- **Pair I (Shankaracharya): Correct.** Advocated Advaita (Non-dualism), emphasizing **Knowledge** for salvation.
- **Pair II (Ramanuja): Incorrect.** Ramanuja advocated **Vishishtadvaita** (Qualified Non-dualism), emphasizing **Bhakti** for salvation. **Madhvacharya** advocated Dvaita (Dualism).
- **Pair III (Vallabhacharya): Correct.** Advocated **Shuddha Advaita** (Pure Non-dualism), emphasizing **Bhakti** for Salvation.

**5. The Samkhya philosophy holds the distinction of being the oldest of the six orthodox schools and is known for providing the fundamental basis for which other philosophical schools?**

- (a) Purva-Mimamsa and Uttar-Mimamsa
- (b) Yoga, Nyaya, and Vaisheshika
- (c) All six orthodox schools equally
- (d) None, as it is non-theistic

**Correct Answer: (b)**

**Explanation:**

- The notes state that Samkhya is the "**Oldest philosophy**" and "**Provided the materialistic ontology for Nyaya and Vaisheshik**" and the "**philosophical basis for Yoga**".

**6. With respect to the Ashtanga (Eight Limbs) of the Yoga school, consider the following disciplines:**

1. Pratyahara is the discipline related to breath control.
2. Samadhi is the final stage of achieving bliss/super-consciousness.
3. Yama deals with moral restraints and social disciplines.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** Pratyahara is **Sense withdrawal**. **Pranayama** is the discipline related to **breath control**.
- **Statement 2: Correct.** Samadhi is the final limb, leading to **Bliss**.
- **Statement 3: Correct.** Yama is listed as **Restraints, moral disciplines**.

**7. With reference to the core metaphysical differences between Buddhism and Jainism, consider the following statements:**

1. Jainism explicitly accepts the existence of the **Soul (Jiva)** and posits that the soul exists in **everything**, including non-living entities, a belief entirely rejected by Buddhism.
2. Both Buddhism and Jainism are silent on the concept of God, viewing him merely as a **perfect being** who is not a creator of the universe.

**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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** The table states **Jainism: "Yes and Soul is in everything"** vs. **Buddhism: "No"** (regarding the Soul).
- **Statement 2: Incorrect.** While **Buddhism** is listed as **"Silent"** on God, **Jainism** is listed as believing in God as **"A perfect being and not a creator"**. The statement incorrectly merges their views.

**8. Regarding the social and religious authority accepted by the two Nastika sects, consider the following statements:**

1. Both Buddhism and Jainism explicitly reject the authority of the **Vedas** and are in agreement that the ultimate goal of liberation is possible for people of any Varna.
2. Buddhism openly criticized the **Varna System**, whereas Jainism did not criticize the Varna System, accepting that a person's birth status is determined by **Previous Karma**.

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** Both sects are **Unorthodox (Nastika)** and reject the **"Authority of Veda"**. Since both sought to break the Brahmanical monopoly on salvation, liberation was available to all.
- **Statement 2: Correct.** The table states **Buddhism: "Yes"** Criticism of Varna System. **Jainism: "No"** Criticism (birth based on Previous Karma).

**9. Consider the following pairs regarding the core tenets of Buddhism and Jainism:**

	Tenet	Associated Sect
I.	Theory of Rebirth/Reincarnation is accepted.	Both Buddhism and Jainism
II.	Avoidance of Extremism, adherence to the Middle Path.	Jainism
III.	Karma is viewed as a physical substance that is the bane of the Soul.	Jainism

**How many of the above rows are correctly matched?**

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

**Correct Answer: (b)**

**Explanation:**

- **Pair I: Correct.** The table states **Rebirth/Reincarnation: "Yes"** for both.
- **Pair II: Incorrect.** **Avoidance of Extremism** and adherence to the **Middle Path** is a core principle of **Buddhism**. Jainism does **not** avoid extremism (listed as "No" in the 'Avoidance of Extremism' row).
- **Pair III: Correct.** Jainism accepts the **Karma Theory** and views Karma as a subtle physical matter (Karmas are bane of Soul).

**10. The practice of non-violence (Ahimsa) in its extreme form, which advocates for rigorous protection of even insects and microscopic life, is a defining feature of:**

- (a) Purva-Mimansa
- (b) Jainism
- (c) Hinayana Buddhism
- (d) Mahayana Buddhism

**Correct Answer: (b)**

**Explanation:**

- The comparison table lists **Jainism** as accepting **Non violence: "Yes (in extreme form)"**, whereas Buddhism simply accepts "Yes". The rigorous protection of all life, including unintentional harm, is characteristic of the Jain tradition.

## Jainism-I

**1. With reference to the core metaphysical principles of Jainism, consider the following statements:**

1. Anekantavada posits that Reality has many facets (non-absolutism), meaning that no single, one-sided perspective can capture the full truth about an entity.
2. The doctrine of Syadvada (Theory of Relative Pluralism) logically follows from Anekantavada and suggests that all human judgments must be expressed conditionally using seven modes of predication (Nayas).

