



2020

PRELIMS EXCLUSIVE PROGRAMME (PEP)- ECONOMY TEST 8



IASBABA

ECONOMY TEST 8

1/26/2020

Q.1) Consider the following fields of occupation

1. Silviculture
2. Pisciculture
3. Animal husbandry
4. Apiculture
5. Sericulture
6. Farming

Which of the above mentioned occupations would be a part of 'Agriculture'?

- a) 3 and 6 only
- b) 1, 2, 4 and 5 only
- c) 6 only
- d) All of the above

Q.2) Consider the following statements regarding Agriculture:

1. Agriculture employs the largest section of the labour force in India.
2. Agriculture contributes nearly 27% to the total GDP of the nation.
3. Agriculture has seen a steady increase in its growth rate in the last decade.

Choose the *incorrect* statement/s using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) None of the above

Q.3) Consider the following statements regarding Agriculture Subsidies:

1. Government subsidies to farmers has increased eight-fold in the last two decades.
2. In India, Government provides subsidies only to procure fertilizers.
3. Ballooning subsidy bill would reduce crowding out of investments in agriculture.

Choose the correct statement/s using the codes given below

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

Q.4) Which of the following could be the fall out of increasing agricultural subsidies in India?

1. Ballooning Fiscal deficit
2. Lower agricultural extension
3. Higher crop productivity in longer run
4. Lower investment in agricultural R&D

Choose the correct statements using the codes given below

- a) 1, 2 and 3 only
- b) 2, 3 and 4 only
- c) 1, 2 and 4 only
- d) All of the above

Q.5) Consider the following conditions

1. Policy paralysis
2. Inefficient agricultural marketing
3. Skewed MSP structure

4. Market volatility

d) All of the above

Which of the above conditions are responsible for low productivity in Indian agriculture?

- 1 and 4 only
- 1, 3 and 4 only
- 2, 3 and 4 only
- All of the above

Q.8) Consider the following statements

- Government of India aims to double farmers' income by 2025
- Vijay Kelkar committee has given recommendations for realising the vision of doubling farmer's income.

Q.6) Which of the following are the ill-outcomes of Monsoon dependent agriculture system in India?

- Rural distress
- Certainty in irrigation potential
- Frequent crop failures due to drought like scenarios
- Agricultural NPAs

Choose the correct statement/s using the codes given below

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

Choose the correct answer using the codes given below

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

Q.9) Consider the following statements regarding Agricultural Census:

- It is released by the Ministry of Agriculture and Farmer welfare.
- It shows that there has been a rise in female agricultural labour force.
- Average size of operational landholding has increased in the last few years

Q.7) Consider the following factors

- Monsoonal vagaries
- Lack of irrigation facilities
- Human resource capability
- Diversity in levels of soil fertility

Choose the correct statement/s using the codes given below

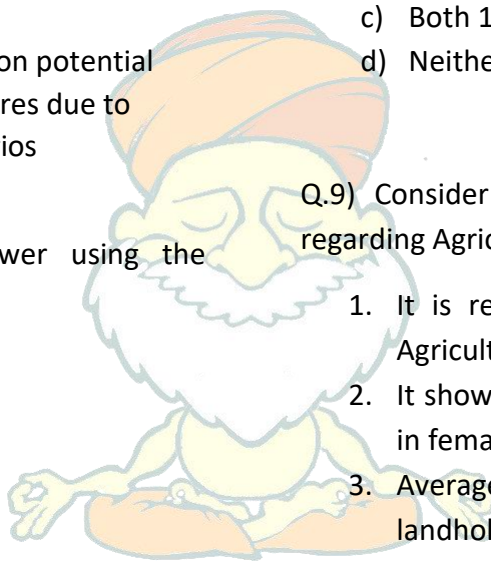
- 1 and 2 only
- 2 and 3 only
- 1 and 3 only
- All of the above

Which of the above factors are the causes for regional differences in crop productivity?

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

Q.10) Consider the following statements about PM Kisan Samman Nidhi (PM-KISAN) scheme

- It is a central sector scheme.



2. Under the Scheme, every farmers of the country will have a financial benefit of 6000/- rupees per year.
3. The money allotted can be used to buy only farm inputs like fertilizers etc.

Choose the incorrect statements using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 only
- d) All of the above

Q.11) Which of the following are considered as the successes of PM Fasal Bima Yojana?

