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Daily MCQs: 21-08-2024

1. Consider the following statements about the Telecom Regulatory Authority of India (TRAI).

1. TRAI is a statutory body.
2. One of the main objectives of TRAI is to provide a fair and transparent policy environment which promotes a level playing field and facilitates fair competition in the 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

2. With reference to the Production Linked Incentive (PLI) programme, consider the following statements.

1. PLI aims to give companies incentives on incremental sales from products manufactured in domestic units.
2. At present, the scheme is restricted to mobile phones manufacturing, pharmaceutical drugs and food products sectors.

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

3. With reference to the Flexible Inflation Targeting framework in India, which of the following statements is not correct?

- A. The Reserve Bank of India Act, 1934, was amended in 2016 to provide a statutory basis for the implementation of a flexible inflation-targeting framework.
- B. At present, the inflation target is 4% measured by Consumer Price Index, with a tolerance band of +/- 2 percentage points.
- C. A breach of the "tolerance level" for six consecutive quarters will constitute a failure of monetary policy.
- D. When the Reserve Bank of India fails to meet the inflation target, it will send a report to the central government stating reasons and remedial actions that will be taken.

4. Consider the following statements about the International Whaling Commission (IWC).

1. The IWC is responsible for setting catch limits for commercial whaling with the exceptions of Norway and Iceland.
2. The Commission also conducts activities related to cetacean conservation.
3. India is not a party to the IWC.

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Which of the statements given above is/are correct?

- A. 1 and 2 only
- B. 2 only
- C. 1 and 3 only
- D. 1, 2 and 3

5. Which of the following statements is correct regarding the Right to Information Act, 2005?

- A. The Act's definition of "public authorities" does not include Non-Government organizations.
- B. The first request for information goes to the State Information Commission or the Central Information Commission.
- C. If information sought concerns the life or liberty of a person, it shall be supplied within 48 hours.
- D. The act sets a uniform application fee of Rs. 10 throughout the country.

Solutions:

1. Answer: C

Explanation:

- **Statement 1 is correct:** The Telecom Regulatory Authority of India (TRAI) was established in 1997 by an **Act of Parliament**, called the **Telecom Regulatory Authority of India Act, 1997**, to **regulate telecom services, including fixation/revision of tariffs for telecom services** which were earlier vested in the Central Government.
- TRAI's mission is to **create and nurture conditions for growth of telecommunications** in the country in a manner and at a pace which will enable India to play a leading role in emerging global information society.
- **Statement 2 is correct:** One of the main objectives of TRAI is to **provide a fair and transparent policy environment which promotes a level playing field and facilitates fair competition in the telecom sector.**
- The TRAI Act was amended by an ordinance in 2000, establishing a **Telecommunications Dispute Settlement and Appellate Tribunal (TDSAT)** to take over the adjudicatory and disputes functions from TRAI.
 - TDSAT was set up to adjudicate any dispute between a licensor and a licensee, between two or more service providers, between a service provider and a group of consumers, and to hear and dispose of appeals against any direction, decision or order of TRAI.

2. Answer: A

Explanation:

- **Statement 1 is correct:** The Production Linked Incentive (PLI) aims to give companies **incentives on incremental sales from products manufactured in domestic units.**

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- Apart from **inviting foreign companies to set shop in India**, the scheme also aims to **encourage local companies to set up or expand existing manufacturing units**.
- The central government had for the first time notified the PLI scheme for **mobile phones and allied component manufacturing** in 2020.
- **Statement 2 is incorrect:** Later, the government announced **expansion of the PLI scheme to include more than 10 sectors** including automobile and automobile components, pharmaceutical drugs, textile products, food products, high efficiency solar photo-voltaic modules, white goods such as air conditioners and LED bulbs, speciality steel products, drones and drone components, etc.

Why is the production linked scheme needed?

- The PLI schemes have been introduced as a **key element of the Atma Nirbhar Bharat package** to transform the manufacturing landscape of the Indian economy and integrate it into the global supply chains.
- The strategy behind these schemes is to offer companies **incentives on incremental sales from products manufactured in India, over the base year**.
- They have been specifically designed to **boost domestic manufacturing in sunrise and strategic sectors, curb cheaper imports and reduce import bills, improve cost competitiveness** of domestically manufactured goods, and **enhance domestic capacity and exports**.
- PLI Scheme is designed to create a complete component ecosystem in India and make India an **integral part of the global supply chains**.
- The PLI scheme is expected to **boost production worth an estimated \$500 billion** in five years since its introduction.

