

## Competitive Exams: Economics MCQs (Practice-Test 103 of 122)

1. Which one of the following elements of costs production was recently sought to be constructed by an official committee for fixing manure price for agriculture crops?
  - a. Introduction of sophisticated machines for farms
  - b. High wage rate as a result of compulsory upward revision of agricultural wages rate
  - c. Increase of price of irrigation water
  - d. High rate of tax of agricultural income
2. Match List I with List 2 and select the correct answer using the codes given below the list

List-I (Act)

List-II (Aims)

a. MARTP

a. Control of foreign exchange

b. FERA

b. promotion of industrial peace

c. Industrial disputes

c. Control of unfair trade practices

d. Wealth tax

d. Reducing the concentration of economic power

**A B C D**

a. 1 2 3 4

b. 3 4 2 1

c. 2 4 1 3

d. 3 1 2 4

3. Location of sugar industry in India is influenced by

- a. the market
  - b. raw material
  - c. labour and entrepreneurial factors
  - d. none of the above
4. Dr. R K Hazari came to which of the following conclusion about the working of Licensing Policy in India?
- a. It led to pre-empting of licensing capacity in many in industries.
  - b. it led to balanced regional development.
  - c. It prevented the entry of new entrepreneurs.
  - d. It encouraged one application for the industry principle.

Select the correct answer using the cods given below

Codes:

- a. 1, 2, 3 and 4
  - b. 1 and 3
  - c. 3 and 4
  - d. 2 and 3
5. Which one of the following categories of industries needed compulsory licensing according to the industrial policy of July, 1991?
- a. Coal and lignite
  - b. Cotton textile
  - c. Food processing
  - d. None of the above
6. Which one of following industries is practicing dual principle policy?
- a. Petrochemical industry
  - b. heavy engineering industry
  - c. Sugar industry
  - d. None of the above

7. To which sector does the following percentage distribution of workers by industrial categories relate? Year 1951 1961 1971 1981 Percent 17 16 17 17
- Primary sector
  - Secondary sector
  - Tertiary sector
  - Government sector
8. If the currency with the public Rs. 500 crores, demand deposits with commercial banks are Rs. 2, 500 crores; time deposits with the commercial banks are Rs. 5, 000 crores; other deposits with the RBI are Rs. 50 crores; savings deposits with the post-office are Rs. 200 crores; then Money supply M1 equals
- Rs. 3, 050 crores
  - Rs. 5, 500 crores
  - Rs. 8, 000 crores
  - Rs. 8, 050 crores
9. In the construction of India's whole sale price indices, use is made of a fixed base year. This refers to
- the fixed weights of quantities in the base year
  - the fixed price of commodities in the base year
  - the changing weights of commodities
  - the changing pattern of the economy
10. Employment in small industry sector has been
- nearly 50% of total industrial employment
  - half the number of employment offered by modern industries.
  - about 10% of the total industrial employment
  - only 20% of the total industrial employment
11. In July 1991, Indian devalued the rupee by about
- 10%
  - 15%

c. 23%

d. 30%

12. The EXIM Scrip in India was a device to

a. link up imports and exports

b. de-link imports and exports

c. revamp the EXIM bank of India

d. strengthen the exit policy

13. India has so far drawn funds from the IMF under EFF during

a. 1980

b. 1981

c. 1989

d. 1966

14. India's foreign exchange reserves have gone up by more than Rs. 2000 crores during June to November 1991. This was due to

a. liberalisation of imports

b. an EFF loan from the LMF

c. rise in money supply

d. none of the above reasons

15. In recent year India has been borrowing from international private capital markets. Interest burden on those loan during 1990 – 91 were around

a. Rs. 1000 crores

b. Rs. 1500 crores

c. Rs. 1800 crores

d. Rs. 2500 crores