

## GA Questions For RBI Grade B Phase I Exam 2026

**Q1. In which district of Himachal Pradesh is the 'Great Himalayan National Park' (GHNP), a UNESCO World Heritage Site, located?**

- (a) Chamba
- (b) Kinnaur
- (c) Lahaul and Spiti
- (d) Kullu
- (e) Shimla

**Ans.(d)**

**Sol.** The **Great Himalayan National Park (GHNP)** is located in the **Kullu** district of Himachal Pradesh. Established in 1984, the park spans across a vast altitude range of 1,500 to 6,000 meters in the high Western Himalayas. In June 2014, it was inscribed on the **UNESCO World Heritage List** under the category of "outstanding significance for biodiversity conservation."

**Q2. UPI LITE X, which enables offline person-to-person (P2P) digital payments without internet connectivity, is based on which of the following technologies?**

- (a) Near Field Communication (NFC)
- (b) Bluetooth Low Energy (BLE)
- (c) Radio Frequency Identification (RFID)
- (d) Sound Wave Technology
- (e) Infrared Communication

**Ans.(a)**

**Sol.** **UPI Lite X** is an enhanced version of UPI, specifically designed to enable offline payments. It leverages **Near Field Communication (NFC) technology** to facilitate secure and seamless payments. By simply bringing your device close to a payment terminal or another NFC-enabled device, you can authorise transactions without relying on mobile data or Wi-Fi.

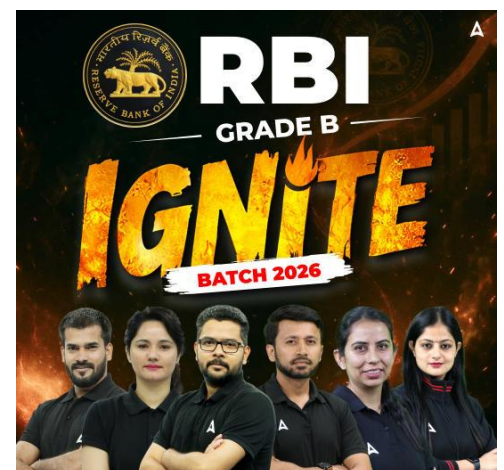
**Introduced in 2023 by RBI Governor Shaktikanta Das**, UPI Lite X aims to bridge the digital payment gap in low-connectivity regions. It empowers rural and remote users to adopt digital payments, contributing to financial inclusion while maintaining ease of use and security.

**Q3. Under the Reserve Bank of India (Project Finance) Directions, 2025, default in a project finance exposure by banks and other regulated lenders is required to be reported to which entity/platform?**

- (a) NARCL
- (b) IBBI
- (c) NFRA
- (d) CERSAI
- (e) CRILC

**Ans.(e)**

**Sol.** Under the **Reserve Bank of India (Project Finance) Directions, 2025**, lenders are required to monitor project finance exposures on an ongoing basis and identify stress early. In case of default, the default is required to be reported to the **Central**



**Repository of Information on Large Credits (CRILC)**, which functions as RBI's reporting system for large credit exposures and borrower-level credit information.

- **CRILC** stands for **Central Repository of Information on Large Credits**.
- It is used by RBI for collecting, storing and disseminating credit information on large borrowers.
- Reporting of default to CRILC supports early recognition of stress and coordinated resolution by lenders.
- The 2025 Directions apply to project finance exposures of **Commercial Banks, Non-Banking Financial Companies (NBFCs)** including Housing Finance Companies, **Primary (Urban) Cooperative Banks**, and **All India Financial Institutions (AIFIs)**

**Q4.** Under the Consumer Price Index (CPI) 2024 series, which of the following methods are used for index compilation?

- (a) Jevons Index for elementary indices and Young/Modified Laspeyres method for higher-level indices
- (b) Paasche Index for elementary indices and Fisher Ideal Index for higher-level indices
- (c) Laspeyres Index for elementary indices and Paasche Index for higher-level indices
- (d) Fisher Ideal Index for elementary indices and Jevons Index for higher-level indices
- (e) Chain-weighted GDP deflator method for both elementary and higher-level indices

**Ans.(a)**

**Sol.** As per Ministry of Statistics and Programme Implementation (MoSPI),

- **Jevons Index (short index formula):** Used at the **elementary/item level** for compiling elementary indices.
- **Young/Modified Laspeyres method:** Used for aggregation at **higher levels** of CPI.

