

Indian Economy Model Test Questions 14 in English With Answer

1. Identify the one among the following sub divisions that does not form the subject matter of public finance
 - a. Public expenditure
 - b. Financial administration
 - c. Factor price determination**
 - d. Federal finance
2. The reason for rapid increase in population is
 - a. Birth rate and death rate increases
 - b. Birth rate and death rate decreases
 - c. Birth rate increases but death rate decreases**
 - d. Birth rate decreases but death rate increases
3. World Consumer Day is celebrated on
 - a. March 15**
 - b. March 16
 - c. March 14
 - d. March 11
4. _____ is one wherein very little investment is involved.
 - a. Large scale industry
 - b. Small scale industry
 - c. Cottage industry**
 - d. Medium scale industry
5. 'Communism in Health' means, health must be provided
 - a. according to life expectancy
 - b. according to the need and not according to the ability to pay**
 - c. only to the children
 - d. only to the aged people
6. Among these two Economics one is known as Father of Economics and the other is known as Father of Modern Economics. Find the correct combination.
 - a. Adam Smith - David Ricardo
 - b. J.M. Keynes - T.R. Malthus
 - c. Adam Smith - Amartya Sen
 - d. Adam Smith - J.M. Keynes**
7. With the help of the following clues find out the kind of budget:
 - A. It is called a surplus budget.
 - B. It is also a case of deficit budget
 - C. Modern economists argue that it is very useful for achieving economic stability.
 - D. The government's income or tax revenue and expenditure are not equal.
 - a. Revenue budget
 - b. Balanced Budget
 - c. Zero based budget
 - d. Unbalanced budget**
8. Name the new tax system of the central government. Which is to be implemented by the year 2017.
 - a. VAT
 - b. MAT
 - c. GST**
 - d. ST
9. In which year child labour policy was passed?
 - a. 1980
 - b. 1987**
 - c. 1985
 - d. 1982
10. National income of a country can be calculated by
 - a. 2 methods
 - b. 3 methods**
 - c. 4 members
 - d. 5 members
11. Which one of the following is correctly matched?

- a. **Somavari** - **Chittirai pattam**
b. Samba - Karthigai Pattam
c. Navarai - Adi Pattam
d. Zaid - Avani Pattam
12. In which sector fishing and mining come under?
a. Private sector **b. Primary Sector**
c. Tertiary sector d. Secondary sector
13. In which year was green revolution introduced?
a. 1967 b. 1977 c. 1987 d. 1957
14. Which is not a cause for population explosion?
a. High birth rate b. Social customs
c. High death rate d. Poverty
15. Who gave the name "Hindu rate of growth"?
a. Lionel Robbins **b. Raj Krishna**
c. Mahalanobis d. Barbana Wootten
16. Who is the changing agent of the society?
a. Farmer **b. Entrepreneur** c. Weaver d. Actor
17. The main functions of NITI Aayog does not include
a. monitoring and evaluation of programmes and initiatives
b. developing mechanisms to formulate credible plans at village level
c. disbursal of funds to central ministries and state governments
d. fostering co-operative federalism and designing strategic policy
18. The term demographic dividend refers to
a. decline in population **b. increase in working class**
c. decline in birth rate d. decline in fertility rate
19. The largest share of energy is consumed by
a. Agricultural b. Rural power supply
c. Urban power supply d. Industry
20. The right to Education Act 2009, is not related to
a. Primary education b. quality of education
c. free education **d. higher education**
21. The Lorenz curve is a measure of
a. poverty **b. income inequalities**
c. inflation rate d. tax structure
22. The Chairman of the fourteenth Finance Commission in India
a. Dr. C. Rangarajan b. Shri. Vijay Kelkar
c. Dr. A.M. Kusho **d. Dr. Y.V. Reddy**
23. The planning commission of India was changed as NITI AAYOG in _____
a. March, 2015 **b. January, 2015** c. December, 2015 d. April, 2015
24. The LPG model of development was introduced in _____ by the Finance Minister _____.
a. 1991, Dr. Manmohan Singh b. 1995, Shri. Pranab Mukherjee