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** The notes define **Anekantavada** as "**non-absolutism or many-sidedness of reality**", meaning things have infinite aspects that no determination can exhaust.
- **Statement 2: Correct.** The notes state that **Syadvada** asserts that "All judgments are conditional," and that the "Combinations of these possibilities can be stated in 7 logical naya (judgement) called **Saptabhangi** or **Saptabhanginaya**."

**2. With reference to the ethical conduct prescribed in Jainism, consider the following statements:**

1. The Panch Mahavrat (Five Great Vows) are mandatory for all lay followers (Śrāvaka) and Monks, but they are observed in a more severe form by the monks.
2. The three non-ethical components of the Triratna (Three Jewels) of Jainism are Right Knowledge, Right Faith, and Right Conduct.

**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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** The five vows are observed in a **severe form (Mahavrata)** by Monks and Nuns. Lay followers observe them in a **less severe form (Anuvrata)**. The statement implies Mahavrata is mandatory for both, which is misleading; lay followers follow Anuvrata.
- **Statement 2: Correct.** The notes list the **Triratna** as **Right Knowledge, Right Faith, and Right Conduct (KFC)**. These three steps collectively form the path to Kevaljnan (omniscience).

**3. With respect to the Jain concept of Karma and the path to its cessation, consider the following statements:**

1. The Seven Tattvas (Fundamentals) describe the process of the soul's bondage and eventual liberation, beginning with Jiva (Soul) and concluding with Moksha (Liberation).
2. Moksha is attained when the flow of new Karma (Āsrava) into the soul is completely stopped (Samvara), and the existing Karma is destroyed (Nirjarā).

**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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** The notes list the **Seven Tattvas** as Jiva, Ajiva, Asrava, Bandha, Samvara, Nirjara, and Moksha. This sequence explains the state of the soul (Jiva/Ajiva), its bondage (Asrava/Bandha), and its path to freedom (Samvara/Nirjara/Moksha).
- **Statement 2: Correct.** The process of liberation involves **Samvara** (stopping the inflow of new Karma) and **Nirjarā** (shedding the existing Karma) to achieve **Moksha**.

**4. Who was the individual responsible for leading the Jain Sangha immediately after the death of Vardhamana Mahavira?**

- (a) Jamali (Mahavira's son-in-law)  
(b) Gosala Maskariputra (Founder of Ajivika sect)  
(c) Sudharaman (or Sudharma Svami)  
(d) Indrabhuti Gautama (The chief disciple)

**Correct Answer: (c)**

**Explanation:**

- The notes state: "**Sudharaman: 1st Chief of Jain Sangha after Mahavir**". He was one of Mahavira's eleven principal disciples (Ganadharas) and the only one to survive him, thus becoming the head of the monastic order.

5. Consider the following pairs of Jain terms and their meanings:

	Term	Meaning
I.	<b>Kayotsarga</b>	The state of liberation (freedom from the cycle of birth and death).
II.	<b>Siddha</b>	A challenging meditative posture, often a form of extreme asceticism.
III.	<b>Kevaljnan</b>	The attainment of omniscience or perfect knowledge.

How many of the above rows are correctly matched?

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

**Correct Answer: (b)**

**Explanation:**

- Pair I: Incorrect.** Kayotsarga is a **standing meditative posture** often seen in Tirthankara images (Digambara). Siddha is the state of liberation (Moksha), as achieved by Mahavira at Pavapuri.
- Pair II: Incorrect.** Siddha is the **state of liberation** (free from cycle of birth and death).
- Pair III: Correct.** The notes state that Mahavira attained **Kevaljnan** (omniscience).

6. Consider the following pairs regarding the Jain Councils:

	Council	Location/Key Result
I.	<b>First Council</b>	Held at Patliputra, resulting in the compilation of the 12 Angas.
II.	<b>Second Council</b>	Held at Mathura, finalising the 12 Angas and 12 Upangas.
III.	<b>Second Council</b>	Presided over by Devardhi Kshama Sramana.

How many of the above rows are correctly matched?

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

**Correct Answer: (b)**

**Explanation:**

- Pair I: Correct.** The notes confirm the **First Council** at **Patliputra** compiled the **12 Angas** under the chairmanship of Sthulbhadra.
- Pair II: Incorrect.** The **Second Council** was held at **Vallabhi** (Gujarat), not Mathura, and finalized the canon (12 Angas and 12 Upangas).
- Pair III: Correct.** The **Second Council** (Vallabhi) was presided over by **Devardhi Kshama Sramana**.

7. With reference to the major divisions of Jainism, consider the following differences:

	Difference	Digambara Sect	Shwetambara Sect
I.	<b>Clothing</b>	Sky-clad (Nude)	White-clad
II.	<b>Kevaljnan</b>	Women can achieve Kevaljnan.	Women cannot achieve Kevaljnan.