The CPI 2024 series is part of MoSPI's revision of the Consumer Price Index base year from **2012 to 2024**.

**Q5.** With reference to the Scheme for Development of Small Hydro Projects, which of the following statements is NOT correct?

- (a) The scheme supports small hydro projects of 1 MW to 25 MW capacity.
- (b) The scheme is implemented by the Ministry of New and Renewable Energy.
- (c) The scheme has been approved for the period FY 2026-27 to FY 2030-31.
- (d) The scheme aims to install about 2,500 MW of small hydro capacity
- (e) None of the Above

**Ans.(d)**

**Sol.** The scheme was approved for the **period FY 2026-27 to FY 2030-31**, and the Central Financial Assistance is higher for North-Eastern States and districts with international borders than for other States.

- For **North-Eastern States and border districts**, CFA is **₹3.6 crore per MW or 30% of project cost, whichever is lower**, with a cap of **₹30 crore per project**.
- For **other States**, CFA is **₹2.4 crore per MW or 20% of project cost, whichever is lower**, capped at **₹20 crore per project**

The scheme aims to install about **1,500 MW** of small hydro capacity with a total financial outlay of **₹2,584.60 crore**.

It is expected to promote decentralized renewable energy, investment in remote areas, and local employment generation.

**Q6.** Match the following World Bank Group institutions with their primary mandates:

List I (Institution)	List II (Mandate)
1. IBRD	A. Provides concessional loans to the poorest countries
2. IDA	B. Provides loans to middle-income and creditworthy low-income countries
3. IFC	C. Provides investment and advisory services to private sector
4. MIGA	D. Provides political risk insurance to investors

- (a) 1-B, 2-A, 3-C, 4-D  
 (b) 1-A, 2-B, 3-C, 4-D  
 (c) 1-B, 2-C, 3-A, 4-D  
 (d) 1-C, 2-A, 3-B, 4-D  
 (e) 1-B, 2-A, 3-D, 4-C

**Ans.(a)**

**Sol.** The **International Bank for Reconstruction and Development (IBRD)** is the oldest and largest institution of the World Bank Group, established in 1944. It provides loans, guarantees, and advisory services specifically to **middle-income and creditworthy low-income countries**. The IBRD raises funds by borrowing from international capital markets and lends at near-market rates to its member governments.

The **International Development Association (IDA)** is often called the soft-loan window of the World Bank. It was established in 1960 specifically to serve the **world's poorest countries** — typically those with very low per capita income. IDA provides concessional loans (at very low or zero interest rates) and grants with long repayment periods, sometimes up to 25-40 years. Countries like many in Sub-Saharan Africa and South Asia rely heavily on IDA financing. India was historically a major IDA borrower before graduating to IBRD status.

The **International Finance Corporation (IFC)** is the private sector arm of the World Bank Group. Unlike IBRD and IDA which lend to governments, the IFC exclusively works with **private sector enterprises** in developing countries. It provides loans, equity investments, guarantees, and advisory services to private businesses, helping them grow while achieving broader development goals like job creation and environmental sustainability.

The **Multilateral Investment Guarantee Agency (MIGA)** was established in 1988 with a very specific and unique mandate — it provides **political risk insurance and credit enhancement guarantees** to private investors and lenders investing in developing countries. Political risks covered include expropriation, currency inconvertibility, war, civil disturbance, and breach of contract by governments. This encourages foreign direct investment into riskier developing country markets by protecting investors against non-commercial risks.

**Q7.** What is the name of the AI-driven multilingual Digital Public Infrastructure (DPI) platform launched by the Government of India for agriculture?

- (a) AgriStack  
 (b) Krishi Decision Support System  
 (c) Bharat-VISTAAR  
 (d) Kisan AI Hub  
 (e) Krishi Setu

Ans.(c)

**Sol.** The Government of India launched the Phase-1 version of **Bharat-VISTAAR — Virtually Integrated System to Access Agricultural Resources** as a nationwide, **AI-powered, voice-first, multilingual Digital Public Infrastructure platform** for agriculture.

