

9486 474777

INDIAN ECONOMY

PGTRB COACHING

## PRACTICE PAPER - 14

1. 'Garibi Hatao' (removal of poverty) and 'Growth with Justice' were the main objectives of
  - (a).Plan Holiday
  - (b).Fourth Five Year Plan
  - (c).Rolling Plan
  - (d).Fifth Five Year Plan
2. Which Plan was negatively affected by the arrival of refugees from Bangladesh?
  - (a).Fifth Five Year Plan
  - (b).Fourth Five Year Plan
  - (c).Third Five Year Plan
  - (d).Annual Plan
3. Under which Plan was private sector given priority over the public sector for the first time?
  - (A).Sixth
  - (B).Second
  - (C).Seventh
  - (D).Fifth
4. In which 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?
  - (A).Sixth Five Year Plan
  - (B).Seventh Five Year Plan
  - (C).Eighth Five Year Plan
  - (D).Ninth Five Year Plan
5. Planning Commission was established in the year
  - (A).1950
  - (B).1947
  - (C).1975
  - (D).1960
6. Economic Survey is published by
  - (A).Governments of India
  - (B).Indian Statistical Institute
  - (C).Ministry of Finance
  - (D).Planning Commission
7. During which Plan the growth rate of agricultural production was negative?
  - (A).Third Plan
  - (B).Second Plan
  - (C).First Plan
  - (D).None of these

8. For which period was the Rolling Plan made?
  - (A).1978-1980
  - (B).1980-1985
  - (C).1950-1953
  - (D).1965-1968
9. Development means economic growth plus
  - (A).inflation
  - (B).deflation
  - (C).price stability
  - (D).social change
10. Under which plan did the Government introduce an agricultural strategy which gave rise to Green Revolution?
  - (A).Second Five Year Plan
  - (B).Third Five Year Plan
  - (C).Fourth Five Year Plan
  - (D).Sixth Five Year Plan
11. The Second Five Year Plan was based on
  - (A).Mohalanobis Model
  - (B).Vakil and Brahmananda's wage Goods Model
  - (C).Harrod-Domar Growth Model
  - (D).Slow Growth Model
12. The Planning Commission of India is
  - (A).A Constitutional body
  - (B).A Statutory body
  - (C).A non-Statutory body
  - (D).An independent and autonomous body
13. In India, which of the following has the highest share in the disbursement of credit to agriculture and allied activities?
  - (A).Commercial Banks
  - (B).Cooperative Banks
  - (C).Regional Rural Banks
  - (D).Micro-finance Institutions
14. The father of "Operation Flood" is
  - (A).MS Swaminathan
  - (B).Verghese Kurien
  - (C).Uma Kapila
  - (D).Amartya Sen

9486 474777

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15. Which one of the following companies has started the rural marketing network called 'e-chaupals'?
- (A).ITC  
(B).Dabur  
(C).Proctor and Gamble  
(D).Hindustan Lever
16. Which one of the following statements most appropriately describes the nature of the Green Revolution?
- (A).Intensive cultivation of crops  
(B).Seed-fertilizer-water technology  
(C).Intensive agriculture district programme  
(D).High-yielding varieties programme
17. National Agriculture Insurance Scheme replacing Comprehensive Crop Insurance Scheme (CCIS) was introduced in the year
- (A).1997  
(B).1998  
(C).1999  
(D).2000
18. Indian production of tea in the world stands at
- (A).second  
(B).third  
(C).fourth  
(D).first
19. State with maximum production of coffee in India is
- (A).Karnataka  
(B).Kerala  
(C).Maharashtra  
(D).Tamil Nadu
20. Who gave the call for 'Evergreen Revolution' in India?
- (A).MS Swaminathan  
(B).APJ Abdul Kalam  
(C).Dr Manmohan Singh  
(D).MS Ahluwalia
21. Central Seed Testing and Referral Laboratory is located in
- (A).Bhopal  
(B).Varanasi  
(C).Dehradun  
(D).Lucknow

