

INDIAN ECONOMY

Multiple choice questions

1. India's economic planning cannot be said to be:

- a. Indicative
- b. Imperative
- c. Limited
- d. Democratic.

Ans. Option : B

2. Economic Survey is published by:

- a. Ministry of finance
- b. Planning commission
- c. Govt. of India
- d. Indian statistical institute

Ans. Option : A

3. India is the biggest producer as well as the largest consumer and importer of which of the following crops?

- a. Wheat
- b. Cotton
- c. Sugarcane
- d. Pulses

Ans. Option : D

4. Which of the is an example of passive investment instrument?

- a. Gold ETFs
- b. Mutual funds
- c. Stocks
- d. Preference shares

Ans. Option : A

5. A persistent fall in the general price level of goods and services is known as:

- a. Deflation
- b. Disinflation
- c. Stagflation
- d. Depression

Ans. Option : A

6. Who is the chairman of planning commission in India:
- a. President
 - b. Vice president
 - c. Prime Minister
 - d. Finance Minister

Ans. Option : C

7. The one rupee note bears the signature of :
- a. RBI governor
 - b. President of India
 - c. Finance Minister
 - d. Finance Secretary

Ans. Option : D

8. Which of the following will not come under the proposed GST in India?
- a. Agricultural products
 - b. Handicrafts
 - c. Gems and Jewellery
 - d. Petroleum products

Ans. Option : D

9. The concept of five year plan was borrowed from:
- a. USA
 - b. England
 - c. Russia
 - d. France

Ans. Option : C

10. Who is the largest trading partner of India?
- a. USA
 - b. China
 - c. England
 - d. United Arab Emirates

Ans. Option : B

11. In which year national development council was set up?
- a. 1949
 - b. 1955
 - c. 1951
 - d. 1952

Ans. Option : D

12. The department of Family planning was set up in/

- a. 1965
- b. 1966
- c. 1977
- d. 1975

Ans. Option : B

13. Which of the following is / are immediate objective of the population policy of 2020?

- a. Meet the needs of contraception
- b. Meet the needs of health infrastructure
- c. Meet the needs of health personal
- d. All the above

Ans. Option : D

14. Rate of growth in “Hindu rate of growth” is established at?

- a. 1%
- b. 2.5%
- c. 3.5%
- d. 5%

Ans. Option : C

15. The book “Planning Economy for India” was written by?

- a. V. K. R. V. Rao
- b. M. Visvesvaraya
- c. K. N. Rai.
- d. Manmohan Singh

Ans. Option : B

16. What is the full form of Niti yog?

- a. National Institute to Transform India
- b. National Institute for Transforming India
- c. National Institution to Transform India
- d. National Institution for Transforming India

Ans. Option : D

17. Unfair trade practices are included in:

- a. FERA
- b. FEMA
- c. MRTP Act
- d. Anti Laundering act

Ans. Option : C

18. Multi fibre agreement is related to

- a. Textiles
- b. Agriculture
- c. Chemicals
- d. Plastics.

Ans. Option : A

19. Which of the following combinations is correct?

- a. NABARD – Industrial Loan
- b. IDBI – Short term Loans
- c. RBI – Long term Loans
- d. RRB – Agricultural Finance

Ans. Option : C

20. Which one of the following statements about globalization is not correct?

- a. All economies are closed
- b. Secular economies
- c. Open economies with trade liberalization
- d. None of these are correct

Ans. Option : C

21. Which one of the following was the objective of 12th five year plan of India?

- a. Faster and Inclusive growth
- b. Faster quick and reliable inclusive growth
- c. Faster reliable and more inclusive growth
- d. Faster sustainable and more inclusive growth.

Ans. Option : D

22. Indian Economy is :

- a. Socialist Economy
- b. Gandhian Economy
- c. Mixed Economy
- d. Free Economy

Ans. Option : C

23. Mixed Economy means an economy where:

- a. Both agriculture and industry are equally promoted by the state.

- b. There is co-existence of public sector along with private sector.
- c. There is importance of small scale industries along with heavy industries.
- d. Economy is controlled by military as well as civilian rulers.

