

Indian Economy Model Test Questions 6 in English With Answer

1. Among the planning bodies India, the Chief Ministers of all the states are members in one of the following
 - a. Planning commission
 - b. National Development Council**
 - c. National Planing Council
 - d. Administrative Reforms committee
2. Among all the Five-year plans in only one of the following Five-year plans Agriculture was not given priority:
 - a. IIIrd Five-year plan
 - b. IVth Five-year plan
 - c. IInd Five-year plan**
 - d. Vth Five-year plan
3. IDBI is a
 - a. Bank**
 - b. Board
 - c. Committee
 - d. Centre
4. Fiscal policy is connected with
 - a. public revenue and expenditure**
 - b. population
 - c. money issue
 - d. exports and imports
5. The contribution of Agriculture in Indian National Income is nearly
 - a. 50%
 - b. 38%**
 - c. 75%
 - d. 25%

Note: 17.1% (2008-09)
6. A personal account cannot be opened in
 - a. a Co-operative Bank
 - b. a Scheduled Bank
 - c. Reserve Bank of India**
 - d. none of these
7. The First Year plan covered the period
 - a. 1947-52
 - b. 1950-55
 - c. 1951-56**
 - d. 1952-57
8. Who has the authority to issue one rupee currency note in India?
 - a. Reserve Bank of India
 - b. Union Finance Ministry**
 - c. State Bank of India
 - d. President of India
9. What is a scheduled bank?
 - a. A bank having a deposit of Rs. 100 crores
 - b. A bank which has been included in the second schedule of Reserve Bank of India**
 - c. A bank having more than 100 branches
 - d. A bank for Scheduled Caste
10. Agricultural Income Tax is revied in Tamil Badu by
 - a. the State Government
 - b. Municipalities
 - c. Panchayats
 - d. none of these**

Note: No Agri I.T. in Tamil Nadu
11. Among the various types of income from an industrial activity one of the following is uncertain:
 - a. Rent
 - b. Wages
 - c. Interest
 - d. Profit**
12. The Reserve Bank of India was started in
 - a. 1935**
 - b. 1948
 - c. 1956
 - d. 1960
13. The First Five Year plan was launched in
 - a. 1948
 - b. 1951**
 - c. 1956
 - d. 1960

14. The Jawahar Rozgar Yojana Scheme is meant for
a. improving village economy b. training Urban house building
c. promoting small scale industries **d. providing employment to rural youth**
15. Decimal coinage was introduced in India in the year
a. 1935 b. 1947 **c. 1955** d. 1960
16. The period of Ninth-Five year plan is
a. 1995-2000 b. 1992-1997 **c. 1997-2002** d. 1999-2004
17. Money market is related to
a. short term b. long term
c. perspective d. none of these
18. The Export-Import (EXIM) Bank was setup in
a. 1980 **b. 1982** c. 1981 d. 1989
19. The National Bank for Agriculture and Rural Development (NABARD) was setup in
a. 1979 b. 1980 c. 1981 **d. 1982**
20. Currency notes and coins of one rupee and lower denominations are issued by
a. Reserve Bank of India b. State Bank of India
c. Ministry of Finance d. Government of India
21. The primary sector of India's economy is
a. agriculture b. Industry
c. foreign trade d. banking sector
22. "Parallel Economy" means
a. illegal economy b. near economy
c. equal economy d. none of these
23. In a planned economy, there will be
a. controls b. no controls
c. limited controls d. none of these
24. The Industrial Policy Resolution of which year is called the Economic constitution of India?
a. 1948 b. 1956 c. 1987 d. 1991
25. India's economy is
a. developed b. un developed
c. under developed **d. none of these**
26. Which of the following are the major characteristics of intensive farming?
I. Low capital II. High density of population
III. Small size of holding IV. Emphasis on machinery
Of these:
a. I and II are correct **b. I, II and III are correct**
c. III and IV are correct d. I and IV are correct
27. The purpose of taxation is
a. mobilization of resources b. increasing the revenue
c. reducing disparities **d. all of these**
28. Dr. Raja chelliah Committee is associated with

- c. in efficient management **d. all the above**
51. The main constituents of the new economic policy of
 a. liberalization accompanied by removal, relaxation of controls
 b. restoration of completion
c. re-orientation of fiscal policy
 d. all the above
52. There was no Five Year plan in India for 3 years during
 a. 1947-1950 b. 1965-1968 c. 1950-1953 **d. 1966-1969**
53. The main cause of the rural indebtedness is
a. poverty b. unemployment
 c. strikes d. population
54. The Community Development was started on October 2, 1952 with the assistance of
a. USA b. Japan c. USSR d. France
55. The contribution of agriculture to India's national income is nearly
 a. 50 percent **b. 38 percent** c. 75 percent d. 18 percent
Note: 17.1%
56. Which of the following statements indicate most that Indian economic system is under developed
 a. Government gets more income by indirect taxes
 b. an equal distribution of National Income
c. agricultural production is the main source of National Income
 d. cottage and Small Scale Industries are responsible for most of her industrial output
57. Which of the following banks is not providing credit to the agricultural sector?
 a. Co-operative banks b. Commercial banks
 c. State Bank of India **d. Each of these provides**
58. Which of the following is a non-economic determinant of economic growth?
 a. capital formation b. entrepreneurial ability
 c. technology advance **d. social institutions**
59. The formula for calculating density of population is
a. $\frac{\text{Total Population}}{\text{Total Area}}$ b. Total area x Total Population
 c. $\frac{\text{Total Area}}{\text{Total Population}}$ d. $\frac{\text{Total Population}}{\text{Total Area}} \times 100$
60. The two major industries that were directly hit by partition of the country were
a. Jute and cotton textile b. Sugar and Rubber
 c. Paper and Iron d. Engineering and Cement
61. In 1994, how many branches had the regional Rural Banks?
 a. 13,500 b. 14,547 c. 12,469 **d. None of these**
62. Which of the following taxes is levied and collected by the state?
 a. Customs duties b. Estate duty
 c. Income tax **d. Land revenue**
63. Karl Marx wrote
 a. Asian Drama b. Emma

