

அச்சமில்லை கல்வி அறக்கட்டளை

PG TRB ECONOMICS

MODEL TEST. - 6

Industries, Infrastructure
and Foreign Trade

1. Which Agriculture export item is second in case of India?

- (a) Marine product
- (b) Rice
- (c) Sugar
- (d) Oil cake

Ans: (b)

2. The performance of which of the following industries is considered performance of the core industry? [RBI Grade B Officer 2011]

- (1) Garments
- (2) Leather
- (3) IT
- (4) Oil and Petroleum
- (5) Handicrafts

Ans: (4)

3. Which of the following agencies has the power to declare any industrial unit as a potentially sick unit? [CDS 2000]

- (a) BIFR
- (b) MRTPC
- (c) FICCI
- (d) IRBI

Ans: (a)

4. The most important small-scale industry in India is that of:

- (a) textiles

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- (b) jute
- (c) jewellery
- (d) handloom

Ans: (d)

5. UTI has been divided into two parts UTI-I and UTI-II. Which part has been kept under the control of the government?

- (a) UTI-I
- (b) UTI-II
- (c) Both the above
- (d) None of the above

Ans: (a)

6. Which part of separated UTI is under SEBI's regulation?

- (a) UTI-I
- (b) UTI-II
- (c) Both the above
- (d) None of the above

Ans: (b)

7. Which of the following is not sponsor of newly established UTI-II?

- (a) Punjab National Bank
- (b) General Insurance Corporation
- (c) Life Insurance Corporation of India
- (d) State Bank of India

Ans: (b)

8. The largest importer country of Indian textile is :

- (a) Italy
- (b) Germany
- (c) Singapore
- (d) USA

Ans: (d)

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9. Indian Railways revenue from:

- (a) passenger fare
- (b) freight
- (c) traffic tax
- (d) passenger tax

Ans: (b)

10. Which industry earns the second highest, net foreign exchange from the trade?

- (a) Gems and ornaments
- (b) Textile industry
- (c) Steel industry
- (d) Engineering goods industry

Ans: (d)

11. Which of the following measures is not likely to help in improving India's balance of payments position?

- (a) Devaluation of the rupee
- (b) Encouragement of import substitution
- (c) Imposition of higher duty on imports
- (d) Imposition of higher duty on exports

Ans: (d)

12. In India, maximum number of workers are employed in :

- (a) textile industry
- (b) iron and steel industry
- (c) petrochemical industry
- (d) automobile industry

Ans: (a)

13. After textiles, India's second important industry is :

- (a) Sugar
- (b) Jute
- (c) Cement

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(d) Iron and steel

Ans: (d)

14. India's oldest iron and steel plant is : [Intelligence Bureau 1991]

(a) TISCO at Jamshedpur

(b) TISCO at Burnpur

(c) Durgapur Iron and Steel Plant

(d) Rourkela Iron and Steel Plant

Ans: (a)

15. Which industry in India was worst affected because of the partition? [PCS 1994]

(a) Paper and Iron

(b) Jute and Cotton

(c) Cotton and Sugar

(d) Engineering and Cement

Ans: (b)

16. Which of the following industries was started first in India?

(a) Cotton

(b) Paper

(c) Tea

(d) Jute

Ans: (c)

17. Which of the following states ranks first in terms of the maximum number of agro-based industries? [Bank PO 1993]

(a) Gujarat

(b) Punjab

(c) West Bengal

(d) Kerala

Ans: (b)

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18. In which of the following industries is the maximum number of women employed in India? [CDS 1993]

- (a) Textile
- (b) Jute
- (c) Tea
- (d) Coal

Ans: (c)

19. Which of the following is the largest (in terms of turnover) Public Sector organisation in India?

- (a) Bharat Petroleum
- (b) Steel Authority of India
- (c) Indian Oil Corporation
- (d) Oil and Natural Gas Commission

Ans: (c)

20. Under perfect competition: [GIC AAO 1993]

- (a) any firm can influence price in the market
- (b) any firm can influence supply in the market
- (c) any firm can influence price and supply in the market
- (d) no firm can influence price and supply in the market

