

VAID ICS LUCKNOW

DAILY CURRENT Affairs QUIZ FOR UPSC

17/01/2025

(Answer & Explanation)

Qn1. Answer: (a)

Explanation:

- The demand and supply conditions in the foreign exchange market are influenced by the net flows in the **current account** and **capital account**.
- If the sum of both accounts is negative (lower net exports and higher capital outflow), the demand for foreign currency increases. Conversely, a positive net flow (greater exports or capital inflow) leads to a higher supply of foreign currency.

Qn.2 Answer: (b) 1 and 2 only

Explanation:

Statement 1: Correct. The **Nominal Exchange Rate** represents the exchange rate between two currencies without considering inflation or price levels in both countries.

Statement 2: Correct. The **Real Exchange Rate** adjusts the **Nominal Exchange Rate** by the relative price levels between two countries, reflecting the purchasing power of currencies more accurately.

Statement 3: Incorrect. A **high Real Exchange Rate** generally indicates that domestic goods are more expensive than foreign goods, which means the domestic currency has **lower** purchasing power abroad, not higher.

Qn. 3 Answer: (d) All

Explanation:

- The **Interest Equalisation Scheme (IES)** was introduced by the Indian government to provide an interest rate subsidy to Indian exporters, which reduces the cost of financing for them.
- The objective of this scheme is to make Indian exports more competitive by equalising the interest rates between Indian exporters and their global competitors.

- This scheme helps to support pre- and post-shipment export credit for various sectors and industries.

Qn. 4 Answer: (c) 1 & 3 only

Explanation:

Statement 1 is correct: The FTI-TTP simplifies immigration using automated e-gates where passengers scan their boarding passes and passports, and their biometrics are automatically verified.

Statement 2 is incorrect: ECR (Emigration Check Required) passport holders are not eligible for the FTI-TTP, and the program has an age restriction (12 to 70 years).

Statement 3 is correct: The program is being implemented in two phases, with the first phase covering Indian nationals and OCI cardholders, followed by the inclusion of foreign travelers in the second phase.

Qn. 5 Answer: (a) 1 & 3

Explanation:

1 is Correct: The 'drone didis' initiative aims to deliver essential services like medical supplies and vaccines to remote areas using drones.

2 is Incorrect: While agricultural purposes are a part of the drone usage, the main focus is on delivering essential services, not solely agriculture.

3 is Correct: The initiative has a key component of empowering women in rural areas by providing them with training in drone operation and piloting, which opens up new employment opportunities.