III.	<b>Image Eyes</b>	Downcast eyes, plain, naked figures.	Prominent staring eyes, richly decorated.
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**How many of the above rows are correctly matched?**

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

**Correct Answer: (b)**

**Explanation:**

- **Pair I: Correct.** The notes list the two sects as **Digambara** (sky-clad) and **Shwetambara** (white-clad).
- **Pair II: Incorrect.** The **Shwetambaras** believe women can attain salvation/Kevaljnan (Kayotsarga posture on images suggests this). The **Digambaras** believe women must be reborn as men to achieve liberation.
- **Pair III: Correct.** The notes state **Digambara** Tirthankaras have "**downcast eyes... are plain and always carved as naked figures**" and **Shwetambara** images have "**Prominent staring eyes and are richly decorated**".

**8. The ultimate goal of a Jain is to attain Ananta-Chatushtaya (Four Infinities), which collectively define the state of a Jina or Tirthankara. These four include:**

1. Ananta Gyan (Infinite Knowledge)
2. Ananta Virya (Infinite Power)
3. Ananta Darshan (Infinite Perception)
4. Ananta Bhakti (Infinite Devotion)

**How many of the above given terms are part of the Ananta-Chatushtaya?**

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

**Correct Answer: (b)**

**Explanation:**

- The notes list the **Ananta-Chatushtaya** as: **Ananta Gyan** (knowledge), **Ananta Darshna** (Perception), **Ananta Virya** (Power), and **Ananta Anand** (Bliss).
- Therefore, 1, 2, and 3 are correct. Ananta Bhakti is not listed as one of the four, although devotion is a part of Jain practice.

**9. The Jain theory of knowledge (Epistemology) relies on which of the following primary means of obtaining true knowledge (Pramanas)?**

- (a) Perception (Pratyaksha) and Inference (Anumana) only.
- (b) Verbal Testimony (Śabda) and Comparison (Upamāna) only.
- (c) Perception (Pratyaksha), Inference (Anumana), and Analogy (Upamāna).
- (d) Perception (Pratyaksha), Inference (Anumana), and Analogy (Upamāna), plus five-fold knowledge (Pramanas)

**Correct Answer: (d)**

**Explanation:**

- Jain epistemology includes five types of knowledge (which act as pramanas): Mati (sensory/scriptural), Shruta (scriptural), Avadhi (clairvoyance), Manahparyaya (telepathy), and Kevala (omniscience).
- While Perception (Pratyaksha) and Inference (Anumana) are included, the Jain system is generally known for accepting all these 5 Jñānas as the source of knowledge, or Pramanas.

**10. The Jain philosophical doctrine of Anekantavada is most closely related to the idea that:**

1. Reality consists of three aspects in every entity: substance (dravya), quality (guna), and mode (paryaya).
2. The highest form of truth (Paramarthika Satya) can only be realized through the Middle Path (avoidance of extremes), as taught by the Tirthankaras.

**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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Correct.** The notes state Anekantavada means "All entities have 3 aspects: **substance (dravya), quality (guna), and mode (paryaya).**" This multi-faceted nature is the core of non-absolutism.
- **Statement 2: Incorrect.** The **Middle Path** (avoidance of extremes) is a fundamental tenet of **Buddhism**, not Jainism. Jainism is characterized by its strict, non-compromising ascetic practices, which are the opposite of the Middle Path.

## JAINISM-II

**1. With reference to the major sects of Jainism, consider the following statements:**

1. The division into Digambara and Shwetambara was primarily precipitated by a twelve-year famine in Magadha, after which the group that stayed back adopted a more liberal attitude.
2. The Digambara sect holds that a woman cannot attain moksha (salvation) directly and must be reborn as a man, while the Shwetambaras accept the spiritual competence of women for moksha.
3. The 19th Tirthankara, Mallinatha, is believed to be a female by the Shwetambaras, a belief rejected by the Digambaras.

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

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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** The schism occurred due to a severe, 12-year famine in Magadha (around 300 BC). The group that migrated south under **Bhadrabahu** maintained the strict, nude practice (later **Digambara**), while the group that stayed back under **Sthulabhadra** adopted white clothes as a concession (**Shwetambara**).
- **Statement 2: Correct.** This is a fundamental doctrinal difference. **Digambaras** require absolute renunciation (including clothes), which they believe is impossible for women to sustain, thus requiring rebirth as a man for moksha. **Shwetambaras** maintain that the practice of nudity is not essential for salvation and accept women's spiritual competence.

- **Statement 3: Correct.** Digambaras assert that the 19th Tirthankara, **Mallinatha**, was a male, while Shwetambaras believe Mallinatha was a female, a point of theological divergence and an example of differing traditions.

2. With reference to the history of Jainism, consider the following pairs:

Jain Council/Sect	Associated Feature/Leader
1. First Jain Council	Presided by Devardhi Kshmasramna
2. Second Jain Council	Final compilation of 12 Angas and Upangas
3. Yapaniya Sect	Sub-sect that bridged the beliefs of Digambara and Shwetambara

How many of the pairs given above are correctly matched?