Ans: (c)

21. India earns maximum foreign exchange from the export of:

- (a) garments
- (b) jute
- (c) gems and jewellery
- (d) cotton

Ans: (c)

22. Bokaro Steel Limited was established with the assistance of: [Asstt Comm 2008]

- (a) Germany
- (b) Soviet Union

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(c) UK

(d) USA

Ans: (b)

23. Match the following: [IAS 2002]

Commission Matter of Enquiry

A. Wadhwa Commission 1. The assassination of Rajiv Gandhi

B. Liberhan Commission 2. Killing of Graham Staines

C. Sri Krishna Commission 3. Demolition of a religious structure at Ayodhya

D. Jain Commission 4. Riots in Mumbai in 1993

A B C D

(a) 3 2 4 1

(b) 2 3 4 1

(c) 3 2 1 4

(d) 2 3 1 4

Ans: (b)

24. As per the reports published in the newspapers the banks, particularly public sector banks are tying up with various rating agencies for providing a qualitative assessment of the credit needs of the borrowers. Which amongst the following is/are such credit rating agencies in India? [Punjab & Sindh Bank 2011]

(A) CARE

(B) CRISIL

(C) ULIP

(1) Only A

(2) Only B

(3) A and B only

(4) Only C

(5) All A, B and C

Ans: (3)

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25. Consider the following statements: [NDA 2003]

- 1. The first newsprint plant set up in India was at Nepanagar.**
- 2. The first modern steel plant in India was set up at Bhadrawati.**

Which of these statements is/are correct?

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

Ans: (a)

26. Identify the correct sequence of the establishment of steel plants in India from the earliest to the latest: [NDA 2002]

- (a) Bokaro, Jamshedpur, Vishakhapatnam, Bhilai
- (b) Jamshedpur, Bhilai, Bokaro, Vishakhapatnam
- (c) Bhilai, Jamshedpur, Vishakhapatnam, Bokaro
- (d) Jamshedpur, Vishakhapatnam

Ans: (b)

27. The following is the list of four integrated steel plants in the country [CDS 1991]

- 1. Bhilai**
- 2. TISCO**
- 3. IISCO**
- 4. Bokaro**

Which of the following combinations lists all the plants in the public sector ?

- (a) 1, 2 and 4
- (b) 1, 3 and 4
- (c) 2, 3 and 4
- (d) None of these

Ans: (b)

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28. Which of the following statements regarding the iron and steel plants at Bhilai, Rourkela and Durgapur are correct? [CDS 1992]

- 1. These plants were established in public sector during the Second Five Year Plan**
- 2. These are located in the steel raw material belt**
- 3. These were established with the help from Britain, Soviet Union and West Germany respectively**

- 1 and 2
(b) 2 and 3
(c) 1 and 3
(d) 2 and 3
Ans: (a)

29. Match the following:

- A. Dutt Committee 1. Village and Small Scale Industries**
B. Raj Committee 2. Direct Taxes
C. Wanchoo Committee 3. Agricultural Taxes
D. Karve Committee 4. Industrial Licensing

A B C D

- (a) 1 2 3 4
(b) 4 3 2 1
(c) 1 4 3 2
(d) 2 3 4 1

Ans: (b)

30. Consider the following statements: [CDS 2002]

- 1. The Ministry of External Affairs is in-charge of monetary policy in India.**
- 2. The. Ministry of External Affairs is in-charge of foreign exchange rate determination in India.**
- 3. The Ministry of Commerce puts forward the Export-Import Policy in India.**
- 4. The Planning Commission prepares the Annual Budget of the Government**

Which of the statements is/are correct ?