- c. **Das Kapital** d. Good Earth
64. The Reserve Bank of India was nationalized in the year
a. 1935 b. **1949** c. 1945 d. 1969
65. Tax levied and collected by the central but assigned to the state is
a. Profit Tax b. **Estabe Duty**
c. Tax on Newspaper d. Sales Tax
66. The level of India's debt as on March 95 was
a. 10,000 million b. 15,500 million
c. **93,321 million** d. 80,000 million
67. The monopoly inquiry commission appointed in 1964 was chaired by
a. **P.C. Mahalanobis** b. K.C. Dasgupta
c. M.C. Shelat d. R.K. Hazari
68. The largest consumers of coal in India are
a. Railway b. **Power Generation plants**
c. Fertilizer plants d. Steel Plants
69. The most important Small Scale Industry of India is
a. Coir Industry b. Matchbox Industry
c. **Handloom Industry** d. Toy-making Industry
70. The Indian Government is giving import entitlement of
a. Foreign Traders b. **Indian Exporters**
c. Indian Bankers d. Industrialists
71. The important feature of Green Revolution in India has been
a. Using green manure b. raising more crops
c. **high yielding variety programme** d. green crops
72. Direct taxation is a better form of taxation because
a. it fetches more revenue b. it can be more easily collected
c. **it allows the taxation according to means** d. it has greater tax compliance
73. Who among the following initiated the community Development Programme?
a. **Balwat Raj Mehta** b. K.M. Munshi
c. Ashok Mehta d. S.K. Dey
74. Which of the following fetches the maximum foreign exchange for India?
a. **Tea** b. Oil c. Fish d. Spices
75. Bant rate is a tool of
a. fiscal policy b. **monetary policy**
c. deficit financing d. none of these
76. Which of the following is Agro-based industry?
a. Tractor b. Car
c. **Cotton Textile** d. Cycle
77. Which one of the following is not an act of production?
a. Farming b. Teaching in a school
c. **Government hospital** d. Construction of a house

78. What are the main difficulties in the implementation of Land Reform policy in India?
a. Litigation
b. inefficiency
c, Lack of efficient administration and lack of political will
d. Rich farmers
79. The Biggest public under taking transport in India is
a. Railways
b. Shipping
c. Air transport
d. Canal transport
80. Who wrote the book “An Enquiry into the Nature and causes of wealth of Nations”?
a. J.S. Mill
b. Adam Smith
c, Lionel Ribbins
d. Alfred Marshall
81. Book debt is
a. a current asset
b, a fictitious asset
c. a fixed asset
d. an intangible asset
82. The father of scientific Management of
a. F.W. Taylor
b. Henry Fayol
c. Oliver Shelton
d. Peter F. Drucker
83. The Cooperative Movement made it first appearance in
a. India b. England c. Germany d. Denmark
84. Dunkel proposal is related to
a. fundamental right
b. human right
c, patent right
d. none of these
85. A documentary evidence in support of a transaction in the books of accounts is called
a. memorandum
b. audit note
c. vouchers
d. working paper
86. Integrated Rural Development Programme was started in
a.1972 b. 1982 c. 1962 **d. 1980**
87. Which organization promotes trade?
a. STC b. MMTC c. ECGC **d. All of these**
88. The minimum number of members who must be present for transacting the business at a meeting is called
a. proxy b. motion c. agenda **d. quorum**
89. The Industrial credit and Investment corporation of India was established in the year
a. 1953 b. 1954 **c.1955** d. 1958
90. According to Marshall, law of Diminishing Returns is applicable to
a. industry b. all fields of production
c. agriculture
d. none of these
91. A commodity in order to have value most
a. be scarce
b. possess utility
c. be transferable
d. all these
92. The supply of goods refers to

- a. actual production of the goods
b. total existing stock of the goods
c. stock available for sale
d. amount of goods offered for sale at a particular price at a point of time
93. Discount Rate is called
a. Bank Rate
b. Interest Rate
c. Lending Rate
d. None of these
94. Devaluation of currency helps to promote
a. National Income
b. Savings
c. Imports and lower costs
d. Exports
95. Devaluation of currency helps to step by
a. export
b. savings
c. national income
d. economic freedom
96. The prime object of marketing is
a. profit
b. service
c. sales
d. consumer satisfaction
97. The expansion of TNPL is
a. Tamil Nadu Paper Mills Ltd.
b. Tamil Nadu Power Supply Corporation Ltd.
c. Tamil Nadu, Newsprint Paper Ltd.
d. None of these
98. A “debenture” is
a. an invoice
b. a debit note
c. an acknowledgement of debt
d. none of these
99. ‘One man one vote’ is the basic principle for
a. partnership
b. company
c. co-operative organization
d. public enterprises
100. An audit program is
a. an internal check
b. a detailed plan
c. an internal audit
d. an internal control