

அச்சமில்லை கல்வி அறக்கட்டளை
PG TRB ECONOMICS MODEL TEST – 4

1. National Development Council was set up in:

- (a) 1948
- (b) 1950
- (c) 1951
- (d) 1952

Ans: (d)

2. Economic Planning is a subject: [Asstt Grade 1991]

- (a) in the Union List
- (b) in the State List
- (c) in the Concurrent List
- (d) unspecified in any special list

Ans: (a)

3. For internal financing of Five Year Plans, the government depends on: [NDA 1991]

- (a) taxation only
- (b) taxation and public borrowing
- (c) public borrowing and deficit financing
- (d) taxation, public borrowing and deficit financing

Ans: (a)

4. The National Development Council gets its administrative support from:

- (a) Planning Commission
- (b) Finance Commission
- (c) Administrative Reforms Commission
- (d) Sarkaria Commission

Ans: (a)

5. The Five Year Plans of India intend to develop the country industrially through: [NDA 1991]

- (a) the public sector
- (b) the private sector
- (c) the public, private, joint and Cooperative sectors
- (d) increasing collaboration with non-resident Indians

Ans: (c)

6. The Planning Commission is : [UP PCS 1994]

- (a) a Ministry
- (b) a Government department
- (c) an Advisory body
- (d) an Autonomous Corporation

Ans: (c)

7. Which of the following statements is correct? [AAO 1993]

- (a) Planning Commission is a constitutional body
- (b) The Prime Minister is the Chairman of the Planning Commission
- (c) The Minister of Planning is always necessarily the Deputy Chairman of Planning Commission
- (d) The draft plan is prepared by the National Development Council

Ans: (b)

8. The principal reason why national economic planning is still being pursued inspite of embracing a market economy since 1991 is that: [IAS 1994]

- (a) the vast quantity of capital already deployed in the public sector needs to be nurtured
- (b) the market economy is mainly confined to industry and commerce and central planning in agriculture is necessary
- (c) it is a constitutional requirement
- (d) Five Year Plans can continue to provide a long-term perspective to the economy in market friendly fashions

Ans: (d)

9. 'Take off stage' in an economy means: [CBI 1990]

- (a) steady growth begins

- (b) economy is stagnant
- (c) economy is about to collapse
- (d) all controls are removed

Ans: (a)

10. Planning in India derives its objectives from:

- (a) Fundamental Rights
- (b) Directive Principles of State policy
- (c) Fundamental Duties
- (d) Preamble

Ans: (b)

11. 70% of working population of India is engaged in:

- (a) public sector
- (b) primary sector
- (c) secondary sector
- (d) tertiary sector

Ans: (b)

12. Economic survey is published by :[IAS 1998]

- (a) Ministry of Finance
- (b) Planning Commission
- (c) Govt. of India
- (d) Indian Statistical Institute

Ans: (a)

13. Who is called the 'Father of Economics' ?

- (a) Max Muller
- (b) Karl Marx
- (c) Adam Smith
- (d) None of these

Ans: (c)

14. The concept of Five Year Plans in India was introduced by

- (a) Lord Mountbatten
- (b) Jawaharlal Nehru
- (c) Indira Gandhi
- (d) Lal Bahadur Shastri

Ans: (b)

15. India has: [CDS 1992]

- (a) Socialistic economy
- (b) Gandhian economy
- (c) Mixed economy
- (d) Free economy

Ans: (c)

16. India opted for 'Mixed Economy' in :

- (a) Framing of the Constitution
- (b) Second Five Year Plan
- (c) Industrial Policy of 1948
- (d) None of the above

Ans: (c)

17. Mixed economy means an economy where [CDS 2009]

- (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: (b)

18. India's economic planning CANNOT be said to be : [NDA 2002]

- (a) indicative
- (b) imperative
- (c) limited
- (d) democratic

Ans: (b)

19. Which of the following could be said to have prevented the 'trickle down' effects in Indian economy?

1. Increased dependence of agriculture on purchased inputs and privately managed irrigation
2. More employment of labour by larger landholding farmers
3. Lowered participation of women in agricultural workforce due to new technology
4. The failure of the Green Revolution

(a) 1 and 2

(b) 2 and 3

(c) 1 and 3

(d) 2 and 4

Ans: (c)

20. Which of the following are not correct assessments of the decades of India's Five-Year Plans?

1. There has been very low capital formation
2. Growth has favoured the better off
3. Production has increased substantially though often falling short of targets
4. The public sector has contributed nothing to economic growth