3. Answer: C

Explanation:

- The RBI's explicit mandate is to **conduct monetary policy**. The primary objective of monetary policy is to **maintain price stability while keeping in mind the objective of growth**. Price stability is a necessary precondition to sustainable growth.
- **Statement A is correct:** In 2016, the **Reserve Bank of India Act, 1934**, was amended to provide a statutory basis for the implementation of a **flexible inflation-targeting framework**, where the Centre and the RBI would review and agree upon a specific inflation target every five years.
- **Statement B is correct:** In 2021, the Centre decided to **retain the inflation target of 4% (measured by CPI-C), with a tolerance band of +/- 2 percentage points** for the period April 1, 2021, to March 31, 2026.
- **Statement C is incorrect:** A **breach of the "tolerance level" for three consecutive quarters will constitute a failure of monetary policy**.
- **Statement D is correct:** When the Reserve Bank of India fails to meet the inflation target, it will send a report to the central government stating reasons and remedial actions that will be taken.

4. Answer: A

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Explanation:

- The International Whaling Commission was established under the **1946 International Convention for the Regulation of Whaling** to provide for the **proper conservation of whale stocks and orderly development of the whaling industry**.
- **Statement 1 is correct:** The IWC is responsible for **setting catch limits for commercial whaling** (with the exceptions of Norway and Iceland). Norway and Iceland establish their own catch limits but must provide information on their catches and associated scientific data to the Commission.
- **Statement 2 is correct:** The Commission also conducts activities related to cetacean (e.g., whale, dolphin) conservation.
- **Statement 3 is incorrect:** Currently, there are more than 80 contracting governments (including **India**).

5. Answer: C

Explanation:

- Under the Right to Information Act, 2005, **Public Authorities** are required to make disclosures on various aspects of their structure and functioning.
 - This includes: (i) disclosure on their organisation, functions, and structure, (ii) powers and duties of its officers and employees, and (iii) financial information.
- The intent of such **suo moto disclosures** is that the public should need minimum recourse through the Act to obtain such information. If such information is not made available, citizens have the **right to request** it from the Authorities.
- This may include information in the **form of documents, files, or electronic records** under the control of the Public Authority. The intent behind the enactment of the Act is to **promote transparency and accountability** in the working of Public Authorities.

Who is included in the ambit of 'Public Authorities'?

- The RTI Act defines "public authorities" in **Section 2(h)**.
- A "**public authority**" means **any authority or body or institution of self- government established or constituted**
 - by or under the Constitution;
 - by any other law made by Parliament;
 - by any other law made by State Legislature;
 - by notification issued or order made by the appropriate Government, and includes any –
 - body owned, controlled or substantially financed;
 - Non-Government organization substantially financed, directly or indirectly by funds provided by the appropriate Government. **Hence, statement A is incorrect.**

Section 8 of the RTI

- This provides for **exemption from disclosure of information** that are more valid in reasons
 - Which would affect the sovereignty and integrity of India, the security, strategic, scientific or economic interests of the State;

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- Which has been expressly forbidden to be published by any court of law or tribunal;
- Which would cause a breach of privilege of Parliament or the State Legislature;
- Information including commercial confidence, trade secrets or intellectual property;
- Information received in confidence from foreign government;
- Information which would endanger the life or physical safety of any person; etc.

How is the right to information enforced under the Act?

- The Act has established a **three tier structure** for enforcing the right to information guaranteed under the Act.
- **Statement B is incorrect:** The first request for information goes to the **Central/State Assistant Public Information Officer** and **Central/State Public Information Officer**, designated by the Public Authorities.
- **Statement C is correct:** These Officers are required to provide information to an RTI applicant **within 30 days** of the request. If information sought **concerns the life or liberty of a person**, it shall be supplied within **48 hours**.
- Appeals from their decisions go to an **Appellate Authority**.
- Appeals against the order of the Appellate Authority go to the **State Information Commission or the Central Information Commission**. These Information Commissions consist of a **Chief Information Commissioner, and up to 10 Information Commissioners**.

Section 4(2) of the RTI

- It mandates that different authorities and government departments should **voluntarily disclose (*suo motu*) much information to the public at regular intervals through various means**, including the internet, so that the public have minimum resort to the use of this Act to obtain information.

Fee

- **Statement D is incorrect:** There is an **application fee** that **varies for the Centre and for States**.
- For **public authorities under the Central Government**, this is **Rs. 10**.