- (a) 1, 2, and 3

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- (b) 2 only
- (c) 3 only
- (d) 2 and 4

Ans: (c)

31. Which of the following are the public sector undertakings of the Government of India?

1. Balmer Lawrie and Company Ltd.
2. Dredging Corporation of India
3. Educational Consultants of India Ltd.

Select the correct answer using the code given below [IAS 2008]

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

Ans: (d)

32. Which one of the following statements is not correct? [IAS 2005]

- (a) Rourkela Steel Plant, the first integrated steel plant in the Public Sector of India was set up with the Soviet Union collaboration.
- (b) Salem Steel Plant is a premier producer of stainless steel in India.
- (c) Maharashtra Elektros melt Ltd. is a subsidiary of the Steel Authority of India Ltd.
- (d) Visakhapatnam Steel Plant is a unit of the Rashtriya Ispat Nigam Ltd.

Ans: (a)

33. Which of the following pairs are correctly matched? [IAS 2005]

Enterprise Industrial Group

1. VSNL : Bharati Group
2. Mundra Special Economic Zone Ltd. : Adani Group
3. CMC Ltd. : Tata Group
4. IPCL : Reliance Group

Select the correct answer using the codes given below:

- (a) 1, 2 and 3

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

Ans: (d)

34. Which of the following authority sanctions foreign exchange for the import of goods?

[UP PCS 2011]

- (a) Any Nationalised Bank
- (b) Exchange Bank
- (c) Reserve Bank of India
- (d) Ministry of Finance

Ans: (c)

35. Which organisation promotes the foreign trade? [UP PCS 2011]

- (a) ECGC
- (b) MMTC
- (c) STC
- (d) All of these

Ans: (d)

36. Import substitution implies [Asstt Commdt 2011]

- (a) importing new items in place of old items of import
- (b) gradual reduction of imported goods to save foreign exchange
- (c) increasing domestic supply of goods by imposing import restrictions
- (d) replacing import items by domestic production of such items

Ans: (d)

37. Why is the Government of India disinvesting its equity in the Central Public Sector Enterprises (CPSEs)?

1. The Government intends to use the revenue earned from the disinvestment mainly to pay back the external debt.

2. The Government no longer intends to retain the management control of the CPSEs.

Which of the statements given above is/are correct? [CSAT 2011]

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

Ans: (d)

38. Both Foreign Direct Investment (FOI) and Foreign Institutional Investor (FII) are related to investment in a country. Which one of the following statements best represents an important difference between the two? [CSAT 2011]

- (a) FII helps bring better management skills and technology, while FDI only brings in capital
- (b) FII helps in increasing capital availability in general, while FDI only targets specific sectors
- (c) FDI flows only into the secondary market, while FII targets primary market
- (d) FII is considered to be more stable than FDI

Ans: (b)

39. Which one among the following statements is correct? [CDS 2012]

- (a) Due to border problems, India's trade with China did not register a quantum jump between the years 2001-2010
- (b) The stand-off between India and China on Pakistan and Arunachal Pradesh did not let India's trade to grow with China in the years 2001-2010 as much as it grew in the years 1991-2001
- (c) While India-China trade has registered a quantum jump between the years 2001-2010, both the countries have ensured parity of trade
- (d) In spite of border problems, India's trade with China registered a quantum jump during the years 2001-2010

Ans: (d)

40. Sickness of small units can be because of the factors:

- 1. under-utilisation of capacity**
- 2. non-payment by the large firms**
- 3. dependence on borrowed funds**

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4. lack of management expertise

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

Ans: (c)

41. Match the following:

Aluminium Company Location

- A. BALCO 1. Hirakud**
- B. HINDALCO 2. Korba**
- C. Indian Aluminium Company 3. Koraput**
- D. NALCO 4. Renukoot**

A B C D

- (a) 3 1 4 2
- (b) 2 4 1 3
- (c) 3 4 1 2
- (d) 2 1 4 3

Ans: (b)

42. Match the following:

Committees Chaired by

- A. Balance of Payments and Foreign Investment 1. Rakesh Mohan**
- B. Public Sector Enterprises Autonomy 2. Arjun Sen Gupta**
- C. Small Scale Industries 3. Rangarajan**
- D. Infrastructure Development 4. Abid Hussain**

A B C D

- (a) 1 4 2 3
- (b) 3 2 4 1
- (c) 1 2 3 4
- (d) 2 1 4 3

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Ans: (b)