(a) 1 and 4

(b) 2 and 3

(c) 1, 2 and 3

(d) 3 and 4

Ans: (a)

21. Who is the Deputy Chairman of Planning Commission?

- (a) Prime Minister
- (b) Finance Minister
- (c) Commerce Minister
- (d) None of the above

Ans: (d)

22. The deputy chairman of the Planning Commission: [UP PCS 1994]

- (a) is the Prime Minister
- (b) is the Planning Minister
- (c) holds the rank of a cabinet minister
- (d) is an economist of repute

Ans: (c)

23. Who was the first Deputy Chairman of Planning Commission of India?

- (a) Shri Jawaharlal Nehru
- (b) Dr.Rajendra Prasad
- (c) Shri V.T.Krishnamachari
- (d) Shri C.Rajagopalachari

Ans: (c)

24. The Planning Commission of India:

I. was set up in 1950

II. is a constitutional body

III. is an advisory body

IV. is a government department

- (a) I and II
- (b) II and III
- (c) I and III
- (d) III only

Ans: (c)

25. Put in chronological order

1. Constitution of National Planning Committee -by the Indian National Congress under Jawaharlal Nehru
2. Planned Economy for India by Visvesvaraya published
3. Bombay Plan
4. Setting up of the National Development Council

(a) 1, 2, 3, 4

(b) 3, 2, 4, 1

(c) 2, 3, 1, 4

(d) 2, 1, 3, 4

Ans: (d)

26. Microeconomics is concerned with:

1. behaviour of industrial decision-makers

2. the level of employment

3. changes in the general level of prices

4. determination of prices of goods and services

(a) 1 and 2

(b) 2 and 3

(c) 3 and 4

(d) 1 and 4

Ans: (d)

27. Indicative Planning being pursued in India since the 8th Plan aims at ensuring that:

1. Planning mechanism plays a facilitatory role

2. Planning mechanism brings about a balance between need and supply

3. Planning mechanism concerns itself with optimal utilisation of resources

4. Planning concerns itself with laying down broad directions in which the economy should move

Choose the correct answer from:

(a) 1, 2 and 4

(b) 1 and 2

(c) 1, 2, 3 and 4

(d) 2, 3 and 4

Ans: (c)

28. Consider the following statements: [IAS 2004]

1. The highest deciding body for planning in India is the Planning Commission of India.

2. The Secretary of the Planning Commission of India is also the Secretary of National

Development Council

3. The Constitution includes economic and social planning in the Concurrent List in the Seventh Schedule of the Constitution of India.

Which of the statements given above is/are correct?

(a) 1 and 2

(b) 2 only

(c) 2 and 3

(d) 3 only

Ans: (b)

29. The basic objectives of Indian planning are:

1. economic growth

2. self-reliance

3. employment generation

4. population growth

(a) 1, 2 and 4

(b) 1, 2 and 3

(c) 2 and 3

(d) 1, 2, 3 and 4

Ans: (b)

30. An underdeveloped economy is generally characterised by :

1. low per capita income

2. low rate of capital formation

3. low dependency figure

4. working force largely in the tertiary sector

(a) 1 and 2

(b) 2 and 3

(c) 3 and 4

(d) 1 and 4

Ans: (a)

31. Self-reliance in the economic context implies that a country:

1. meets its demands for all goods and services from its domestic production
2. exports some of its goods but does not need to import anything
3. has sufficient foreign exchange reserves to buy all its needs
4. meets its demand for certain vital goods and services from its domestic production

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

Ans: (d)

32. Which of the following gives an accurate measurement of economic development through Five Year Plans?

- (a) Development of education and health services
(b) Development of railways and roadways
(c) Rise in national income and per capita income
(d) Development of industrial towns and industrial estates

Ans: (c)

33. In India, the Public Sector is most dominant in : [IAS 1993]

- (a) transport
(b) steel production
(c) commercial banking
(d) organised term-lending financial institutions

Ans: (c)

34. The first attempt to initiate economic planning in India was made by:

- (a) Balwantrai Mehta
(b) Vallabhbhai Patel
(c) M. Visvesvaraya
(d) Jawaharlal Nehru

Ans: (c)

35. The decentralisation system was recommended by :

(a) C.Rajagopalachari

(b) J.B. Kripalan

(c) Balwant Rai Mehta

(d) Ashok Mehta

Ans: (c)