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

**Correct Answer: (b)**

**Explanation:**

- **Pair 1: Incorrect.** The **First Jain Council** (Pataliputra, approx 300 B.C.) was presided over by **Sthulabhadra**. **Devardhi Kshmasramna** presided over the **Second Jain Council** at Vallabhi.
- **Pair 2: Correct.** The **Second Jain Council** (Vallabhi, 512 A.D.), presided by Devardhi Kshmasramna, is where the **12 Angas** (main scriptures) and **Upangas** (subsidiary texts) were finally edited and written down, forming the canon of the Shwetambaras.
- **Pair 3: Correct.** The **Yapaniya** was an influential historical sub-sect that integrated elements from both major traditions (e.g., its monks sometimes went naked like Digambaras, but it accepted Shwetambara texts and the possibility of women's salvation).

3. With reference to the core philosophies of Jainism, consider the following statements:

1. Anekantavada is the principle of non-absolutism, postulating that truth and reality are manifold and can be viewed from different perspectives.
2. Syadvada is the logical expression of Anekantavada, which posits that all statements or judgments about a thing must be qualified by the term 'Syat' (in some respect/may be).

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

**Correct Answer: (c)**

**Explanation:**

- **Statement 1: Correct.** **Anekantavada** (doctrine of 'many-sidedness' or non-absolutism) is the core metaphysical principle of Jainism. It suggests that reality is complex and multifaceted, and no single, absolute view can capture the whole truth.
- **Statement 2: Correct.** **Syadvada** (doctrine of 'conditioned predication') is the epistemological (logic) framework that translates Anekantavada into speech. It requires using the term '**Syat**' (maybe/in a certain respect) before every statement to indicate that all judgments are relative, conditional, and only partially true.



**4. The Jain philosophical concept of Ananta-Chatushtaya (Infinite Quadrant) is related to:**

- (a) The four cardinal vows (Anuvratas) prescribed for the Jain householders.
- (b) The four types of suffering (Dukkha) that must be overcome to achieve moksha.
- (c) The four characteristics of a Kevalin (omniscient being) after the destruction of the four destructive Karmas.
- (d) The four basic elements (bhutas) that constitute the material world, rejected by Jainism.

**Correct Answer: (c)**

**Explanation:**

Ananta-Chatushtaya (Infinite Quadrant) refers to the four infinite attributes of the soul (jiva) that are completely revealed when all four Ghatiya Karmas (destructive Karmas that obscure the soul's true nature) are destroyed, leading to the attainment of Kevala Jnana (omniscience). These are:

1. **Infinite Knowledge** (Ananta Jnana)
2. **Infinite Perception** (Ananta Darshana)
3. **Infinite Bliss** (Ananta Sukha)
4. **Infinite Power** (Ananta Virya)

**5. Which of the following is not included in the Triratna (Three Jewels) of Jainism, which constitute the path to liberation?**

- (a) Samyak Darshana (Right Faith)
- (b) Samyak Jnana (Right Knowledge)
- (c) Samyak Charitra (Right Conduct)
- (d) Samyak Tapa (Right Austerity)

**Correct Answer: (d)**

**Explanation:**

The path to moksha (liberation) in Jainism is encapsulated in the Triratna (Three Jewels), which are:

1. **Right Faith** (Samyak Darshana)
2. **Right Knowledge** (Samyak Jnana)
3. **Right Conduct** (Samyak Charitra)

While Tapa (Austerity) is a critical component of Right Conduct (Samyak Charitra), it is a means to achieve the third Jewel, not one of the three primary Jewels itself.

**6. Consider the following pairs of Jain texts and their associated composers:**

Jain Text	Composer
1. Kalpasutra	Bhadrabahu
2. Parishishta Parvan	Hemchandra
3. Mahapurana (Adipurana and Uttarapurana)	Umasvami

**How many of the pairs given above are correctly matched?**

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

**Correct Answer: (b)**

**Explanation:**

- **Pair 1: Correct.** The **Kalpasutra** (containing biographies of Tirthankaras, notably Mahavira) is traditionally attributed to **Bhadrabahu**.
- **Pair 2: Correct.** The **Parishishta Parvan** (which narrates the histories of Jain elders and their Royal patrons) was composed by the great Shwetambara scholar **Acharya Hemchandra**.
- **Pair 3: Incorrect.** The **Mahapurana** (Great Legend) was primarily composed by **Acharya Jinasena** (and completed by Gunabhadra) in the Digambara tradition. **Umasvami** is the renowned author of the Tattvartha Sutra.