Ans. Option : B

24. Who is the chairman of the planning commission in India?

- a. President
- b. Vice president
- c. Prime Minister
- d. Finance Minister

Ans. Option : C

25. The deputy chairman of the planning commission:

- a. HRD minister
- b. Finance Minister
- c. Holds the rank of cabinet ministry.
- d. Is an Economist of repute.

Ans. Option : C

26. The second five year plan laid more stress on :

- a. Industrialization
- b. Removing poverty
- c. Self-reliance
- d. Agriculture

Ans. Option : A

27. A Rolling plan is a plan for:

- a. One year
- b. Two year
- c. Three year
- d. Five year

Ans. Option : A

28. Rolling plan was designed for the period of :

- a. 1985-90
- b. 1974-79
- c. 1980-85
- d. 1978-83

Ans. Option : D

29. Major objective of 31st five year plan was:

- a. Industrial growth

- b. Self- reliance
- c. Economic growth
- d. Development of agriculture

Ans. Option : D

30. Major portion of working population in India is in”

- a. A tertiary factor
- b. Private sector
- c. Public sector
- d. Secondary Sector

Ans. Option : B

31. Planning in India derives its objectives from:

- a. Fundamental rights
- b. Fundamental duties
- c. Preamble
- d. Directive principles of state policy.

Ans. Option : D

32. Economic planning is a subject in:

- a. Concurrent list
- b. State list
- c. Union list
- d. Special list

Ans. Option : A

33. The contribution of Indian agricultural sector is :

- a. Increasing
- b. Decreasing
- c. Constant
- d. None of there

Ans. Option : B

34. The concept of Five year plan was introduced by :

- a. Morarji Desai
- b. Lal Bahadur Shastri
- c. Jawaharlal Nehru
- d. Indira Gandhi

Ans. Option : C

35. The strategy of rolling plan was adopted by:

- a. Jawaharlal Nehru
- b. Morarji Desai

- c. Rajeev Gandhi
- d. Narendra Modi

Ans. Option : B

36. The total expenditure for agriculture was the highest in which five year plan

- a. Fourth five year plan
- b. Third five year plan
- c. Second five year plan
- d. First five year plan

Ans. Option : A

37. The first chairman of planning commission:

- a. Sardar Vallabhai Pattel
- b. Indira Gandhi
- c. Dr. Rajendra Prasad
- d. Jawaharlal Nehru

Ans. Option : D

38. The growth rate of agricultural sector was negative in

- a. 1st Plan
- b. 2nd Plan
- c. 3rd Plan
- d. All the above

Ans. Option : C

39. Globalization of Indian Economy means:

- a. Increasing External borrowing
- b. Larger FDI
- c. Import Substitution
- d. Minimum possible restrictions on economic relation with other countries.

Ans. Option : D

40. National development council was stated in

- a. 1948
- b. 1949
- c. 1951
- d. 1952

Ans. Option : D

41. 'Take off stage' in an economy means

- a. Restrictions are removed

- b. Economy is stagnant
- c. Steady growth begins
- d. Economy is collapsing

Ans. Option :C

42.A Closed economy means:

- a. Only exports are take place
- b. Money supply is controlled
- c. Digital financing take place
- d. Neither exports nor imports

Ans. Option : D

43.Which of the statement is correct about Indian planning commission.

- a. Member – do not require any minimum education.
- b. It is not defined in Indian Constitution.
- c. Do not have fined working duration
- d. All the above

Ans. Option : B

44.In which sector the public sector is most dominant.