1. It calls for mandatory usage of technology in risk/crop failure assessment.
2. High premiums being charged has led to increased safety for the farmers.
3. Wide range of reasons for yield loss are considered.

Choose the correct answer using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) All of the above

Q.12) Nowadays the term 'Farm Loan Waiver' is frequently seen in the news. Which of the following are considered as the ill effects of the FLW scheme?

1. Creates moral hazard

2. Crowds in private investment
3. Increased reluctance in loan lending by banks
4. It has a de-stressing effect on the farmers

Choose the correct answer using the codes given below

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

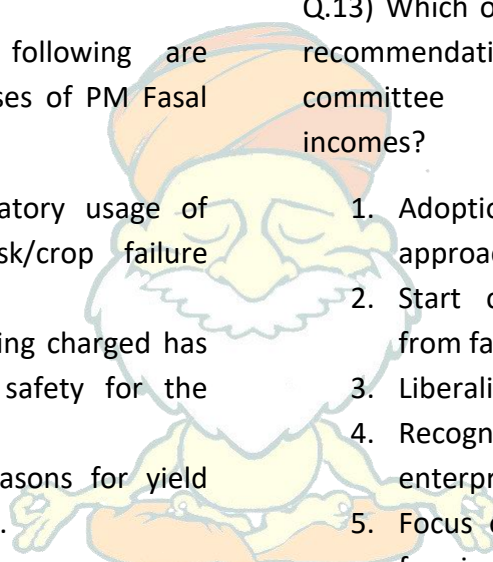
Q.13) Which of the following are not the recommendations of Ashok Dalwai committee for doubling farmers' incomes?

1. Adoption of 'Fork to Farm' approach.
2. Start collection of direct taxes from farmers.
3. Liberalise the definition of 'Farmer'
4. Recognize agriculture in India as an enterprise.
5. Focus on large scale mechanised farming.

Choose the correct answer using the codes given below

- a) 1, 2 and 3 only
- b) 2 and 5 only
- c) 1, 2, 3 and 4 only
- d) 3, 4 and 5 only

Q.14) Which of the following measures can be used by the government to end the monopoly of the APMCs in the state?



1. Establishing National Agricultural Market
2. Setting up Farmer Producer Organisations
3. Restructuring the Essential commodities Act
4. Promoting Gramin Agricultural Markets

Choose the correct answer using the codes given below

- a) All of the above
- b) 1, 2 and 3 only
- c) 2, 3 and 4 only
- d) 1, 3 and 4 only

Q.15) Consider the following statements regarding New Agricultural Export Policy of India:

1. To promote novel, indigenous, organic, ethnic, traditional and non-traditional Agri products exports.
2. Its primary aim is to double the farmers' income.
3. The policy aims to reach \$60bn by 2022 and \$100bn of agri-export in next few years.

Choose the correct statements using the codes given below

- a) 1 and 2 only
- b) All of the above
- c) 2 and 3 only
- d) 1 and 3 only

Q.16) Which of the following issues are associated with the Food Corporation of India (FCI):

1. Excess buffer stocks
2. Lack of storage capacity
3. Corruption
4. High costs for the government

Choose the correct answer using the codes given below

- a) 1, 2 and 3 only
- b) 2, 3 and 4 only
- c) 1, 3 and 4 only
- d) All of the above

Q.17) Consider the following statements regarding 'Mariculture':

1. Mariculture is a specialised branch of aquaculture involving the cultivation of economically important marine plants and animals in the sea or any other water body having tidal influence.
2. It is generally practised in the Exclusive Economic Zones and the deep-sea region.

Choose the correct statement/s using the codes given below

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

Q.18) Consider the following statements regarding 'Horticulture':

1. 'Operation Greens' launched in 2018 focuses only on supply of onion, potato and tomato.
2. India is the largest producer of Horticulture crops in the world.

Choose the correct statement/s using the codes given below

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

Q.19) Which of the below government scheme/initiative is not related to the Agriculture?

- a) ARYA
- b) PMKSY
- c) INSPIRE
- d) PMFBY

Q.20) Consider the following pairs

	<i>Agricultural Season</i>	<i>Crops</i>
	Kharif	Barley, Oats, Linseed, Mustard
	Rabi	Maize, Sorghum, Soyabean, Groundnut

Which of the above given pair/s is/are correctly matched?

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

Q.21) Which of the following reasons were behind the unsuccessful implementation of land reforms?