- c. 2000, Shri. P. Chidambaram d. 2010, Shri. Yaswant Sinha
25. The human population is currently exhibition
 a. logistic growth **b. exponential growth**
 c. arithmetic growth d. zero growth
26. In an open economy, GDP is the sum of
a. Consumption, gross investment, government spending and net exports
 b. Consumption, net investment, government spending and net export
 c. Consumption, gross investment, government spending and gross exports
 d. Wages , rent, interest, profit and depreciation
27. The minimum support prices are a means of supporting the
a. farmers b. consumers c. industries d. retailers
28. Which one of the following is an indirect tax?
 a. Income tax **b. Service tax**
 c. Corporation tax d. Interest tax
29. India's Human Development Index HDI in 2011 was better than that of
 I. China II. Srilanka III. Bangladesh IV. South Africa
 a. I, II, III, IV b. III, IV **c. III** d. II, III, IV
30. The Indian Government gets _____ percent of India's total energy needs are met through imports.
a. 30 percent b. 40percent c. 20 percent d. 35 percent
31. Mr. Ladejinsky, an American expert on land reforms, after detailed study observed that one of the following districts worst in land tenure system in Tamil Nadu
 a. Namakkal b. Erode **c. Thanjavore** d. Karur
32. Match the following:
- | Author Name | Book/ Journal Article |
|----------------------|--|
| a. Deaton, Angus | 1. Adjusted Indian Poverty Estimate for 1999- 2000 |
| b. Minnas and others | 2. India: Poverty, Employment and Social Series |
| c. World Bank 1989 | 3. Poverty in India. Dimensions and Trends |
| d. Dandekar and Rath | 4. Declining Incidence of Poverty in 1980s |
- | a | b | c | d |
|-------------|----------|----------|----------|
| a. 1 | 2 | 3 | 4 |
| b. 3 | 4 | 2 | 1 |
| c. 1 | 4 | 2 | 3 |
| d. 3 | 4 | 1 | 2 |
33. The true measure of economic welfare is now called
 a. Welfare Economics b. National Income
 c. Green GNP **d. Net Economic Welfare**
34. The share of mechanical and electrical power in agriculture sin the year 2003-2004
 a. 40 percent **b. 84 percent** c. 70 percent d. 60 percent
35. Petroleum and Natural Gas Regulatory Board (PNGRB) Act came into force in the year
 a. 2003 b. 2004 c. 2005 **d. 2006**
36. How many times has the Indian Currency been demonetized so far?

- a. One b. **Three** c. Two d. Four
37. In the field of agriculture, India is lagging behind
 a. Buffer stock b. Fertiliser use
 c. Cereal production d. **Pulses production**
38. Prof. P.C. Mahalanobis model of plan based on the
 a. American experience b. **Russian Experience**
 c. European Experience d. Asian countries experience
39. The term “sustainable development” first used by the
 a. **World conservation strategy** b. Brundtland report
 c. World Commission on Environment d. World development report
40. India recorder the highest growth rate of National Income during
 a. I Five Year Plan b. **V Five Year Plan**
 c. VI Five Year Plan d. VIII Five Year Plan
41. Match the following:
- | States | | Projects | |
|----------------|----------|-------------------|----------|
| a. Tamil Nadu | | 1. Periyar | |
| b. Kerala | | 2. Kunda | |
| c. Haryana | | 3. Damodar Valley | |
| d. West Bengal | | 4. Bhakra-Nangal | |
| a | b | c | d |
| a. 2 | 1 | 4 | 3 |
| b. 3 | 4 | 2 | 1 |
| c. 4 | 2 | 1 | 3 |
| d. 2 | 3 | 1 | 4 |
42. Disguised unemployment implies
 a. Technological inefficiency b. **Zero marginal productivity of labour**
 c. Full employment d. Unemployment
43. The aim of Annapurnna scheme is
 a. **Providing food security for senior citizens**
 b. Providing food security for children
 c. Providing food security for women
 d. Providing food security for pregnant women
44. Bharat Nirman Programme aims
 a. to provide educational facilities to rural people
 b. **to provide basic amenities to rural people**
 c. to provide employment opportunities to rural people
 d. to provide health facilities to rural people
45. The per capita income in India in 1867-68 was first ascertained by
 a. M.G. Ranade b. W.Hunter
 c. R.C. Dutt d. **Dadabhai Naoroji**
46. Which of the statements given below is/are the features of New Policy?