**7. Which one of the following texts, accepted as the most authoritative by both the Digambara and Shwetambara sects of Jainism, was composed by Umasvami?**

- (a) Dhavala
- (b) Tattvartha Sutra
- (c) Acharanga Sutra
- (d) Shatkhandagama

**Correct Answer: (b)**

**Explanation:**

The Tattvartha Sutra (Aphorisms on the Nature of Reality) is the most revered and foundational philosophical text for all sects of Jainism (Digambara, Shwetambara, etc.). It systematically summarises the entire Jain doctrine and was composed by the monk-scholar Umasvami (or Umasvati) in Sanskrit.

**8. The canonical literature of the Shwetambara Jains, collectively known as the Agamas (which include the 12 Angas), is primarily composed in which of the following languages?**

- (a) Sanskrit
- (b) Pali
- (c) Ardhamagadhi Prakrit
- (d) Apabhramsha

**Correct Answer: (c)**

**Explanation:**

The canonical texts (Agamas) of the Shwetambara tradition are believed to be the teachings of Mahavira as compiled by his Ganadharas. These texts were primarily composed in Ardhamagadhi Prakrit, which was the language of the Magadha region where Mahavira preached and was accessible to the common people. Pali is the language of the Buddhist canon.

**9. With reference to the literary tradition of the Digambara Jains, the Shatkhandagama is significant because:**

- (a) It is the earliest surviving comprehensive commentary on the Angas of the Shwetambara canon.
- (b) It is considered the oldest surviving Digambara canonical text, forming a key part of their secondary scripture.
- (c) It contains the stories of the Rashtrakutas, the greatest royal patrons of Jainism in the South.
- (d) It is the text from which the tradition of the five great vows (Pancha Mahavratas) originated.

**Correct Answer: (b)**

**Explanation:**

The Digambara sect believes that the original 12 Angas and 14 Purvas of the canon were lost entirely. The Shatkhandagama (Scripture of Six Sections) and the Kasayapahuda are the two most important and oldest

surviving texts that form the basis of the Digambara's secondary scripture. It is the most authoritative text of the Digambaras after the Tattvartha Sutra.

**10. Consider the following pairs of non-Jaina philosophical schools of ancient India and their core doctrine:**

Philosophical School	Core Doctrine
1. Ajivika	Niyativada (Fatalism/Determinism)
2. Charvaka	Anatta (Non-self)
3. Kapalika	Pursuit of artha (wealth) through strict asceticism

**How many of the pairs given above are correctly matched?**

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

**Correct Answer: (a)**

**Explanation:**

- **Pair 1: Correct.** The **Ajivika** school, founded by **Makhali Gosala** (a contemporary and former associate of Mahavira), believed in **Niyativada** (Fatalism/Determinism), asserting that the destiny of all living beings is strictly pre-determined (Niyati) and unalterable.
- **Pair 2: Incorrect.** The doctrine of **Anatta** (Non-self/No-soul) is a core principle of **Buddhism**. The **Charvaka** school (Lokayata) was the materialist school which rejected non-sensory knowledge and was often hedonistic, not endorsing Anatta.
- **Pair 3: Incorrect.** The **Kapalikas** were an extreme Shaivite sect known for their anti-nomian and intense ascetic practices (e.g., residing in cremation grounds, using human skulls) to achieve liberation, often involving ritualistic defiance of social norms. They did not focus on the pursuit of **artha** (wealth).

## Sangam Age

**1. With reference to the classification of Sangam literature, consider the following statements:**

1. Aham literature deals with abstract concepts related to human psychology and ethics, such as heroism and philanthropy.
2. Puram literature discusses human experiences like love and sexual relations, focusing on inner emotional aspects.

**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

**Correct Answer: (d)**

**Explanation:**

**Statement 1: Incorrect.** Aham (Inner) literature discusses abstract human aspects such as love, sexual relations, etc. The concepts of heroism and social life are covered by Puram.

**Statement 2: Incorrect.** Puram (Outer) literature discusses human experiences such as heroism, social life, ethics, philanthropy, etc.

2. Consider the following pairs regarding the classification of Sangam literature:

Literary Collection	Period of Composition
1. Patinenmelkanakku	Composed between 200 BC - 100 BC
2. Patinenkilkanakku	Composed mostly in the Post-Sangam Period (100 CE - 500 CE)

Which of the pairs given above is/are correctly matched?

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

**Correct Answer: (c)**

**Explanation:**

**Pair 1: Correct.** Patinenmelkanakku (The Eighteen Greater Accounts) were composed between 200 BC - 100 BC and represent the oldest surviving Tamil poetry.

**Pair 2: Correct.** Patinenkilkanakku (The Eighteen Lesser Accounts) were composed mostly in the Post-Sangam Period (100 CE - 500 CE) and deal with moral values; Thirukkural is an example from this collection.

3. Which of the following literary works is an example of an eight-anthology (Ettuthokai)?

- (a) Maduraikkanji
- (b) Pattinappalai
- (c) Ahanuru
- (d) ThiruMurugatrupadai

**Correct Answer: (c)**

**Explanation:**

Ettuthokai are the eight anthologies. They consist of works like Natrinai, Kuruntogai, Ainkurunuru, Pathitruvalu, Paripadal, Kalittogai, Ahanuru (compiled by Rudrasarman), and Purananuru.