1. Land in India was considered as a symbol of prestige and not just an economic asset.

2. Majority of the population was not ready for the land reforms.
3. Rampant corruption and political hypocrisy.

Choose the correct answer using the codes given below

- a) All of the above
- b) 1 and 2 only
- c) 2 and 3 only
- d) 1 and 3 only

Q.22) Consider the following statements regarding Green Revolution:

1. Large agricultural fields of Punjab and Haryana were vital in testing the success rate of Green revolution.
2. PL480 scheme was a hindrance in carving out independent foreign policy for the country.
3. Successes in Mexico and Philippines inspired Indian Agricultural revolution.

Choose the correct statements using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) All of the above

Q.23) Which of the following is not a constituent of the Green Revolution phenomenon?

- a) Chemical fertilizers and Pesticides
- b) Micro-irrigation
- c) Marketing and Distribution

d) Weedicides

Q.24) Consider the following pairs regarding impacts of Green revolution:

1. Social Impact: Food and Nutritional security
2. Economic Impact: Inclusive economic growth
3. Ecological Impact: Bioaccumulation

Choose the *incorrect* pair/s using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) None of the above

Q.25) Which of the following factors influence the cropping pattern of a particular area?

1. Landform and altitude
2. Land ownership
3. Food culture
4. Mechanisation
5. Access to education

Choose the correct answer using the codes given below

- a) All of the above
- b) 2, 4 and 5 only
- c) 1, 3 and 4 only
- d) 1, 2, 4 and 5 only

Q.26) Consider the following statements regarding Animal Husbandry sector:

1. Mixed crop-livestock farming is more sustainable in nature
2. India's per-capita milk availability is much higher than the global average
3. Piggery promotion schemes are majorly aimed for North-eastern states
4. Poultry is the most eco-friendly sector among animal husbandry

Choose the correct statements using the codes given below

- a) 1, 2 and 3 only
- b) 2, 3 and 4 only
- c) 1 and 2 only
- d) All of the above

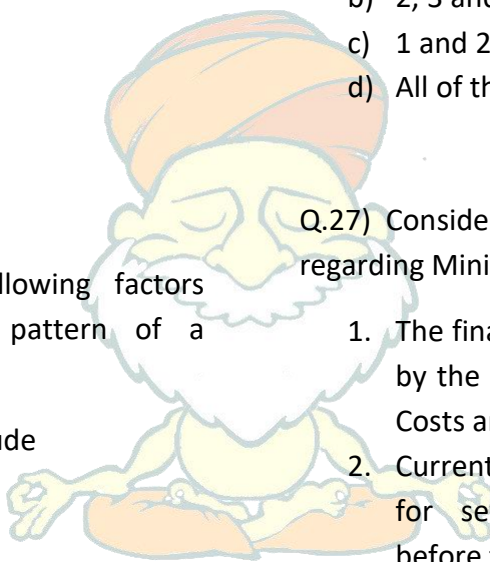
Q.27) Consider the following statements regarding Minimum Support Price (MSP):

1. The final decision on MSPs is taken by the Commission on Agricultural Costs and Prices (CACP).
2. Currently MSP is announced only for seven major cereal crops, before the sowing begins
3. MSP plays a vital role in deciding the cropping pattern in a region.

Choose the *incorrect* statements using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) None of the above

Q.28) Which of the following committee is related to food storage and distribution in India?



- a) Meena kumari committee
- b) Shanta kumar Committee
- c) Vijay Kelkar committee
- d) Rangarajan committee

Q.29) Consider the following statements regarding 'Farm Subsidies':

1. Farm input subsidies as a part of total budget outlay, takes the largest share.
2. Input subsidies like those on fertilizers, seeds, irrigation bills come under 'direct-subsidies'
3. PM KISAN Yojana is a classic example of 'indirect subsidy'

Choose the *incorrect* statements using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) All of the above

Q.30) Consider the following statements

1. Indirect agricultural subsidies in India play a great role in improving the productivity of the crops.
2. Farm loan waivers could be considered a part of indirect subsidy.

Choose the correct statement/s using the codes given below

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

Q.31) Consider the following statements regarding Food Security:

1. Food security includes food availability, food access and food safety.
2. Food security and probability of war, are indirectly proportional to each other.
3. The term food security inherently includes nutritional security and balanced diet.
4. SDG Goal 2 is related to ensuring global food security.