1. Reform in trade policy
 2. Reduction in fiscal deficit
 3. To promote Industrial development
 4. Exchange rate
- a. **1 and 2** b. 1, 2 and 3 c. 3 and 4 d. 2, 3 and 4
47. Which Bank was called Imperial Bank?
- a. **State Bank of India** b. Reserve Bank of India
c. Bank of India d. Indian Bank
48. Second Five Year Plan was formulated based on the _____ model.
- a. **Mahalanobis** b. Rudra
c. Myrdal d. A.K. Sen
49. The GDP growth of India for a financial year 2015-16 is
- a. 8.0% b. **7.6%** c. 7.2 % d. 7.9%
50. _____ % percentage of the country's total coal is derived from the valley of Damodar and Son in Bihar
- a. 90% b. 97.6% c. **97%** d. 97.5%
51. The new agricultural technology was tried as a pilot project and was called as
- a. Integrated Rural Development Programme (IRDP)
b. Integrated District Development Programme (IDDP)
c. Intensive Agricultural Development Programme (IADP)
d. **Intensive Agricultural District Programme (IADP)**
52. Which plan had set the correct goal in the form of moving "Towards faster and more inclusive growth"?
- a. 10th plan b. 9th plan c. **11th plan** d. 12th plan
53. The Union Government is planning to launch Rashtriya Aviskar Abhiyan to create awareness among the students in
- a. Classic music b. Ancient history
c. Science and arts d. **Science and mathematics**
54. Which district has the highest per capita income in Tamil Nadu in 2010-11?
- a. Coimbatore b. Chennai c. Thanjavur d. **Kanniyakumari**
55. Match the following:
- | | |
|--------------------------------|------------------------------|
| a. NSSO | 1. 7 day recall methodology |
| b. Decline in poverty to 26% | 2. 55 th round |
| c. Decline in poverty to 23.3% | 3. 30 day recall methodology |
| d. Economics survey | 4. 2000-01 |
- | | a | b | c | d |
|----|----------|----------|----------|----------|
| a. | 4 | 3 | 2 | 1 |
| b. | 1 | 4 | 3 | 2 |
| c. | 1 | 2 | 3 | 4 |
| d. | 2 | 3 | 1 | 4 |
56. Which of the following is correctly matched?
- a. According to 2011 census of India most populous state is - Sikkim

- b. According to 2011 census of India least populous state is - UP
c. The Motto of the 2011 census is - Our census Our future
 d. According to 2011 census highest proportion of Urban population is - Chennai

57. Match the following:

- | | |
|----------------------|-----------------|
| a. Red Revolution | 1. Meat/Tomato |
| b. Pink Revolution | 2. Eggs |
| c. Golden Revolution | 3. Shrimp |
| d. Silver Revolution | 4. Fruits/Apple |

- | | | | |
|-------------|----------|----------|----------|
| a | b | c | d |
| a. 1 | 2 | 3 | 4 |
| b. 4 | 3 | 2 | 1 |
| c. 1 | 3 | 4 | 2 |
| d. 2 | 3 | 1 | 4 |

58. Total outlay for the 11th Five Year Plan period is

- | | |
|---------------------------------|---------------------------|
| a. Rs. 14,88, 147 crore | b. Rs. 21, 56, 571 crore |
| c. Rs. 36, 44, 718 crore | d. Rs. 78, 846, 782 crore |

59. Expand FERA and FEMA

- | | |
|---|---------------------------------|
| a. Foreign Exchange Regulation Act | b. Foreign Exchange Reserve Act |
| c. Foreign Exchange Management Act | d. Foreign Exchange Minimum Act |

60. Match following and select the correct answer:

- | | |
|---------|---------------------|
| a. TRAI | 1. Stock market |
| b. SEBI | 2. Export promotion |
| c. SEZ | 3. Electricity |
| d. NTPC | 4. Telecom |

- | | | | |
|-------------|----------|----------|----------|
| a | b | c | d |
| a. 4 | 1 | 3 | 2 |
| b. 4 | 1 | 2 | 3 |
| c. 4 | 3 | 2 | 1 |
| d. 3 | 4 | 2 | 1 |