It is designed to provide farmers with **reliable, real-time and location-specific personalised agricultural advisories**, along with seamless access to allied agricultural and support services.

**Additional Information:**

- Bharat-VISTAAR was announced in the **Union Budget 2026–27** with a total allocation of **₹150 crore**.
- It is launched by the **Ministry of Agriculture and Farmers' Welfare** as a nationwide digital agriculture platform.
- It is a **multilingual, voice-first** system aimed at improving farm-level decision-making through personalized advisories.
- The platform helps farmers with crop management, weather updates, market prices, pest and disease alerts, and soil-health related information.
- It is intended to function as a **single digital gateway** for farmers, making agricultural knowledge more accessible across languages and regions.

**Q8.** Where is the headquarters of the Food and Agriculture Organization (FAO) located?

- (a) Geneva, Switzerland
- (b) Rome, Italy
- (c) Paris, France
- (d) Vienna, Austria
- (e) Washington, D.C., USA

Ans.(b)

**Sol.** The **Food and Agriculture Organization (FAO)** is a specialized agency of the **United Nations** dedicated to eliminating hunger, improving nutrition, and promoting sustainable agriculture. Its **headquarters is located in Rome, Italy**.

**Key Points:**

- **Established:** 1945.
- United Nations (UN)
- Focus areas include **food security, agriculture, fisheries, forestry, and rural development**.

**Background Information:**

- FAO works to achieve **Zero Hunger (SDG 2)** under the **UN Sustainable Development Goals (SDGs)**
- It provides **policy advice, technical assistance, and global data on food and agriculture**.
- FAO publishes major global reports such as the **State of Food Security and Nutrition in the World (SOFI)**

**Other Options:**

- **Geneva:** Hosts many UN agencies such as **WHO and WTO**, but not FAO.
- **Paris:** Headquarters of **UNESCO**.
- **Vienna:** Headquarters of **IAEA and UNODC**.
- **Washington, D.C.:** Headquarters of the **World Bank and IMF**.

**Q9.** Which of the following statements regarding the revised framework for recognition of entities as "Startups" notified by the DPIIT are correct?

1. The turnover limit for recognition as a startup has been increased from ₹100 crore to ₹200 crore.
2. A new sub-category of Deep Tech Startup has been introduced, with the age limit extended from 10 years to 20 years and the turnover limit raised to ₹300 crore.
3. Cooperative entities, including Multi-State Cooperative Societies and State/UT Cooperative Societies, are now eligible for startup recognition.
4. Entities formed by splitting up or reconstruction of an existing business are also eligible for recognition as startups if they meet the turnover criterion.

Which of the statements given above are correct?

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

**Ans.(a)**

**Sol. Statement 1 is correct:** The revised Startup India recognition framework issued by the **Department for Promotion of Industry and Internal Trade (DPIIT)** expands eligibility for startup recognition. Under the revised framework, a startup is an entity

- within **10 years** of incorporation or registration,
- with turnover not exceeding **₹200 crore** in any financial year since incorporation or registration, and
- working towards innovation, development or improvement of products, processes or services, or a scalable business model with high potential of employment generation or wealth creation

**Statement 2 is correct:** Guidelines introduce a dedicated category for **Deep Tech Startups**, and for this category the age limit has been extended from 10 years to **20 years** while the turnover limit has been **raised to ₹300 crore** to address their long gestation periods, high capital intensity, and intense R&D requirements.

**Statement 3 is correct:** Startup recognition has been extended to cooperative entities, including Multi-State Cooperative Societies and Cooperative Societies registered under State and Union Territory laws, subject to other applicable criteria.

**Statement 4 is incorrect:** An entity formed by **splitting up or reconstruction of an existing business** is not considered a startup under the recognition framework.

The revised framework was notified by **DPIIT, Ministry of Commerce and Industry**, in supersession of the earlier startup notification framework.

**Q10.** What is the maximum subsidy available for setting up a new pulse processing and packaging unit under the Mission for Aatmanirbharta in Pulses?