22. 'Eco Mark' is given to the Indian products that are
- (A).pure and unadulterated  
(B).rich in proteins  
(C).environment friendly  
(D).economically viable
23. The impact of Green Revolution was felt most in the case of
- (A).wheat  
(B).rice  
(C).pulses  
(D).oilseeds
24. The purpose of land reforms was to achieve
- (A).increase in production  
(B).increase the purchasing power of the rural population  
(C).ensure distributive justice with economic growth  
(D).All of the above
25. Crop insurance is the monopoly of
- (A).National Insurance Company  
(B).General Insurance Company  
(C).Life Insurance Corporation  
(D).NABARD
26. The Green Revolution has not been as green as it has been made out to be because
- (A).it is confined onl to wheat  
(B).it is confined to selected regions  
(C).it created big farmers  
(D).None of the above
27. Indian Green Revolution started from
- (A).Pantnagar  
(B).Bengaluru  
(C).Kanpur  
(D).Delhi
28. In which of the following years was the Food Corporation of India (FCI) set up?
- (A).1974  
(B).1976  
(C).1977  
(D).1978

9486 474777

INDIAN ECONOMY

PGTRB COACHING

29. 'Bhoodan Yojana', as a measure of gifting land by the rich landlords to the landless labourers, was started by

- (A). Acharya Vinoba Bhave  
(B). Acharya Narendra DEv  
(C). Raj Narain  
(D). Medha Patkar

30. 'Doha Round of WTO' is related with, which of the following?

- (A). Agriculture  
(B). Industry  
(C). Services  
(D). Investment

31. Indian Green Revolution is the most successful in which of the following?

- (A). Wheat and potato  
(B). jowar and oil seeds  
(C). Wheat and rice  
(D). Tea and coffee

32. The central banking functions in India are performed by the

- I. Central Bank of India  
II. Reserve Bank of India  
III. State Bank of India  
IV. Punjab National Bank  
(a). I, II (b). II  
(c). I (d). II, III

33. Development expenditure of the Central government does not include

- (a). defence expenditure  
(b). expenditure on economic services  
(c). expenditure on social and community services  
(d). grant to states

34. ICICI is the name of a

- (A). chemical industry  
(B). bureau  
(C). financial institution  
(D). corporation

35. Gilt-edged market means

- (A). Bullion Market  
(B). market of government securities  
(C). market of guns  
(D). Market of Pure Metal

36. In the last one decade, which one among the following sectors has attracted the highest foreign direct investment inflows into India?

- a) Chemicals other than fertilizers  
b) Services sector  
c) Food processing  
d) Telecommunication

37. Devaluation of a currency means

- a) reduction in the value of a currency vis-a-vis major internationally traded currencies  
b) permitting the currency to seek its worth in the international market  
c) fixing the value of the currency in conjunction with the movement in the value of a basket of pre-determined currencies  
d) fixing the value of currency in multilateral consultation with the IMF, the World Bank and major trading partners

38. In the second nationalization of commercial banks, \_\_\_ banks were nationalized.

- a) 4  
b) 5  
c) 6  
d) 8

39. Since independence, both development and non-development expenditures have increased; the increase in the former being a little more than in the other. Non-development expenditure involves

- I. interest payments  
II. subsidies  
III. defence irrigation

- a) I, II  
b) I  
c) I, II, III  
d) II, III, IV

40. Depreciation means

- a) closure of a plant due to lock out  
b) closure of a plant due to labour trouble  
c) loss of equipment over time due to wear and tear  
d) destruction of a plant in a fire accident

9486 474777

INDIAN ECONOMY

PGTRB COACHING

41. Deficit financing leads to inflation in general, but it can be checked if

- a) government expenditure leads to increase in the aggregate supply in ratio of aggregate demand
- b) only aggregate demand is increased
- c) all the expenditure is denoted national debt payment only
- d) All of the above

42. If all the banks in an economy are nationalized and converted into a monopoly bank, the total deposits

- a) will decrease
- b) will increase
- c) will neither increase nor decrease
- d) None of the above

43. India changed over to the decimal system of coinage in

- a) April 1995
- b) April 1957
- c) April 1958
- d) April 1959

44. The association of the rupee with pound sterling as the intervention currency was broken in

- a) 1990
- b) 1991
- c) 1992
- d) 1993

45. Which one of the following is not a feature of limited liability partnership firm?

- a) Partners should be less than 20
- b) Partners and management need not to be separate
- c) Internal governance may be decided by mutual agreement among partners
- d) It is a corporate body with perpetual succession

46. WTO came into existence at the conclusion of which round of GATT?

- a) Singapore
- b) Uruguay
- c) Tokyo
- d) Marrakesh

47. Abid Hussain Committee is related to reforms in \_\_\_\_\_ industries.

- a) private sector
- b) large
- c) public sector
- d) small

48. Name the First Indian private company to sign an accord with Government of Myanmar for oil exploration in second offshore blocks in that country

- a) Reliance Energy
- b) GAIL
- c) ONGC
- d) Essar Oil

49. In which area is the public sector most dominant in India?

- a) Organized term lending financial institutions
- b) Transport
- c) Commercial banking
- d) Steel production

50. US-based "Novelis" has recently been approved by

- a) Birla Group
- b) Reliance Group
- c) Tata Group
- d) None of these

51. Which one of the following public sector undertakings is not included in the nine units "Navratnas" recognized by GDI?