61. Sustainable development does not include

- | | |
|--|---|
| a. Improvement in health status | b. Improvement in environmental quality |
| c. Non-utilisation of natural resources | d. Reduction in emissions and waste |

62. Tick incorrect answer:

The population policy of 2000

- | | |
|--|---|
| a. Concentrates on reproductive health | b. Adopts a decentralized approach |
| c. Provides incentive to follow two child norm | d. Emphasizes male participation |

63. The main causes of rural poverty in India?

- I. Unemployment and underemployment
- II. Population pressures
- III. Indian agriculture is marked by low productivity
- IV. A majority of people in rural area do not have enough assets, especially land.

Which of the statements given above is/are correct?

a. I, II, III and IV

b. I, II and III

c. I and II

d. III and IV

64. Choose the correct answer:

Agricultural productivity can be measured in terms of

a. Consumption of fertilizer

b. Irrigation facilities

c. Land and labour productivity

d. Mechanization

65. The percentage share of forests in the total area of TamilNadu is

a. 13%

b. 15%

c. 20%

d. 17%

66. Globally, Indian agricultural has been ranked first in the production of

a. Rice

b. Groundnut

c. Tobacco

d. Cotton

67. Which one is the oldest as well as the largest industry of India?

a. Paper industry

b. Iron-steel industry

c. Cement industry

d. Textile industry

68. Choose the correct answer

Which is declared by Government generally at the time of harvest of crops?

a. Minimum support prices

b. Procurement prices

c. Issue prices

d. Retail prices

69. The Kisan Credit Card scheme was introduced in

a. April 1998

b. August 1998

c. March 2011

d. April 2011

70. Which one of the following is not coming under 'Income Method' in calculating National Income?

a. Wage and Salary

b. Income derived from self employment

c. Interest

d. Export of goods and services

71. The self-supporting scheme introduced by the Supreme Court in 2017 to provide legal services for middle and relatively low income groups is known as

a. Middle income group scheme

b. Common Man group scheme

c. Self-supporting group scheme

d. Legal Aid for all – scheme

72. According to world bank, the following scheme is ranked as the world largest public works programme

a. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

b. Mid day meal Scheme

c. Janani Suraksha Yojana

d. Indira Gandhi National Old Age Pension Scheme

73. The GDP growth rate in India for the Year 2015-16 is

a. 7.1%

b. 7.6%

c. 7.2%

d. 9.2%

74. India has been ranked 112 out of 159 in 2016 WEFI in September 2016. WEFI refers to

a. Wireless Electronic Fidelity Index

b. World Economic Freedom Index

c. Wireless Electronic Fidelity Internet

d. World Economic Feasibility Index

75. After 1991, the Government of India implemented various reforms in the area of taxation. This was based on the recommendations of the

a. Wanchoo Committee

b. Raja Chellaiah Committee

c. K.N.Raj Committee

d. Narasimham Committee

76. The motto of the Twelfth Five Year Plan is
 - a. **faster, sustainable and more inclusive growth**
 - b. towards faster and more inclusive growth
 - c. growth with social justice and equality
 - d. employment generation with faster growth
77. Permanent settlement was the feature of
 - a. **Zamindari system**
 - b. Mahalwari system
 - c. Ryotwari system
 - d. None of these
78. Which one of the following committee examined and suggested financial sector reforms
 - a. Abid Hussain Committee
 - b. Bhagawathi Committee
 - c. Chellaiah Committee
 - d. **Narasimham Committee**
79. The incorrect statement among the following as per 2011 census is
 - a. India's population density is 382 persons/sq.km
 - b. Sex Ratio of India is 940 females/ 1000 males
 - c. **Literacy rate of India is 70.04%**
 - d. Arunachal Pradesh is the least densely populated state of India
80. The objective of Babu Jagjivan Ram Chhatrawas Yojana is
 - a. **to provide hostel facilities to SC boys and girls students**
 - b. to provide educational facilities to girls
 - c. to provide employment opportunities for girls
 - d. to provide health facilities for women
81. The main objective of the policy of disinvestment of equity capital of public enterprises is to
 - a. **reduce the burden of budgetary support to them**
 - b. convert them into holding companies
 - c. hand them over to private entrepreneurs
 - d. to make them profit earning enterprises
82. The chairman of the 14th Finance commission is
 - a. C. Rangarajan
 - b. Y.B. Chavan
 - c. **Y.V. Reddy**
 - d. Vijay Kelkar
83. Which are the "Four factors of productions"?
 - a. Rupee-Dollar-Euro-Yen
 - b. GNP-NNP-GDP- NDP
 - c. **Land – Labour –Capital-Organisation**
 - d. Rent-Wage-Interest-Profit
84. Education is
 - a. Consumption good
 - b. Investment good
 - c. None
 - d. **Both**
85. In many countries 'Poverty line' are measured through the level of
 - a. **Nutrition**
 - b. Population
 - c. Per Capita Income
 - d. National Income
86. Match the following:
 - a. Jawahar Gram Samridhi Yojan
 - b. National Social Assistance programme
 1. 2000-2001
 2. 1993