Choose the correct statement/s using the codes given below

- a) 1 only
- b) 2 and 3 only
- c) 1, 2 and 4 only
- d) All of the above

Q.32) Consider the following

1. Production of Biofuels
2. Rural to Urban migration
3. Wars with neighbours
4. Climate change

Which of the above factors threaten the food security in India?

- a) 2, 3 and 4 only
- b) 1, 3 and 4 only
- c) 2 and 4 only
- d) All of the above

Q.33) Which of the following global institution is not associated with ensuring food security in the world?

- a) World Food Programme

- b) World Bank
- c) International Maritime Organisation
- d) International Fund for Agricultural Development

- a) 1, 2 and 3 only
- b) All of the above
- c) 2, 3 and 4 only
- d) 1, 3 and 4 only

Q.34) Consider the following statements

1. National Mission on Oilseeds and Palm Oil (NMOOP) aims to reduce the import of crude oil from other countries.
2. Technology mission on coconut aims to make coconut farming competitive and a profitable venture.
3. Accelerated Maize development program is a scheme under Technology Mission on oilseeds and pulses.

Choose the correct statements using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) All of the above

Q.35) Consider the following statements

1. Cotton Research and Technology Generation
2. Transfer of Technology and Development
3. Development of Market Infrastructure
4. Modernization / Setting up of advanced factories

Which of the above are true with respect to Technology Mission on Cotton?

Q.36) Consider the following statements

1. National Saffron Mission aims to rejuvenate the saffron production in the Jammu and Kashmir region.
2. National Mission on Agricultural Extension aims to expand the area under the agriculture and allied sectors in India.

Choose the correct statement/s using the codes given below

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

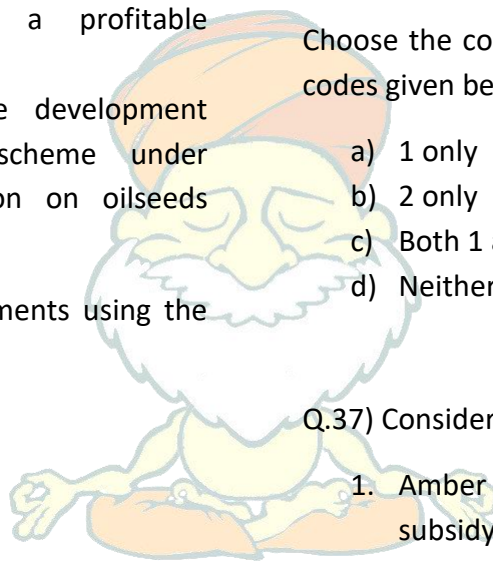
Q.37) Consider the following pairs

1. Amber Box: MSP and Fertilizer subsidy
2. Blue Box: PM KISAN, KALIA
3. Green Box: Pest control and Agriculture Extension

Which of the above pairs are correctly matched?

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) All of the above

Q.38) Consider the following activities



1. Production of 'lays' chips from potatoes
2. Sale of harvested sugarcane in the wholesale market
3. Conversion of beetroot sugar into white crystalline sugar
4. Production of paper from the sugarcane bark

Which of the above activities qualify to be termed under 'Food Processing'?

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

3. Government can transfer the complete risk of the project to the private partner.
4. Government need not worry about technology, plan, design, service delivery etc.

Choose the correct statement/s using the codes given below

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

Q.39) Consider the following pairs

1. Social infrastructure: football ground, theatres, Refugee camps
2. Critical infrastructure: oil pipeline, banking network, thermal plant

Which of the above pair/s is/are correctly matched?

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

Q.40) Nowadays PPP model of infrastructure development has become important because?

1. Government need not have all the required resources to begin an important project.
2. Government can rationalize tariffs/user fees without resistance from the public.

Q.41) Consider the following models of Public Private Partnership (PPP):

PPP Model	Features
Build Own Operate Transfer	Private partner plans, builds, operates and owns the property. It can transfer property to government only if Private body wants to do so, without any compulsion.
Hybrid Annuity Model	Here 40% of the project cost is paid by the government to the private partner upfront, while latter invests rest 60% of the funds.
Toll Operate Transfer	Highways developed by the NHAI will be leased to private players for certain years, by receiving upfront fee at regular intervals.

Which of the above mentioned models are correctly matched?