- (a) ₹10 lakh
- (b) ₹15 lakh
- (c) ₹20 lakh
- (d) ₹25 lakh
- (e) ₹50 lakh

**Ans.(d)**

**Sol.** The Mission for Aatmanirbharta in Pulses provides financial assistance for the establishment of new pulse processing and packaging units at **33% of the project cost or up to ₹25 lakh, whichever is less**. So, the correct maximum subsidy amount is **₹25 lakh**.

This support is part of the government's effort to strengthen the post-harvest value chain in pulses by reducing losses, improving value addition, and generating rural employment. The Mission targets the creation of **1,000 processing units** during 2025-26 to 2030-31 and is backed by a **₹11,440 crore** outlay.

Also, seeds will be released in different states among farmers. Cluster approach will be followed to distribute seeds among the farmers. Farmers joining clusters will receive seed kits and Rs.10,000 assistance per hectare for model farming

**Additional Information:**

- The Mission focuses on **Tur, Urad and Masoor** through assured procurement under **PM-AASHA**.
- It is a **Centrally Sponsored Scheme** with a six-year implementation period from **2025-26 to 2030-31**.
- The subsidy is intended to support entrepreneurs and farmer groups setting up pulse mills in pulse clusters across the country.
- The broader objective is to make India self-reliant in pulses while improving farmer incomes and reducing dependence on imports.

**Q11.** With reference to the United Nations Industrial Development Organization (UNIDO), which of the following statements is NOT correct?

- (a) UNIDO was established to support industrial development for poverty reduction and environmental sustainability.
- (b) UNIDO works with governments, business associations and private companies on industrial cooperation.
- (c) UNIDO's mandate is closely linked with Sustainable Development Goal 8, which deals with industry, innovation and infrastructure.
- (d) UNIDO's headquarters is located in Vienna, Austria.
- (e) UNIDO was established in 1966 as a specialized agency of United Nations.

**Ans.(c)**

**Sol.** UNIDO was **established in 1966** and **became a specialized agency of the UN in 1985**, with its permanent **headquarters located at the Vienna** International Centre in Vienna, Austria.

ISID (Inclusive and Sustainable Industrial Development) is UNIDO's core mandate. It serves as the primary driver for **SDG 9** (Industry, Innovation, and Infrastructure) while cross-cuttingly supporting other SDGs.

The **General Conference** is the highest policy-making body of UNIDO. It gathers all member states every two years to determine the guiding principles, approve the budget, and appoint the executive head (Director-General) for a **four-year term**.

UNIDO was established to **promote industrial development, poverty reduction, environmental sustainability**, and inclusive globalization, and it works with governments, business associations, and private companies.

UNIDO also supports clean technology, productivity enhancement, and knowledge-sharing platforms.

India is a founding member and has long cooperated with UNIDO through industrial and technology partnership programmes

**Q12.** Consider the following statements regarding the India AI Impact Summit 2026:

1. It was hosted by the Ministry of Electronics and Information Technology (MeitY) at Bharat Mandapam, New Delhi.
2. It was the first global AI summit to be hosted in the Global South.
3. The Summit was anchored in three core principles or Sutras — People, Planet and Progress.

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) 2 only
- (e) 1, 2 and 3

**Ans.(e)**

**Sol.** The **India AI Impact Summit 2026** was hosted by the **Ministry of Electronics and Information Technology (MeitY) at Bharat Mandapam, New Delhi**. It marked the **first time that a global AI summit was hosted in the Global South**, and its framework was anchored in three Sutras — **People, Planet and Progress**.

It brought together Heads of State and Government, ministers, global technology leaders, researchers, multilateral institutions and industry stakeholders to deliberate on AI for **inclusive growth, public systems and sustainable development**.

Over **100 countries** engaged through the **Seven Chakra / Working Groups**, reflecting broad global participation in shaping responsible and inclusive AI. These were:

1. Human Capital
2. Inclusion / Inclusion for Social Empowerment
3. Safe and Trusted AI
4. Resilience, Innovation and Efficiency
5. Science / AI for Science
6. Democratizing AI Resources
7. AI for Economic Development and Social Good

The Summit concluded with the **New Delhi Declaration on AI Impact**, which was endorsed by countries and international organisations as a milestone in global cooperation on artificial intelligence.