The other options—Maduraikkanji, Pattinappalai, and ThiruMurugatrupadai—are works that belong to Pattuppattu (10 idylls).

4. With reference to the Post-Sangam Epics, consider the following statements:

- The epic Silappadikaram (Story of an Anklet) espouses the values of Buddhism over other religions.
- Manimekalai is a sequel to Silappadikaram, whose chief character, Kannagi, seeks revenge on the Pandya kingdom.

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

**Correct Answer: (d)**

**Explanation:**

**Statement 1: Incorrect.** Silappadikaram discusses Jainism. It is Manimekalai that espouses the values of Buddhism.

**Statement 2: Incorrect.** Manimekalai is indeed a sequel to Silappadikaram. However, it is Kannagi, the chief character of Silappadikaram, who seeks revenge on the Pandya kingdom for her husband's death.

**5. Which of the following statements is correct about the Chola dynasty during the Sangam Age?**

- (a) The chief port town of the Cholas, Puhar, was also known as Muziris.
- (b) The most famous Chola King, Karikalan, was defeated in the Battle of Venni by a confederacy of Cheras, Pandyas, and minor chieftains.
- (c) Karikalan constructed a 160km embankment along the Kaveri River.
- (d) The core area of the Cholas was the central and northern parts of Kerala.

**Correct Answer: (c)**

**Explanation:**

- (a) Incorrect. Puhar (or Kaveripattinam) was the chief port town of the Cholas. Muziris was one of the important ports on the west coast, associated with the Chera kingdom.
- (b) Incorrect. In the Battle of Venni, Karikalan defeated the confederacy of Cheras, Pandyas, and eleven minor chieftains.
- (c) Correct. The most famous king, Karikalan, founded the port city of Puhar and constructed a 160km embankment along the Kaveri River.
- (d) Incorrect. The core area of the Cholas was the Central and northern parts of Tamil Nadu and the Kaveri delta. The core area of the Cheras was the central and northern parts of Kerala.

**6. The ruler Senguttuvan (Red Chera/Good Chera) is famous for which of the following achievements?**

- 1. Introduced the Pattini cult, i.e., worship of Kannagi as an ideal wife.
- 2. Sent the first embassy to China from South India.
- 3. His military expedition to the Himalayas is mentioned in the epic Silapathikaram.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Senguttuvan (Greatest ruler of the Cheras) introduced the Pattini cult (worship of Kannagi as ideal wife).

**Statement 2: Correct.** He was the first to send an embassy to China from South India.

**Statement 3: Correct.** His military achievements, including his expedition to the Himalayas, are discussed in the epic Silapathikaram.

**7. Regarding the Pandya dynasty during the Sangam Age, which of the following statements is not correct?**

- (a) Their state emblem was the Fish.
- (b) Their major port was Korkai, near the confluence of the Thampraparani with the Bay of Bengal.
- (c) They were patronized by Sage Agastya, who is credited with Aryanizing South India.
- (d) As per Megasthenes, the Pandya kingdom was known for its pearl fishery and was started by women.

**Correct Answer: (c)**

**Explanation:**

- (a) Correct. The Pandya state emblem was the Fish.
- (b) Correct. Their port was Korkai, near the confluence of Thampraparani with the Bay of Bengal.



(c) Incorrect. The Sangama Age is named after the three Sangam academies that flourished under the royal patronage of the Pandya kings. However, the notes credit Sage Agastya as the "Father of Tamil Literature" and to have Aryanised South India. While the academies flourished under the Pandyas, the credit for Aryanization and the title "Father of Tamil Literature" is given to Sage Agastya, not the Pandya dynasty itself. This is an attempt at misattribution.

(d) Correct. As per Megasthenes, the kingdom was known for pearl fishery and started by Women.

**8. Which of the following was not one of the five councils (aimperunkulu) that assisted the King in the Sangam Administration?**

- (a) Ministers (amaichar)
- (b) Military Commanders (senapathi)
- (c) Accountants (kanakkars)
- (d) Envoys (thuthar)

**Correct Answer: (c)**

**Explanation:**

The King was assisted by five councils:

1. Ministers (amaichar)
2. Priests (anthanar)
3. Envoys (thuthar)
4. Military Commanders (senapathi)
5. Spies (orarr)

Accountants (kanakkars) are not listed among the five councils.

**9. Consider the following statements regarding the economy of the Sangam Age:**

1. Black pepper, an export item, was known as Yavanpriya and was the first spice used in Europe.
2. The Roman writer Pliny complained that the Roman empire was drained of gold due to trade with South India.
3. After the 3rd century AD, Indian merchants relied more on South Asian trade due to the end of the Roman Empire by the Huna.