- a) ONGC
- b) NTPC
- c) BHEL
- d) HMT

52. Which one of the following pairs is not matched correctly?

- a) Hindalco Industries : Novelis
- b) Tata Steel : Corus Group
- c) Jet Airways : Air Sahara
- d) Kingfisher Airlines : MDR Airlines

53. The first modern industry to develop in India was

- a) Iron and Steel Industry
- b) Cement Industry
- c) Cottage Industry
- d) Engineering Industry

9486 474777

INDIAN ECONOMY

PGTRB COACHING

54. Durgapur, Bhilai and Rourkela plants were set up during which plan?

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

55. The most important competition to the Indian jute industry is

- a) China
- b) Bangladesh
- c) Nepal
- d) Japan

56. Resurgent India Bonds were issued in US Dollar, Pound, Sterling and

- a) Japanese Yen
- b) Deutsche Mark
- c) Euro
- d) French France

57. The apex organization of industrial finance in India is

- a) IDBI
- b) RBI
- c) ICICI
- d) IFCI

58. In India, The Black Revolution is associated with self dependence in the production of

- a) mustard seeds
- b) crude petroleum
- c) black box
- d) None of these

59. When was Consumer Protection Act (COPRA) passed?

- a) 1984
- b) 1980
- c) 1986
- d) 1995

60. Which of the following is not a Nuclear Power Centre

- a) Narora
- b) Kakrapara
- c) Chamera
- d) Kota

61. 'Global Competitiveness Report' is released by which of the following organization?

- a) WTO
- b) World Economic Forum
- c) SAARC
- d) EU

62. Joint SAARC University of eight SAARC nations will be established in

- a) New Delhi
- b) Male
- c) Colombo
- d) Dhaka

63. The term National Income represents

- a) gross national product at market prices minus depreciation
- b) gross national product at market prices minus depreciation plus net factor income from abroad
- c) gross national product at market prices minus depreciation and indirect taxes plus subsidies
- d) gross national product at market prices minus net factor income from abroad

64. The new Share Price Index (in dollar value) of Mumbai share market is

- a) DOLEX
- b) UREX
- c) FOREX
- d) SENSEX

65. Index 'Residex' is associated with

- a) share prices
- b) mutual fund prices
- c) price inflation index
- d) land prices

66. The number of approved share markets in India is

- a) 24
- b) 20
- c) 19
- d) 23

9486 474777

INDIAN ECONOMY

PGTRB COACHING

**67. A rise in 'SENSEX' means**

- a) a rise in prices of shares of all companies registered with Bombay companies registered with Bombay Stock exchange
- b) a rise in prices of shares of all companies registered with National Stock Exchange
- c) an overall rise in prices of shares of group up companies registered with Bombay Stock Exchange
- d) a rise in prices of shares of all companies belonging to a group of companies registered with Bombay Sock Exchange

**68. Octroi is levied and collected by**

- a) Centre
- b) Statte Government
- c) Local Bodies
- d) Both 'a' and 'b'

**69. Which one of the following forms the largest share of deficit of Government of India Budget?**

- a) Primary deficit
- b) Budgetary deficit
- c) Fiscal deficit
- d) Revenue deficit

**70. The per capita income has been low in India because**

- a) more people are in rural area
- b) of population growth
- c) of regional imbalances
- d) of price rise

**71. Companies pay corporation tax on their**

- a) investments
- b) incomes
- c) production
- d) sales proceeds

**72. Excise duties are taxes on**

- a) sale of commodities
- b) import of commodities
- c) export of commodities
- d) production of commodities

**73. If saving exceeds investment, the national income will**

- a) fall
- b) fluctuate
- c) remain constant
- d) rise

**74. Who was the Chairman of National Income Committee?**

- a) PC Mahalanobis
- b) VKRV Rao
- c) AM Khusro
- d) DR Gadgil

**75. High fiscal deficit is cause for concern for any economy. What does it denote?**

- a) it is a measure of the borrowings of an economy
- b) it is a total expenditure less total receipts excluding borrowings
- c) it reflects the decrease in tax collections for the year
- d) it means the lack of liquidity and earnings for the economy