36. Match the following. : [UP PCS 1994]

A. First Plan 1. Rapid industrialisation

B. Second Plan 2. Community Development Programme

C. Third Plan 3. Expansion of basic industries

D. Fourth Plan 4. Minimum Needs Programme

E. Fifth Plan 5. Achievement of self-reliance and growth with stability

A B C D E

(a) 1 2 3 4 5

(b) 2 1 3 5 4

(c) 2 1 3 4 5

(d) 2 1 4 5 3

Ans: (b)

37. The main objective of First Five-year Plan was:

(a) industrial growth

(b) economic growth

(c) development of agriculture including irrigation and power projects

(d) self-reliance

Ans: (c)

38. India had a plan holiday: [CPO AC 2003]

(a) after the China-India War of 1962

(b) after the drought of 1966

(c) after the liberation of Bangladesh in 1971

(d) after the India-Pakistan War in 1965

Ans: (b)

39. Rolling plan was designed for the period: [IAS 2003]

- (a) 1978-83
- (b) 1980-85
- (c) 1985-90
- (d) 1974-97

Ans: (a)

40. 'The strategy of Rolling plan was adopted during the Prime Ministership of: [Railways 1994]

- (a) Lal Bahadur Shastri
- (b) Indira Gandhi
- (c) Morarji Desai
- (d) Rajiv Gandhi

Ans: (c)

41. A rolling plan was a plan for:

- (a) one year
- (b) three years
- (c) five years
- (d) year to year basis

Ans: (a)

42. The basic feature of the Rolling Plans was that:

- (a) no physical targets were visualized
- (b) revision of the achievements, of previous year
- (c) annual fluctuations in prices and major economic developments could be considered while fixing targets
- (d) no financial target except in the term of annual plans was envisaged

Ans: (c)

43. The growth rate of agricultural production was negative in the:

- (a) First Plan

- (b) Second Plan
- (c) Third Plan
- (d) Fourth Plan

Ans: (c)

44. Which one of the following is the task of the Planning Commission? [NDA 1991]

- (a) Preparation of the plan
- (b) Implementation of the plan
- (c) Financing of the plan
- (d) Both (a) and (b)

Ans: (a)

45. Who wrote the book 'Planned Economy for India'?

- (a) M. Visvesvaraya
- (b) Sardar Vallabhbhai Patel
- (c) Jawaharlal Nehru
- (d) Mahatma Gandhi

Ans: (a)

46. 'Globalisation of Indian Economy' means:

- (a) stepping up external borrowings
- (b) establishing Indian business units abroad
- (c) having minimum possible restrictions on economic relations with other countries
- (d) giving up programmes of import substitution

Ans: (c)

47. The contribution of agriculture to India's' economy is:

- (a) increasing
- (b) decreasing
- (c) constant
- (d) None of these

Ans: (b)

48. Which of the following bodies finalises the Five Year Plan proposals? [IAS 2002]

- (a) Planning Commission
- (b) Union Cabinet
- (c) National Development Council
- (d) Ministry of Planning

Ans: (c)

49. Which one of the following is NOT with in the duties of the Planning Commission?

[NDA 2003]

- (a) To define the stage of growth and suggest allocation of resources
- (b) To make an assessment of the material, capital and human resources of the country
- (c) To determine the nature of machinery required for implementation of plan proposals
- (d) To prepare the annual central budget

Ans: (d)

50. The basic difference between imperative and indicative planning is that: [IAS 1993]

- (a) it is easier to achieve targets in imperative type of planning
- (b) in the case of imperative planning, all economic activities belong to public sector, while in the other type they belong to the private sector
- (c) in the case of the imperative planning, the market mechanism is entirely replaced by a command hierarchy, while in the case of indicative planning, it is looked upon as a way to improve the functioning of the market system
- (d) in the case of indicative planning, there is no need to nationalise any industry

Ans: (c)

51. Among the achievements of Indian planning, we may include:

1. development of strong infrastructure
2. diversification of industry and exports
3. high growth of national income
4. strong control over prices

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

(d) 2 and 3

Ans: (a)

52. Which of the following features indicate that Indian economy is of the developing category?

I. Occupation mainly agricultural

II. Chronic unemployment

III. Poor quality of human capital

IV. Low per capita intake of proteins

(a) I, II and III

(b) I and IV

(c) II and III

(d) I, II, III and IV

Ans: (d)

53. Dadabhai Naoroji theorised on the drain of wealth from India in his book:

(a) Poverty under British Rule in India

(b) Poverty in British Rule in India

(c) Poverty and Un-British Rule in India

(d) Poverty of Economic Drain in British India

Ans: (c)