- a. Transport
- b. Steel production
- c. Financial Institution
- d. Commercial banking

Ans. Option : D

45.India had a plan holiday

- a. After the draught of 1966
- b. After the liberation of Bangladesh in 1971
- c. After India Pakistan was in 1965
- d. After the India china was 1962

Ans. Option : A

46.In Economics production means

- a. A Faming
- b. Manufacturing
- c. Creating utility
- d. Making

Ans. Option : C

47.Which type of economy can be termed as laissez – faire economy

- a. Mixed economy
- b. Socialist economy

- c. Command economy
- d. Capitalist economy

Ans. Option : D

48.FERA stands for

- a. Foreign Exchange Regulation Act
- b. Foreign Energy Regulation Act
- c. Foreign Exchange Rulling Act
- d. None of these

Ans. Option : A

49.FEMA Stands for

- a. Foreign exchange Merging Act
- b. Foreign exchange Managed Act
- c. Foreign Exchange Management Act
- d. None of these

Ans. Option : C

50. MNCs Stands for

- a. Multinational commodities
- b. Multinational Corporations
- c. Minimum number of commodities
- d. None of these

Ans. Option : B

51.Devaluation of Indian Rupee in terms of US Dollar was in the year.

- a. 2019
- b. 2000
- c. 1981
- d. 1991

Ans. Option : D

52.IMF stands for.

- a. Indian Monetary Fund
- b. Internal Monetary Fund
- c. International Monetary Fund
- d. None of these

Ans. Option : C

53.Import substitution means

- a. Constant rate of imports
- b. Increase in imports
- c. Producing imported good domestically

d. Import ban

Ans. Option : C

54. FDI stands for :

- a. Future Direct Investment
- b. Foreign Direct investment
- c. Further Direct Investment
- d. Fund for Direct Investment

Ans. Option : B

55. FII helps to improve:

- a. Capital market
- b. How of equity capital
- c. Financial innovation and development
- d. All the above

Ans. Option : D

56. Multi National corporations owns and managers business in true or more countries called.

- a. MNC
- b. FDI
- c. FII
- d. Monopoly

Ans. Option : A

57. Demography means

- a. Study of earth
- b. Study of population
- c. Study of Morality
- d. Study of directions.

Ans. Option : B

58. Number of individuals those die in a population in a given period of five is called:

- a. Morality rate
- b. Population density
- c. Birth rate
- d. None of these

Ans. Option : A

59. Population density means

- a. Rate of growth of population
- b. Rate of death rate of population

- c. Rate of birth rate of population
- d. Population size in a specifies area.

Ans. Option : D

60. The population of India as on 1st March 2011.

- a. 100 crores
- b. 150 crores
- c. 200 crores
- d. 121 crores

Ans. Option : D

61. Sex ratio in India as per the census of 2011.

- a. 1000 females per 1000 males
- b. 1036 females per 1000 males
- c. 840 females per 1000 males
- d. 940 females per 1000 males

Ans. Option : D

62. The state recorded highest value of overall sex ratio is

- a. TamilNadu
- b. Andra Pradesh
- c. Kerala
- d. Damen and die

Ans. Option : C

63. What is crude Literacy rate.

- a. Number of illiterate persons to total populations
- b. Number of graduate peoples to total population
- c. Number of literate persons to total population
- d. None of these

Ans. Option : C

64. As per the 2011 census literacy rate in India was

- a. 94%
- b. 74.04%
- c. 88.8%
- d. 100%

Ans. Option : B

65. Number of persons per square Kilometer is called.

- a. Density of population
- b. Growth rate of population
- c. Morality rate of population

d. None of these

Ans. Option : A

66. Measuring number of people who die is

- a. Infant note
- b. Migration Note
- c. Morality rate
- d. Fertility rate

Ans. Option : C

67. NPP stands for

- a. National Production policy
- b. National Power Policy
- c. National Population Policy
- d. None of these

Ans. Option : C

68. Which of the following is a commercial crop in India

- a. Mustard
- b. Tobacco
- c. Jute
- d. All the above

Ans. Option : D

69. What percentage of Indian population is depend on agriculture

- a. 65%
- b. 53%
- c. 40%
- d. 70%

Ans. Option : B

70. What percentage of Indian GDP is contributed by the service sector.

- a. 25% of GDP
- b. 60% of GDP
- c. 53% of GDP
- d. 49% of GDP

Ans. Option : B

71. What activity is termed as activity of tertiary sector ?

- a. Wheat production
- b. Mobile production
- c. Construction of a dam
- d. Fishing