43. "Sunrise Industries" are Industries:

- (a) which are well-developed and have ample scope for further development
- (b) which improve export performance of the country
- (c) which are small-scale industries
- (d) which have high growth potential and meet further requirements of the economy

Ans: (d)

44. Arbitrage implies:

- (a) practice of taking advantage of price difference in two markets
- (b) the practice of under invoicing exports
- (c) the practice of dumping viz., selling goods in a foreign market cheaper than the home market
- (d) the practice of over-invoicing imports

Ans: (a)

45. Sector-wise, maximum employment in the public sector is in :

- (a) electricity, gas and water
- (b) community, social and personal services
- (c) finance, insurance and real estate
- (d) transport, storage and communication

Ans: (b)

46. Over the last few years:

1. the value of imports has increased at a faster rate as compared to exports
2. exports have fallen as compared to imports
3. both exports and imports have risen
4. the balance of trade has been favourable to India

(a) 1, 2 and 3

(b) 1 and 3

(c) 1

(d) 1, 3 and 4

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Ans: (b)

47. Which of the following are not features of India's small-scale industries in general?

- 1. large employment potential**
- 2. great export potential**
- 3. highly skilled labour**
- 4. efficient marketing system**

(a) 1 and 3

(b) 2 and 4

(c) 1 and 2

(d) 3 and 4

Ans: (d)

48. Which one among the following is not true for Special Economic Zones? [CDS 2011]

- (a) No licence is required for import
- (b) Manufacturing and service activities are allowed
- (c) No permission for subcontracting
- (d) No routine examination of cargo for export/import by customs authorities

Ans: (c)

49. The biggest Public Sector undertaking in the country is ____ [Corporation Bank PO 2011]

- (1) Iron & steel plants
- (2) Roadways
- (3) Railways
- (4) Airways
- (5) None of these

Ans: (3)

50. With reference to India, which one of the following statements is NOT correct? [IAS 2003]

- (a) IPCL is India's largest petrochemical company
- (b) RIL is the largest private sector company in India

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(c) MTNL is listed on NYSE

(d) BSNL is the first telecom service organization in India to launch a nationwide cellular service at one time

Ans: (a)

51. Consider the following statements: [IAS 2002]

2. NTPC is the largest power utility in India.

3. ONGC accounts for half of the LPG production in India.

4. Indian Oil Corporation operates all the oil refineries in India.

5. The Indian Ordnance Factory is the largest departmentally run industrial undertaking in the country.

Which of these statements is/are correct?

(a) 1 only

(b) 2 and 3

(c) 2, 3 and 4

(d) 1 and 4

Ans: (d)

52. What is the current account of balance of payments?

(a) It is the account showing difference of total exports and imports in one year

(b) It is the account showing transactions in invisible account like tourism, shipping, insurance etc.

(c) It is the account showing transactions like net external assistance, NRI deposits, etc.

(d) It is the account showing trade balance plus invisible balance

Ans: (d)

53. Core industries include:

(a) basic industries

(b) industries catering to defence requirements

(c) critical industries

(d) all the above

Ans: (d)

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54. The core sector includes:

I. Coal

II. Power

III. Petroleum

IV. Soaps and Detergent

(a) I and II

(b) I, II and III

(c) I

(d) II and III

Ans: (b)

55. Invisible Export means export [Corporation Bank PO 2011]

(1) Services

(2) Prohibited goods

(3) Unrecorded goods

(4) Goods through smuggling

(5) All the above

Ans: (1)

56. Which of the following sectors does not come under tertiary sector?

(a) Transport

(b) Trade

(c) Business Services

(d) Electricity

Ans: (d)

57. Which of the following committees was assigned to recommend reforms in the insurance sector?

(a) Rekhi Committee

(b) Nadkarni Committee

(c) Malhotra Committee

(d) Chelliah Committee

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Ans: (c)

58. Consider the following statements: [IAS 2004]

1. National Thermal Power Corporation has diversified into hydropower sector

2. Power Grid Corporation of India has diversified into telecom sector

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

Ans: (a)