54. Which of the following may be termed as long-term objectives of Indian planning?

1. Self-reliance

2. Productive employment generation

3. Growth of 7 per cent per annum

4. Growth in infrastructure

(a) 1 and 2

(b) 3 and 4

(c) 1, 2 and 4

(d) 2, 3 and 4

Ans: (a)

55. Which one of the following Five-Year Plans recognised human development as the core of all developmental efforts? [IAS 1995]

- (a) The Third Five-Year Plan
- (b) The Fifth Five-Year Plan
- (c) The Sixth Five-Year Plan
- (d) The Eighth Five-Year Plan

Ans: (d)

56. In which of the Five Year Plans, preference was given to the weaker sections of the society ?

- (a) Second
- (b) Third
- (c) Fourth
- (d) Fifth

Ans: (d)

57. The Second Five Year Plan laid more stress upon:

- (a) agriculture
- (b) industrialisation
- (c) removing poverty
- (d) self-reliance

Ans: (b)

58. The steel plants at Durgapur, Bhilai and Rourkela were established during the period of: [NDA 1990]

- (a) First Five Year Plan
- (b) Second Five Year Plan
- (c) Third Five Year Plan
- (d) Fourth Five Year Plan

Ans: (b)

59. What is the correct sequence of the following strategies used for Five Year Plans in India?

1. Balanced growth
2. Rehabilitation of the economy
3. Industrial development

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

Ans: (c)

60. During which Five Year Plan was the total expenditure on agriculture the highest?

- (a) First Five Year Plan
- (b) Second Five Year Plan
- (c) Third Five Year Plan
- (d) Fourth Five Year Plan

Ans: (d)

61. The objective of self-reliance and zero net foreign aid was declared in :

- (a) Second 5-Yr Plan
- (b) Third 5-Yr Plan
- (c) Fourth 5-Yr Plan
- (d) Fifth 5-Yr Plan

Ans: (c)

62. Who of the following was the author of the chapter on "Objectives of Planned Development" for the Third Five Year Plan? [IAS 2008]

- (a) Morarji Desai
- (b) C.D. Deshmukh
- (c) Jawaharlal Nehru
- (d) Lal Bahadur Shastri

Ans: (a)

63. In which one of the following five year plans the actual growth performance in India in respect of GDP (at factor cost) was less than the target set? [NDA 2008]

- (a) Sixth five year plan
- (b) Seventh five year plan
- (c) Eighth five year plan
- (d) Ninth five year plan

Ans: (d)

64. The 11th Five Year Plan strategy to raise agricultural output envisages which of the following?

1. Greater attention to land reforms.
2. Double the rate of growth of irrigated area.
3. Promote animal husbandry and fishery.
4. Interest free credit to the farmers.

Select the correct answer [CDS 2008]

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

Ans: (c)

65. Which of the statements given below is/are correct? [CDS 2008]

1. Food for Work Programme was launched in India during the 10th Five Year Plan.
2. The Planning Commission in India is a constitutional body.

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

Ans: (a)

66. Who among the following was the first Chairman of the Planning Commission? [CDS 2008]

- (a) Dr. Rajendra Prasad
- (b) Pt. Jawahar Lal Nehru

(c) Sardar Vallabhbhai Patel

(d) J.B. Kripalani

Ans: (b)

67. Which of the following statements about the Indian Economy is correct? [RBI Grade B Officer 2011]

(1) Indian economy is as developed as that of China.

(2) About 70% Indians are involved in some type of self-employment and are the owners of some or the other micro or small enterprise.

(3) In India, single biggest employment is agriculture and allied activities.

(4) About 48% Indian workforce is employed in foreign countries or in organizations assisted by foreign capital.

(5) None of these

Ans: (3)

68. Which of the following is NOT a function of the Planning Commission of India? [RBI Grade B Officer 2011]

(1) Assessment of the material, capital and human resources of the country

(2) Formulation of plans for the most effective and balanced utilization of country's resources

(3) Public cooperation in national development

(4) Preparation of annual budget of the country and collection of taxes to raise capital for the implementation of the plans

(5) Determination of stages in which the plan should be carried out

Ans: (4)

69. Which one of the following is the correct sequence in the decreasing order of contribution of different sectors to the Gross Domestic Product of India ? [IAS 2007]

(a) Services-Industry-Agriculture

(b) Services-Agriculture-Industry

(c) Industry-Services-Agriculture

(d) Industry-Agriculture-Services

Ans: (a)

70. ____ is the ex-officio chairman of Planning Commission and National Development Council.