**Q13.** India's first Central Bank Digital Currency (CBDC)-based Public Distribution System (PDS) pilot was launched in which city?

- (a) Mumbai
- (b) New Delhi
- (c) Gandhinagar
- (d) Ahmedabad
- (e) Puducherry

**Ans.(c)**

**Sol.** India's first **Central Bank Digital Currency (CBDC)-based Public Distribution System (PDS)** was launched by Union Home



Minister and Minister of Cooperation **Shri Amit Shah** in **Gandhinagar, Gujarat**, on **15 February 2026**. The initiative integrates the **Digital Rupee/e₹** into the PDS framework to make foodgrain distribution more transparent, secure and efficient.

It is based on **Central Bank Digital Currency (CBDC)** issued under the framework of the **Reserve Bank of India (RBI)** Beneficiaries receive **programmable digital coupons/voucher codes** in the form of **digital currency/e₹**, which can be redeemed at **Fair Price Shops (FPS)** The initiative aims to address issues such as **biometric authentication failures, e-POS operational problems**, leakages and lack of real-time traceability in PDS transactions.

**Background Information:**

- The initiative was launched by the **Ministry of Consumer Affairs, Food and Public Distribution** in collaboration with the **Government of Gujarat** and the **Reserve Bank of India**.
- The slogan associated with the initiative was **“Har Dana, Har Rupiya, Har Adhikar.”**
- Ahmedabad is one of the cities associated with coverage under the Gujarat pilot, but the launch city was Gandhinagar. Other cities to be covered under Gujarat pilot are Surat, Anand and Valsad.

**Q14.** The Union Cabinet recently approved the proposal for alteration of the name of the State of “Kerala” to “Keralam”. Under which Article of the Constitution of India is the alteration of the name of an existing State carried out?

- (a) Article 1
- (b) Article 2
- (c) Article 3
- (d) Article 4
- (e) Article 368

**Ans.(c)**

**Sol.** The Union Cabinet, chaired by Prime Minister **Shri Narendra Modi**, approved the proposal for alteration of the name of the State of “**Kerala**” to “**Keralam**” on **24 February 2026**. The **Kerala (Alteration of Name) Bill, 2026** will be referred by the **President of India** to the **State Legislative Assembly of Kerala** for expressing its views under the **proviso to Article 3 of the Constitution of India**.

- **Article 3** provides for the **formation of new States and alteration of areas, boundaries or names of existing States**.
- Under Article 3, **Parliament may by law alter the name of any State**.
- No such Bill can be introduced in either House of Parliament except on the **recommendation of the President**.
- Where the proposal affects the **area, boundaries or name of any State**, the Bill must be referred by the President to the concerned **State Legislature** for expressing its views.

**Background Information:**

- The **Kerala Legislative Assembly** passed a resolution on **24 June 2024** to alter the name of the State from “**Kerala**” to “**Keralam**”.
- The resolution stated that the name of the State is “**Keralam**” in **Malayalam language**, while the **First Schedule to the Constitution** records the name as “**Kerala**”.
- The State Government requested the Government of India to amend the **First Schedule to the Constitution** as per **Article 3**.

- The proposal was examined by the **Ministry of Home Affairs**, and the **Department of Legal Affairs** and **Legislative Department, Ministry of Law and Justice** concurred with the proposal.

**Q15.** Consider the following statements regarding the Startup India Fund of Funds 2.0 (FoF 2.0):

1. The scheme has a corpus of ₹10,000 crore and is implemented through commitments to SEBI-registered Category I and II Alternative Investment Funds (AIFs), which invest in DPIIT-recognised startups.
2. The Small Industries Development Bank of India (SIDBI) is the initial Implementation Agency.
3. The operational guidelines provide for a structured segmentation of AIFs into deep tech-focused funds, micro venture capital funds for early-growth startups, funds for technology-led manufacturing, and sector- and stage-agnostic funds.
4. The scheme directly invests in startups and does not involve private capital participation.

Which of the statements given above is/are correct?

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

**Ans.(a)**

**Sol. Statement 1 is correct** – Startup India FoF 2.0 has been notified with a corpus of **₹10,000 crore** and will be implemented through commitments to **SEBI-registered Category I and II AIFs**, which will invest in **DPIIT-recognised startups**.