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

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

**Correct Answer: (c)**

**Explanation:**

**Statement 1: Correct.** Black pepper was known as Yavanpriya and was the first spice used in Europe.

**Statement 2: Correct.** Pliny, a Roman writer, in his book Natural History, complained that the Roman empire was drained of gold due to trade. The discovery of gold and silver coins of Roman Emperors in Tamil Nadu supports this.

**Statement 3: Correct.** After the 3rd century AD, Indian merchants did rely more on South Asian trade as the Roman Empire was ended by the Huna.

**10. Match the different land divisions of the Sangam Age, as per Tolkappiyam, with their chief characteristics:**

Land Division	Characteristic
1. Kurinji	Coastal
2. Mullai	Pastoral
3. Marudam	Desert
4. Neydal	Hilly tracks

How many pairs given above are correctly matched?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All four

**Correct Answer: (a)**

**Explanation:**

As per Tolkappiyam, the division of land was:

- Kurinji: **Hilly tracks** (Pair 1 is incorrect)
- Mullai: **Pastoral** (Pair 2 is **Correct**)
- Marudam: **Agricultural** (Pair 3 is incorrect; Palai is Desert)
- Neydal: **Coastal** (Pair 4 is incorrect)

## Sangama Age and Foreign Dynasties In North West Region Of India

1. With reference to the Sangam Age, consider the following pairs:

Term	Description
1. Murugan	The Primary and most widely worshipped deity of the Sangam people.
2. Nadu Kal	The main source of state income, levied as a tax on the agricultural produce.
3. Tipayadal	A social custom in the higher strata of society, referring to the practice of Sati.

How many of the pairs given above are correctly matched?

- (a) Only one pair
- (b) Only two pairs
- (c) All three pairs
- (d) None of the pairs

**Correct Answer: (b)**

**Explanation:**

- **Pair 1: Correct.** Murugan (the Tamil God) was indeed the primary deity of the Sangam people.
- **Pair 2: Incorrect.** Nadu Kal or Virrukal were **hero stones** erected in memory of brave warriors. The chief source of state income was **Land Revenue** (plus Custom duty on foreign trade).
- **Pair 3: Correct.** The prevalence of Sati in the higher strata of society was known as **Tipayadal** (or Thip-payadal).

2. With reference to the social and religious life during the Sangam Age, consider the following statements:

1. The Brahmins (Antharar) patronized by the rulers were not associated with the practice of Vedic sacrifices.
2. The most miserable social condition was reserved for widows.
3. The Vellalar class, as per Tolkappiyam, was mainly associated with trade and commerce.

Which of the statements given above is/are correct?

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

**Correct Answer: (a)**

**Explanation:**

- **Statement 1: Incorrect.** The Pandyan and other Sangam rulers practiced **Vedic religion of sacrifice** and patronized Brahmin priests (Antharar).
- **Statement 2: Correct.** The notes explicitly state that the life of **widows was miserable** during this period.
- **Statement 3: Incorrect.** The Vellalar class was primarily associated with **Agriculture** (Agriculturists). Vanigar were associated with trade and commerce.

**3. With reference to King Kharavela of Kalinga and the Mahameghavahana dynasty, consider the following statements:**

1. His primary source of information, the **Hathigumpha inscription**, is written entirely in Sanskrit prose.
2. He successfully led a campaign to retrieve a holy image of Jina from Magadha that had been taken by the Nanda ruler.
3. He undertook repair work on the famous **Sudarshana Lake** in the Gujarat region.

Which of the statements given above is/are correct?

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** The Hathigumpha inscription is written in **Prakrit** using the Brahmi script. The first inscription entirely in Sanskrit prose (Kavya Style) is the **Junagarh Inscription of Rudradaman I** (Saka ruler).
- **Statement 2: Correct.** Kharavela, a follower of Jainism, brought back the holy idols of Jain Gods (the Kalinga Jina) that a Nanda king had carried away after his conquest of Kalinga.
- **Statement 3: Incorrect.** The repair of the Sudarshana Lake was recorded in the Junagarh Inscription and was done by the Saka Mahakshatrapa **Rudradaman I**.

**4. With reference to the Persian (Achaemenid) Invasion of the North-Western frontier of India, consider the following statements:**

1. The invasion under Cyrus first led to the annexation of the regions of Punjab and Sindh.
2. The Kharoshti script, written from right to left, was introduced as a result of Persian contact.
3. The use of Achaemenid-style bell-shaped capitals is often cited as an influence on Mauryan Art.

Which of the statements given above are correct?

- (a) 1 and 2 only

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** Cyrus invaded the frontier, but it was his grandson, **Darius I**, who annexed **Punjab and Sindh**.
- **Statement 2: Correct.** The Kharoshti script, derived from Aramaic and written from right to left, was introduced due to the Achaemenid invasion.
- **Statement 3: Correct.** The influence of Achaemenid bell-shaped capitals is a widely accepted view for some elements of Mauryan Art (e.g., the Ashokan Pillars).