Ans. Option : C

72. An Economy which does not have any relation with rest of the world is known as:

- a. Mixed economy
- b. Open economy
- c. Closed economy
- d. Socialist economy

Ans. Option : C

73. India is a:

- a. Developed country
- b. Developing country
- c. Under developed country
- d. None of these

Ans. Option : B

74. Which sector is considered as the work force of Indian Economy?

- a. Primary
- b. Secondary
- c. Tertiary
- d. None of these

Ans. Option : A

75. According to 2011 census the rate of urbanization in India is

- a. 72.2%
- b. 32.5%
- c. 31.16%
- d. 45.2%

Ans. Option : B

76. Among the Indian state which has the highest density?

- a. Bengal
- b. Kerala
- c. Punjab
- d. Bihar

Ans. Option : B

77. Relative poverty is basically related to

- a. Poor
- b. Rich
- c. Both
- d. None

Ans. Option : A

78.The sex ratio of Kerala in 2011 is

- a. 1084
- b. 1080
- c. 1040
- d. 1041

Ans. Option : A

79.The child sex ratio of India in 2011 is

- a. 913
- b. 940
- c. 961
- d. None

Ans. Option : A

80.The type unemployment more prominent in India

- a. Seasonal
- b. Cyclical
- c. Structural
- d. Open.

Ans. Option : A

81. India's unemployment is estimated by

- a. Finance Ministry
- b. RBI
- c. NSSO
- d. ISO

Ans. Option : D

82.Disguised unemployment is common in

- a. Agricultural sector
- b. Industrial sector
- c. Service sector
- d. Non of these

Ans. Option : A

83.The rate of unemployment in India in 2009- 10 is

- a. 5.8
- b. 5.6
- c. 8.2
- d. None

Ans. Option : C

84. India's Rank according to ADI in 2012 is

- a. 127
- b. 134
- c. 136
- d. 124

Ans. Option : B

85. The annual growth rate of India's population according to 2011 census is

- a. 1.9%
- b. 1.76%
- c. 2%
- d. None

Ans. Option : A

86. What was the contribution of the primary sector to net domestic product of India in 2011

- a. 80%
- b. 18%
- c. 53%
- d. 25%

Ans. Option : B

87. Land reform Includes:

- a. New idea of irrigation
- b. Fertilizers
- c. New seeds
- d. All the above.

Ans. Option : D

88. What is the main wheat production state in India

- a. Punjab
- b. Goa
- c. Kerala
- d. Orissa

Ans. Option : A

89. Which is the commercial crop

- a. Rice
- b. Wheat
- c. Tea
- d. None of these

Ans. Option : c

90.PDS stands for

- a. Price Distribution system
- b. Public Division system
- c. Public Distribution System
- d. None of these

Ans. Option : A

91. Regional Rural Bank were started in:

- a. 1975
- b. 1991
- c. 1969
- d. 1972

Ans. Option : A

92. When the 1st Industrial Policy was introduced?

- a. 1951
- b. 1948
- c. 1991
- d. 1956

Ans. Option : A

93. MRTP Act is related to?

- a. Industry
- b. Service
- c. Shopping
- d. Boat

Ans. Option : A

94. Indian Iron and steel company was established in:

- a. 1919
- b. 1976
- c. 1909
- d. 1090

Ans. Option : C

95. Bockaro steel plant was started during Plan?

- a. 1st
- b. 2nd
- c. 3rd
- d. 4th

Ans. Option : A

96. Export production is an:
- a. Outward booking strategy
 - b. Inward booking strategy
 - c. Fiscal strategy
 - d. Political Strategy

Ans. Option : A

97. Import quota is:
- a. Tariff
 - b. Non-Tariff barrier
 - c. Concession
 - d. International Obligation.

Ans. Option : B

98. Who is the father of Green Revolution in India?
- a. Norman E Barlaug
 - b. Swaminathan
 - c. Garry Backer
 - d. Dr. P. M. Jha

Ans. Option : B

99. Which of the following is a Kharif crop?
- a. Wheat
 - b. Maize
 - c. Gram
 - d. Barbey

Ans. Option : B

100. The difference between GDP and NDP is :
- a. Government revenue
 - b. Net Indirect Tax
 - c. Net capital Formation
 - d. None of these

Ans. Option : B

101. Unemployment which occur due to move from one job to another job I known as:
- a. Seasonal Unemployment
 - b. Frictional unemployment
 - c. Cyclical unemployment
 - d. Technical Unemployment.