**Statement 2 is correct** – The operational guidelines state that **SIDBI** will act as the initial Implementation Agency, and DPIIT will onboard an additional Implementation Agency to improve reach and build institutional capacity.

**Statement 3 is correct** – The scheme introduces a structured segmentation of AIFs into **deep tech-focused funds, micro VC funds for early-growth startups, technology-led manufacturing funds, and sector/stage-agnostic funds**.

**Statement 4 is incorrect** – FoF 2.0 does **not** directly invest in startups; it works through AIFs and is designed as a **catalytic fund** that crowds in private capital.

**Additional Information:**

- FoF 2.0 is meant to mobilise **venture and growth capital** for the startup ecosystem.
- The guidelines prescribe **minimum private capital mobilisation** to maintain market discipline.
- They also provide for **co-investments** and use of a portion of returns for **ecosystem capacity-building** such as mentorship and shared infrastructure.

**Q16.** What is the main purpose of the SAARG Committee constituted by PFRDA in January 2026?

- (a) To revise APY pension payout rules for unorganised sector subscribers.
- (b) To modernise the investment framework under the National Pension System (NPS)
- (c) To frame rules for assured payouts under NPS.
- (d) To regulate pension funds under PFRDA
- (e) None of the Above

**Ans.(b)**

**Sol.** The SAARG (Strategic Asset Allocation and Risk Governance) Committee was constituted by PFRDA to **review, recommend and modernise the investment framework under the NPS**, with a focus on diversification, risk management, benchmarking, and subscriber choice. The committee is a **9-member expert panel** chaired by **Narayan Ramachandran**, and it has **9 months** to submit its recommendations to PFRDA.

**Q17.** Under the Urban Challenge Fund, what is the minimum projected 2025 population required for a major industrial city to be eligible for assistance?

- (a) 50,000
- (b) 1 lakh
- (c) 2 lakh
- (d) 5 lakh
- (e) 10 lakh

**Ans.(b)**

**Sol.** The Urban Challenge Fund covers **major industrial cities (Manufacturing & Services)** with a projected 2025 population of **at least 1 lakh**. Other eligible cities are:

- All cities with a population of 10 lakh or more
- All State and UT capitals not covered above
- All ULBs in Hilly States, North Eastern States, and smaller ULBs with population below 1 lakh.

**Additional Information:**

- The UCF is a **₹1 lakh crore** Centrally Sponsored Scheme aimed at market-led urban transformation.
- It supports projects under three verticals: **Cities as Growth Hubs, Creative Redevelopment of Cities, and Water and Sanitation.**
- The scheme also includes a **₹5,000 crore Credit Repayment Guarantee Scheme** for smaller ULBs and cities in hilly/Northeastern States.
- Projects are expected to mobilise at least **50% of cost from market sources** to qualify for **25% Central Assistance.**

**Q18.** On which date is Jan Aushadhi Diwas observed every year in India?

- (a) 1 March
- (b) 5 March
- (c) 7 March
- (d) 10 March
- (e) 15 March

**Ans.(c)**

**Sol.** Jan Aushadhi Diwas is observed every year on **7 March** to raise awareness about the availability and benefits of affordable, quality generic medicines under the **Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP)**. In **2026, the 8th Jan Aushadhi Diwas** was celebrated as the culmination of **Janaushadhi Saptah (1-7 March)** organised across the country.

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**Key Points:**

- **Janaushadhi Saptah 2026** was conducted from **1–7 March 2026** to promote awareness about affordable medicines.
- Health check-up camps were organised from **1–5 March 2026** at **over 250 locations**.
- The initiative was implemented by the **Pharmaceuticals and Medical Devices Bureau of India (PMBI)** under the **Department of Pharmaceuticals**.
- Theme for **2026**: “*Janaushadhi Sasti Bhi, Bharosemand Bhi, Sehat Ki Baat, Bachat Ke Saath.*”

**Background Information:**

- **Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP)** aims to provide **quality generic medicines at affordable prices** through **Jan Aushadhi Kendras (JAKs)**
- The scheme was originally launched in **2008** and later **revamped in 2015**.
- **PMBI** is the implementing agency responsible for procurement, supply, and promotion of generic medicines through JAKs.