- c. Employment Assurance Scheme 3. 1999
d. Pradhanmantri Gramodaya Yojana 4. 1995

	a	b	c	d
a.	3	1	2	4
b.	4	3	1	2
c.	3	4	2	1
d.	2	3	1	4

87. According to Socio-Economic and Caste Census (SECC), 2015 which state has the highest literacy rate?
a. Sikkim b. Tamil Nadu **c. Kerala** d. Haryana
88. An entrepreneur is like
a. a crow b. a duck c. a peacock **d. an eagle**
89. How many people does each ration shop serve?
a. 2000 b. 2500 c. 3000 d. 3500
90. What was the fund limit of a small scale industry in the tenth five year plan?
a. 75 lakhs b. 100 lakhs **c. 50 crore** d. 75 crore
91. Theory that explains the location of industry
a. Weber's Theory b. Christaller Theory
c. Vonthunan Theory d. Malthus Theory
92. In which years was the import of food grain in India is Nil?
a. 1989 and 1990 b. 1993 and 1994 **c. 1995 and 1996** d. 1997 and 1998
93. In which Agricultural crop production does India stand first in the world?
a. Rice **b. Groundnuts** c. Tobacco d. Sugar
94. How much does India contribute to the world sugar production?
a. 15% b. 20% c. 25% d. 30%
95. Match the objectives with Indian plans and give answer using the given codes:
Plans Objectives
a. IV Plan 1. Inclusive growth
b. VI Plan 2. Growth with social justice and equality
c. IX Plan 3. Rapid increase in the standard of living of the people
d. XI Plan 4. Direct attack on the problem of poverty
- | | | | | |
|-----------|----------|----------|----------|----------|
| | a | b | c | d |
| a. | 2 | 3 | 1 | 4 |
| b. | 3 | 4 | 2 | 1 |
| c. | 4 | 3 | 2 | 1 |
| d. | 3 | 4 | 1 | 2 |
96. The major causative factor in the unequal development of Indian Economy in recent years are:
I. Slow growth of agriculture widened the urban-rural divide
II. Organised sector firms decreased informal employment
III. Delivery of essential services at the grass-root level is poor
IV. Total employment in the economy has increased in recent years
a. I and II correct b. II and III correct

c. II, III and IV correct

d. I, III and IV correct

97. Which of the following are Government measures to deal with uncertainty in agriculture:

I. Guaranteed agricultural prices

II. Buffer stock schemes

III. Crop insurance

IV. Foreign direct investment in agriculture

a. I and III

b. I, II and III

c. I, II and IV

d. I, III and IV

98. Match the following Towns in the List I with the Industries in the List II:

List I

List II

a. Kalpakkam

1. News print

b. Jharia

2. Oil refining

c. Mathura

3. Coal mining

d. Nepanagar

4. Nuclear power plant

a

b

c

d

a. 4

2

1

3

b. 4**3****2****1**

c. 1

2

3

4

d. 3

4

1

2

99. In the total land area, the minimum forest cover, required to maintain the ecological balance is

a. 50%

b. 40%

c. 33%

d. 25%

100. Tamil Nadu State Economic Growth rate was ____ percentage in the year 2016-17.

a. 6.74%

b. 7.90%

c. 7.94%

d. 8.01%