- (a) Prime Minister
- (b) President
- (c) Finance Minister
- (d) Commerce Minister

Ans: (a)

71. Which statement is correct for Indian Planning Commission?

- (a) It is not defined in Indian Constitution
- (b) Members and Vice-Chairman of it do not have fixed working duration
- (c) Members do not require any minimum education
- (d) All of the these

Ans: (d)

72. Which one of the following is a driving force influencing the industrial growth of an economy? [Corporation Bank PO 2011]

- (1) Economic Factors only
- (2) Investment only
- (3) Innovation/Market Base only
- (4) Only (1) & (2)
- (5) All (1), (2) & (3)

Ans: (5)

73. Which of the following is/are a/ an indicator of the financial health of a country? [UBI PO 2010]

- (A) GDP
- (B) PPP
- (C) FDI in a year

- (1) Only (A)
- (2) Only (B)

- (3) Only (C)
- (4) All (A), (B) & (C)
- (5) None of these

Ans: (4)

74. In the context of India's Five Year Plans, a shift in the pattern of industrialization, with lower emphasis on heavy industries and more on infrastructure begins in [IAS 2010]

- (a) fourth Plan
- (b) sixth Plan
- (c) eighth Plan
- (d) tenth Plan

Ans: (c)

75. In the context of Indian economy, consider the following pairs:

Term Most appropriate description

1. Melt down Fall in stock prices
2. Recession Fall in growth rate
3. Slow down Fall in GDP
4. Which of the pairs given above is/are correctly matched? [IAS 2010]

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

Ans: (a)

76. The Nehru-Mahalanobis strategy of development guided the planning practice in India from the [CDS 2012]

- (a) First Five-Year Plan to the Sixth Five-Year Plan
- (b) Fourth Five-Year Plan to the Eighth Five-Year Plan
- (c) Second Five-Year Plan to the Seventh Five-Year Plan
- (d) First Five-Year Plan to the Eighth Five-Year Plan

Ans: (c)

77. Match the following : [CDS 2011]

Five Year Plan Emphasis

- A. First 1. Food Security and women empowerment
- B. Second 2. Heavy industries
- C. Fifth 3. Agriculture and community development
- D. Ninth 4. Removal of poverty

A B C D

(a) 1 2 4 3

(b) 3 2 4 1

(c) 1 4 2 3

(d) 3 4 2 1

Ans: (b)

78. Consider the following about the 'Rolling Plan':

I. A plan for the current year which includes the annual budget

II. A plan for a fixed number of years, say 3, 4 or 5

III. It is revised every year as per requirements of the economy

IV. A perspective plan for 10, 15 or 20 years

Which of the above are correct? [BPSC 2011]

(a) I and II

(b) I and III

(c) II and III

(d) I, II, III and IV

Ans: (b)

79. A "closed economy" is an economy in which [CSAT 2011]

(a) the money supply is fully controlled

(b) deficit financing takes place

(c) only exports take place

(d) neither exports nor imports take place

Ans: (d)

80. In which Plan was the growth rate target exceeded?

(a) First

(b) Fifth

(c) Sixth

(d) None of these

Ans: (a)

81. Put in chronological order the following Special features/objectives of different Five Year Plans as they were first formulated:

1. Mahalanobis strategy

2. Modernisation

3. Removal of Poverty

4. Emphasis on employment generation

(a) 1,2,3,4

(b) 2,1,3,4

(c) 1,3,2,4

(d) 3,4,1,2

Ans: (c)

82. In India, the concepts of "minimum needs" and "directed anti-poverty programmes" were the innovations of: [CDS 2004]

(a) Fourth Five-year Plan

(b) Fifth Five-year Plan

- (c) Sixth Five-year Plan
- (d) Seventh Five-year Plan

Ans: (b)

83. During which Plan did prices show a decline?

- (a) First
- (b) Third
- (c) Fifth
- (d) None of the above

Ans: (a)

84. Match the following:

List-I List-II

- A. Year of the Great Divide 1. 1950
- B. Industrial Policy Resolution 2. 1921
- C. Setting up of Planning Commission 3. 1969
- D. Nationalisation of 14 Commercial banks 4. 1956

A B C D

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

Ans: (a)

85. Success of 4th plan was obstructed by :

- (a) poor monsoon
- (b) war with Pakistan
- (c) problem of Bengal refugees
- (d) All of the above

Ans: (d)

Thanks to. Smartprep