Ans. Option : B

102. Type of unemployment mostly found in India:

- a. Structural unemployment
- b. Frictional unemployment
- c. Cyclical unemployment
- d. Disguised.

Ans. Option : D

103. Unemployment in a developing country is generally take place due to

- a. Switch over from one job to another.
- b. Lack of effective demand
- c. Seasonal factors.
- d. Lack of complementary factors of production.

Ans. Option : B

104. Cyclical unemployment refers to.

- a. Seasonal unemployment
- b. Disguised unemployment
- c. Voluntary unemployment
- d. Unemployment due to economic reason.

Ans. Option : D

105. Absolute poverty means.

- a. Poverty in terms of absolute number of people
- b. Poverty in terms of basic minimum calorie requirements.
- c. Poverty in terms of prevailing price level.
- d. None of these.

Ans. Option : B

106. Poverty gap is:

- a. Different between poverty line and actual income level.
- b. Gap between rich and poor.
- c. Gap between developed nation and developing nation
- d. None of these.

Ans. Option : A

107. When the productive capacity of an economy is inadequate to create sufficient number of jobs is called.

- a. Seasonal unemployment
- b. Structural unemployment
- c. Disguised unemployment

d. Cyclical unemployment

Ans. Option : B

108. Poverty in less developed countries is largely due to

a. Voluntary idleness

b. Income inequality

c. Lack of cultural activities

d. Lack of intelligence of people.

Ans. Option : B

109. Which of the sector has emerged as the largest producing sectors in India.

a. Tertiary sector

b. Primary sector

c. Secondary sector.

d. None of these.

Ans. Option : A

110. GDP is the total values of

a. All final goods and services

b. All interactive goods and services

c. All international goods and services.

d. None of these.

Ans. Option : A

111. The best indicator of economic development of any country is

a. Its agriculture

b. Its transport

c. Its gross production

d. Its per capital income.

Ans. Option : C

112. The mid day meal scheme was launched on:

a. August 15, 2000

b. August 15, 1992

c. August 15, 1995

d. August 15, 2001

Ans. Option : C

113. On July 12, 1982 the ARDC collaborated with.
- a. NABARD
 - b. Exim Bank
 - c. RBI
 - d. None of these.

Ans. Option : A

114. The first complete Indian bank was established in the year.
- a. 1794
 - b. 1894
 - c. 1896
 - d. 1902

Ans. Option :A

115. The Gandhian Plan was Presented by
- a. M. N. Roy
 - b. Nehru
 - c. Shriman Narayan
 - d. 8 leading economist

Ans. Option : A

116. Which of the following is not a feature of Indian Planning
- a. Physical Planning
 - b. Indicative economic planning
 - c. Decentralised Planning
 - d. None of these above.

Ans. Option : A

117. A. Rolling plan refer to a plan which?
- a. Does not change it target every year.
 - b. Change it allocation every year.
 - c. Changes its allocation and target every year.
 - d. None of these.

Ans. Option : B

118. National development council was constituted in
- August 16,1950
 - August 6, 1952
 - August 1, 1951
 - August 16, 1952

Ans. Option : C

119. 'Twenty point programme' was launched in the year.
- 1969
 - 1975
 - 1977
 - 1980

Ans. Option : B

120. Mahalanohis model has been associated with five year plan.
- 1st five year plan
 - 2nd five year plan
 - 3rd five year plan
 - 4th five year plan

Ans. Option : B

121. In which among the following years, essentials commodities act enacted?
- 1955
 - 1958
 - 1961
 - 1975

Ans. Option : C