**Q19.** With reference to the Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH), which of the following statements is NOT correct?

- (a) The restructured CRGFTLIH scheme was notified in 2025 with its operation and management entrusted to National Credit Guarantee Trustee Company Ltd. (NCGTC)
- (b) The scheme covers housing loans up to ₹20 lakh extended to EWS households having annual income up to ₹3 lakh and LIG households having annual income up to ₹6 lakh.
- (c) The corpus of the restructured CRGFTLIH has been increased to ₹3,000 crore spread over five years.
- (d) The scheme provides a full guarantee cover of 100% of the amount in default to Member Lending Institutions.
- (e) The scheme covers loans for home improvement, construction, acquisition and purchase of new or second-hand dwelling units.

**Ans.(d)**

**Sol.** CRGFTLIH was **originally launched in 2012** under the **Rajiv Awas Yojana (RAY)** and was restructured in 2025. The restructured CRGFTLIH was notified on 18 January 2025, with operation and management transferred from the National Housing Bank (NHB) to the **National Credit Guarantee Trustee Company Ltd. (NCGTC)**

The scheme is a **demand-driven** initiative applicable for eligible housing loans extended in **urban areas**, including statutory towns, urban agglomerations, and planning areas. It targets **EWS households** with annual income up to **₹3 lakh** and **LIG households** with annual income up to **₹6 lakh**, for housing loans up to **₹20 lakh**. It provides a partial guarantee cover of **up to 70% of the amount in default** for housing loans sanctioned to eligible borrowers **without any collateral security and/or third party guarantee**. The key principle is that the lender secures the housing construction/upgradation loan **purely on the assets financed**, without other collateral

The scheme benefits eligible beneficiaries of **PMAY-U 2.0** and aims to ensure that EWS/LIG households complete their homes on time through easy access to affordable institutional credit. The corpus of the restructured scheme has been enhanced from ₹1,000 crore to **₹3,000 crore spread over five years under PMAY-U 2.0**

**Q20.** Consider the following statements with reference to the Union Cabinet's approval of equity infusion into the Small Industries Development Bank of India (SIDBI):

1. The Union Cabinet approved an equity support of ₹5,000 crore to SIDBI to be infused by the Department of Financial Services (DFS) in three tranches over three financial years.
2. The first tranche of ₹3,000 crore is to be infused in FY 2025-26 while the remaining ₹2,000 crore will be infused as ₹1,000 crore each in FY 2026-27 and FY 2027-28.
3. Post-infusion, the Government of India's shareholding in SIDBI will increase to 100%, making it a fully government-owned entity.

Which of the above statements is/are NOT correct?

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

**Ans.(c)**

**Sol. Statement 1 is correct** — The Union Cabinet approved ₹5,000 crore equity support to SIDBI, to be infused by the **Department of Financial Services (DFS)** in **three tranches** — aimed at strengthening SIDBI's financial base and enabling greater credit flow to MSMEs.

**Statement 2 is correct** — The tranches are: ₹3,000 crore in FY 2025-26 at book value of ₹568.65/share (as on 31 March 2025), and ₹1,000 crore each in FY 2026-27 and FY 2027-28 at book value as on 31 March of the respective preceding financial years.

**Statement 3 is NOT correct** — SIDBI is **not a 100% government-owned entity** — it has shareholding from **public sector banks, insurance companies, and financial institutions** alongside the government. The equity infusion will increase the Government's stake but **not to 100%**

**About SIDBI:**

- It is the principal financial institution in India dedicated to the promotion, financing, and development of the **MSME (Micro, Small, and Medium Enterprises)** sector. It also coordinates the functions of other institutions engaged in similar activities.
- **Established:** April 2, 1990, under an Act of the Indian Parliament.
- **Headquarters:** Lucknow, Uttar Pradesh (unlike most major financial institutions which are headquartered in Mumbai)
- **Regulatory Body:** Regulated and supervised by the **Reserve Bank of India (RBI)** It is one of India's four All India Financial Institutions (AIFIs), alongside Exim Bank, NABARD, and NHB.
- **Ownership:** It was originally a wholly-owned subsidiary of IDBI, but is currently owned by public sector banks, insurance companies, and the Government of India.

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