**76. Which of the following taxes is collected by Panchayat?**

- a) Sales tax
- b) Custom duty
- c) Land revenue
- d) Tax on local fairs

**77. Fiscal policy in India is formulated by**

- a) the Reserve Bank of India
- b) the Planning Commission
- c) the Fianance Ministry
- d) the Securities and Exchange Board of India

**78. Economic growth is usually coupled with**

- a) deflation
- b) inflation
- c) stagflation
- d) hyper inflation

**79. Which one of the following Public Sector Bank's emblem figures a dog and the words 'faithful friendly' in it?**

- a) Punjab National Bank
- b) Syndicate Bank
- c) Oriental Bank of Commerce
- d) State Bank of India

**80. In India, the interest rate on savings accounts in all the nationalized commercial banks is fixed by**

- a) Union Ministry of Finance
- b) Union Finance Commission
- c) Indian Bank's Association
- d) None of the above

9486 474777

INDIAN ECONOMY

PGTRB COACHING

81. Which of the following terms indicate a mechanism used by commercial banks for providing credit to the Government?

- a) Cash Credit Ratio
- b) Debit Service Obtigationa
- c) Liquidity Adjustment Facility
- d) Satutory Liquidity Ratio

82. What is the animal on the insignia of the RBI?

- a) Lion
- b) Tiger
- c) Panther
- d) Elephant

83. For regulation of the insurance trade in the country the Government has formed

- a) SEBI
- b) RBI
- c) IRDA
- d) GIC

84. The ARDC (Agricultural Refinance and Development Corporation) is now a branch of the

- a) RBI
- b) NABARD
- c) IDBI
- d) SIDBI

85. Which of the following Mahatma Gandhi series of currency notes issued by the RBI has "ecology" depicted on it?

- a) Rs. 500
- b) Rs. 100
- c) Rs. 50
- d) Rs. 5

86. Which of the following Mahatma Gandhi series of currency notes issued by the RBI has a drawing of the 'Parliament House' depicted on it?

- a) Rs. 500
- b) Rs. 100
- c) Rs. 50
- d) Rs. 10

87. The acronym SRO, being used in the capital market for various market participants, stands for which one of the following?

- a) Self Regulatory Organizations
- b) Small Revenue Operators
- c) Securities Roll-back Operators
- d) Securities Regulatory Organizations

88. The central banking functions in India are performed by the

- a) Central Bank
- b) SBI
- c) RBI
- d) Both 'b' and 'c'

89. The main function of exim bank is

- a) to help RBI in the regulation of foreign exchange
- b) to prevent unlicensed transaction
- c) to promote exports and curtail imports
- d) to conserve foreign exchange

90. Which of the following Indian Banks is not a nationalized bank?

- a) Corporation Bank
- b) Dena BankFederal bank
- c) Federal bank
- d) Vijaya Bank

91. Which of the following is not an affiliate of the RBI?

- a) UTI
- b) IDBI
- c) Aricultural Refinance Corporation
- d) Deposit Insurance Coporation

92. Which of the following is not an asset held by Commercial Banks?

- a) Bills of exchange
- b) Current account deposits
- c) Credit balances with the Reserve Bank
- d) Money lent at short notice

93. To prevent recurrence of scams in Indian Capital Market, the Government has assigned regulatory powers to

- a) RBI
- b) SBI
- c) SEBI
- d) ICICI

9486 474777

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PGTRB COACHING

94. In India, the Bank NABARD does not provide refinance to
- scheduled commercial banks
  - regional rural banks
  - export-import banks
  - state land development banks
95. Which of the following is called a 'Bankers Cheque'?
- Demand Draft
  - Debit Card
  - Pay Order
  - Fixd Deposit
96. If the cash reserve ratio is lowered by the RBI, its impact on credit creation will be to
- increase it
  - decrease it
  - no impact
  - None of these
97. The Central Co-operative Banks are in direct touch with
- farmers
  - state co-operative banks
  - land development banks
  - central government
98. "Pure Banking, Nothing Else" is a slogan raised by
- ICICI Bank
  - HDFC Bank
  - SBI
  - UTI Bank
99. "Smart Money" is a term used for
- internet banking
  - Credit cards
  - Cash with public
  - cash with bank
100. Rural women can avail the benefit of Mahila Samridhi Yojana if they open their account in
- rural post offices
  - commercial banks
  - rural development bank
  - All of the above