59. Whenever newspapers talk about the performance of core industries, which of the following is NOT considered among them? [Bank of India PO 2010]

(1) Petroleum

(2) Automobile

(3) Mining

(4) Steel

(5) Cement

Ans: (3)

60. Which one of the following pairs is not correctly matched? [CDS 2008]

(a) Hindalco Industries - Novelis

(b) Tata Steel - Corus Group

(c) Jet Airways - Air Sahara

(d) Kingfisher Airlines - MDLR Airlines

Ans: (d)

61. Which institution provides long run finance to industries?

(a) UTI

(b) LIC

(c) GIC

(d) All of these

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Ans: (d)

62. Match the following: [CDS 2005]

Industry Product / service

A. Grasim 1. Cement

B. Ranbaxy 2. Automobiles

C. Reliance 3. Oil and gas

D. TELCO 4. Pharmaceuticals

A B C D

(a) 1 2 3 4

(b) 3 4 1 2

(c) 1 4 3 2

(d) 3 2 1 4

Ans: (c)

63. One of the main factors that led to rapid expansion of Indian exports is :

(a) liberalisation of the economy

(b) diversification of exports

(c) imposition of import duties

(d) recession in other countries

Ans: (a)

64. The main argument advanced in favour of small scale and cottage industries in India is that:

(a) cost of production is low

(b) they require small capital investment

(c) they advance the goal of equitable distribution of wealth

(d) they generate a large volume of employment

Ans: (d)

65. Present Industrial policy in India aims at :

(a) promoting the private sector units

(b) increasing the production of public sector units

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- (c) accelerating the performance of mixed economy
- (d) discourage the performance of the private sector

Ans: (c)

66. When does the problem of unfavourable balance of payment arise?

- (a) When exports decrease
- (b) When exports increase
- (c) When imports increase
- (d) When imports are greater than exports

Ans: (d)

67. The difference between visible exports and visible imports is defined as [Corporation Bank PO 2011]

- (1) Balance of trade
- (2) Balance of payment
- (3) Balanced terms of trade
- (4) Gains from trade
- (5) All the above

Ans: (1)

68. Which of the following was formed to suggest means for eradicating black money? [I. Tax 1992]

- (a) Finance Commission
- (b) Sarkaria Commission
- (c) Shah Commission
- (d) Chelliah Committee

Ans: (d)

69. BoP (Balance of Payment) refers to :

- (a) transactions in the flow of capital
- (b) transactions relating to receipts and payment of invisibles
- (c) transactions relating only to exports and imports
- (d) systematic record of all its economic transaction with the rest of the world

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Ans: (d)

70. Mashelkar Committee was constituted to report on :

- (a) economic policy
- (b) constitutional changes
- (c) black money
- (d) auto fuel policy

Ans: (d)

71. Which of the statements given above is/are correct? [CDS 2008]

1. The USSR assisted in the building of the Bhilai Steel plant.
2. The British assisted in the building of the Bokaro Steel plant.

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

Ans: (a)

72. New exim policy has chosen a town for the pottery export :

- (a) Panipat
- (b) Moradabad
- (c) Khurja
- (d) Agra

Ans: (c)

73. A country is said to be in a debt trap if: [IAS 2002]

- (a) it has to abide by the conditionalities imposed by the International Monetary Fund
- (b) it has to borrow to make interest payments on outstanding loans
- (c) it has been refused loans or aid by creditors abroad
- (d) the World Bank charges a very high rate of interest on outstanding as well as new loans

Ans: (b)

74. 'Dumping' in the context of international trade refers to : [CDS 2000]

- (a) exporting goods at prices below the actual cost of production

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- (b) exporting goods without paying the appropriate taxes in the receiving country
- (c) exporting goods of inferior quality
- (d) exporting goods only to re-import them at cheaper rates

Ans: (a)

75. The exports of India:

- (a) are confined to a few items
- (b) are spread over several commodity groups
- (c) have not shown much of a change since 1960-61
- (d) comprise mainly of agro-based products

Ans: (b)