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

Q.42) Consider the following statements regarding 'Viability Gap Funding' (VGF):

1. VGF scheme is for those projects which cannot commercially sustain themselves on their own, given the competitive market forces.
2. Central Government gives up to 20% grants, while additional 20% may be given by sponsoring ministry or state government.
3. UDAN scheme has been taking help from this VGF facility extended by Ministry of Consumer affairs.

Choose the correct statements using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) All of the above

Q.43) Consider the following statements

1. Infrastructure Debt Funds: are sponsored by commercial banks and NBFCs in India in which domestic/offshore institutional investors, specially insurance and pension funds can invest through units and bonds issued by the IDFs

2. Infrastructure Investment Trusts: these raise funds from a large number of investors and directly invest in infrastructure projects or through a special purpose vehicle.

Choose the correct statement/s using the codes given below

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

Q.44) Consider the following pairs

1. PPP in Education sector: Hostel facilities, Catering facilities in some hostels
2. PPP in Healthcare sector: Ayushman Bharat Scheme
3. PPP in Digital India: Google WiFi in Railway Stations

Choose the correct matches using the codes given below

- a) 3 only
- b) 1 and 2 only
- c) 2 and 3 only
- d) All of the above

Q.45) What all advantages a sector can avail by having 'infrastructure' status attached with it?

1. Sector can look for funding from insurance sector.
2. Banks/NBFCs provide long gestation period loans.
3. Loans can be availed at zero interest rates.

4. Projects can avail government tax-cuts and subsidies.

Choose the correct answer using the codes given below

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

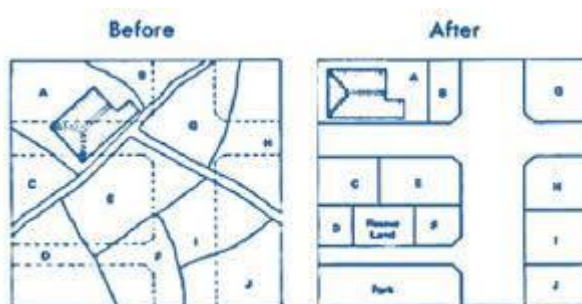
Q.46) Consider the following statements regarding 'Jal Vikas Marg':

- 1. Jal Vikas Marg is a project over rivers Ganga and Yamuna.
- 2. It is an inland water transport project between Varanasi and Haldia, stretching 1620km.
- 3. Project has availed technical and financial support of the World Bank and IMF.

Choose the *incorrect* statement/s using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) All of the above

Q.47) Consider the picture below



Which of the following terms best describe the above picture?

- a) Land Acquisition
- b) Land Pooling
- c) Real estate development
- d) Urbanisation

Q.48) Consider the following statements regarding High Speed Rail Network (HSRN):

- 1. Bullet train project between Ahmedabad and Mumbai is soft-financed by Japan's Official Development Assistance (ODA).
- 2. Diamond Quadrilateral Project aims to connect major metropolitan cities by high speed trains

Choose the correct statement/s using the codes given below

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

Q.49) Consider the following modes of transport

- 1. Railways
- 2. Roadways
- 3. Waterways
- 4. Airways

Arrange the above-mentioned modes in ascending order, in relation to cost per tonnage of transport:

- a) 1>2>3>4
- b) 3>4>1>2

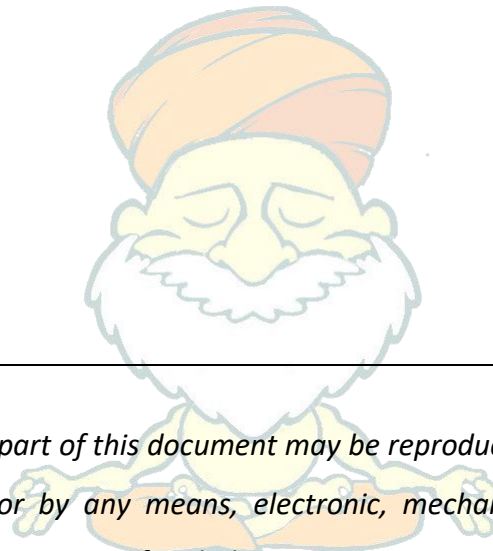
- c) 1>3>2>4
- d) 3>1>2>4

Q.50) Which of the following are the components of 'Smart City' initiatives?

1. Greenfield development
2. Brownfield development
3. Retrofitting and Redevelopment
4. Finding sui generis solutions

Choose the correct answer using the codes given below

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1, 2 and 3 only
- d) All of the above



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