**5. The term 'Yavanika', which appeared in ancient Indian texts and literature, refers to which of the following?**

- (a) The military governorship system (Strategos) introduced by the Greeks.
- (b) The highly valued black pepper in the Sangam age, also called Yavanpriya.
- (c) The Greek god depicted on the coins of the Indo-Greek rulers.
- (d) The use of a curtain in Indian theatre, an element attributed to Greek influence.

**Correct Answer: (d)**

**Explanation:**

- The notes mention that the Greek invasion introduced **Yavanika** (curtain) in Theatre.
- Option (a) is the military system introduced by the Greeks. Option (b) is an export item of the Sangam Age, but the name is Yavanpriya.

**6. With reference to the post-Mauryan foreign rulers in the North-West, consider the following statements:**

1. The practice of using bilingual inscriptions on coins (Greek and Kharoshthi) was limited only to the Indo-Greeks.
2. The famous dialogues of the Indo-Greek King Menander I with a Buddhist monk are compiled in the text Milind Panho.
3. The Saka Era (78 AD) is associated with the victory of the Saka ruler Rudradaman I over the Satavahanas.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** While pioneered by Indo-Greeks, the use of bilingual inscriptions on coins was continued by the **Sakas** and the **Kushanas** (using Greek, Kharoshthi, and Brahmi).

- **Statement 2: Correct.** King **Menander I** (Milinda) and the monk **Nagasena** have their discussions recorded in the **Milind Panho** (Pali text).
- **Statement 3: Incorrect.** The Saka Era (78 AD) is believed to have started at the ascension of the Saka ruler **Chashtana**. The **Vikram-Samvat Era** (58 BC) is associated with a King of Ujjain who defeated the Shakas.

**7. The propagation of Christianity in India by Saint Thomas is traditionally associated with the reign of which one of the following foreign rulers?**

- (a) Menander I (Indo-Greek)
- (b) Chashtana (Indo-Scythian/Saka)
- (c) Gondophernes (Indo-Parthian)
- (d) Kujula Kadphises (Kushana)

**Correct Answer: (c)**

**Explanation:**

- The notes state that the most famous Indo-Parthian King was **Gondophernes**, in whose reign **Saint Thomas came to India** to propagate Christianity.

**8. With reference to the Kushana Empire, consider the following statements:**

1. The Kushanas belonged to one of the five clans of the **Yueh-Chi** tribe, which originated in North Central Asia.
2. The empire had two capitals, with **Mathura** serving as their primary capital and Purushapura (Peshawar) as the secondary capital.
3. The total **Indianisation** of the Kushanas is best reflected in the title 'Shaono Shao Vasudevo Koshano', adopted by the last emperor.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Correct.** The Kushanas were one of the 5 clans of the **Yueh-Chi** tribe.
- **Statement 2: Incorrect.** The notes state that **Purushapura** (Peshawar) was the primary capital, and **Mathura** was the second capital.
- **Statement 3: Correct.** The title '**Shaono Shao Vasudevo Koshano**' adopted by the last Kushana Emperor **Vasudeva** reflects their complete Indianisation.

**9. Which one of the following is the most significant economic achievement attributed to Vima Kadphises among the early Kushana rulers?**

- (a) Adopting the epithet 'Dharmathida' (steadfast in Dharma).
- (b) Being the first ruler to issue a large number of gold coins (Dinar).
- (c) Consolidating all five Yueh-Chi clans into a single political unit.
- (d) Patronizing the development of the Gandhara school of sculpture.

**Correct Answer: (b)**

**Explanation:**



- Vima Kadphises was the **first ruler to issue a large number of GOLD coins** (Dinar), which is a key economic indicator of the prosperity of his reign.
- Option (a) was adopted by his predecessor, **Kujula Kadphises I**.
- Option (c) was the achievement of **Kujula Kadphises I**.
- Option (d) flourished primarily under **Kanishka**.

**10. With reference to the reign of the Kushana King Kanishka, consider the following statements:**

1. He adopted the title '**Devputra**' (Son of God), a title that reflects the complete Indianisation of the Kushana rulers.
2. The Buddhist Council convened during his reign was presided over by **Vasumitra**.
3. The author of Madhyamakakarika and proponent of Madhyamika Shunyavad, **Nagarjuna**, was his contemporary.

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

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

**Correct Answer: (b)**

**Explanation:**

- **Statement 1: Incorrect.** Kanishka adopted the title '**Devputra**'. However, the title reflecting **total Indianisation** was 'Shaono Shao Vasudevo Koshano' of the last Kushana Emperor, Vasudeva.
- **Statement 2: Correct.** Kanishka convened the **4th Buddhist Council** at Kundalavana, Kashmir, which was presided over by the scholar **Vasumitra** (who also authored Mahavibhasashashtra).
- **Statement 3: Correct.** Nagarjuna (author of Madhyamakakarika and giver of the theory of Madhyamika Shunyavad) was one of the scholars patronized by Kanishka.