

SEMESTER 1

COURSE CODE: EC010104

COURSE TITLE: INDIAN ECONOMY-I

1. FDI stands for?
 - a) Federal Department of Investment
 - b) Forest Development Index
 - c) Foreign Direct Investment
2. _____ is the nodal department for formulation of the policy on Foreign Direct Investment?
 - a) RBI
 - b) NABARD
 - c) Department for Promotion of Industry and Internal Trade
3. Reliance Company is a
 - a) Public Sector Company
 - b) Private Sector Company
 - c) Multi National Company
4. Who introduced FDI in India?
 - a) Dr. Manmohan Singh
 - b) Narendra Modi
 - c) Dr. Rajendra Prasad
5. The year in which FDI was introduced in India is
 - a)1991
 - b)1990
 - c)2000
6. What is the main purpose of the MNC's?
 - a) To increase the production
 - b) To increase the sale
 - c) To increase profit and growth
7. Full form of FII?
 - a) Foreign Institutional Investors
 - b) Foreign Institutional Investment
 - c) Foreign Investors Institution
8. What are the two types of trade policy?
 - a) Liberalization and Protectionism
 - b) Liberalization and Privatization
 - c) Liberalisation and Globalisation
9. In which year did the free trade policy emerge?
 - a) 1994
 - b) 1995
 - c) 1993
10. How do trade policy affect the economy?
 - a) Benefits better performing firms and contributes to economic growth
 - b) Better performing firms and contribute to incremental growth
 - c) Better performing firms and contributed to rapid growth
11. Which is the old name of WTO?
 - a) GATT
 - b) FTA
 - c) SEWA

12. The main components of BOP include
- current and capital account.
 - capital and financial account
 - current, capital and financial account
13. To overcome BOP problem, which emergency measure was taken?
- Financial Aid from IMF.
 - Financial Aid from World Bank.
 - Financial Aid from IMF and World Bank.
14. Which of the statement is right?
- India has both current and capital account convertibility.
 - In India there is current account convertibility since the independence.
 - India has partial convertibility.
15. EXIM policy is regulated by
- Trade development act 1990.
 - Foreign trade development act 1991.
 - Foreign trade development and regulation act 1992.
16. Which of the following is the objective of EXIM ?
- (A) To facilitate sustained growth in exports from India and import from India.
 (B) To facilitate sustained growth only through exports from India.
- Only A.
 - Only B.
 - Both A and B.
17. In which year SEZ policy was announced in India?
- April 2000
 - May 2000.
 - April 2001.
18. Which state has highest number of SEZ in India?
- Tamil Nadu.
 - Kerala.
 - Punjab
19. Which of the following are the objective of SEZ?
- Generation of economic activity.
 - Promotion of Export of services.
 - Both (a) and (b)
20. Performance of the SEZ units are monitored by
- Unit approval committee.
 - Unit sanction committee.
 - Unit administrative committee.
21. What are the main reason for agrarian crisis?
- Dependence on rainfall and climate
 - Reduction in agricultural subsidies
 - Both (a) and (b)
22. Land reform is covered under.....
- Central list
 - State list
 - Concurrent list

23. Green Revolution was introduced in
- a) 1960s
 - b) 1950s
 - c) 1970s
24. In which year WTO was formed?
- a) 12th Dec 1972
 - b) 1st Jan 1995
 - c) 21st Jun 1968
25. On the basis of purpose agricultural credit are classified into?
- a) Farming and Non-farming
 - b) Organised and Unorganised
 - c) Productive and Unproductive
26. In which year NABARD was established?
- a) 1982
 - b) 1980
 - c) 1988
27. What are the goals of land reforms?
- a) Reducing poverty
 - b) Expanding rural development
 - c) Both (a) and (b)
28. The time period for short term loans?
- a) 15 month to 5 year
 - b) 1 year to 2 year
 - c) 6 month to 1 year
29. The Green Revolution has not been as green as it has been made out to be because
- a) it created big farmers
 - b) it is confined to select regions
 - c) it is confined only to wheat
30. What is the term globalization refers to?
- a) Economic development
 - b) Economic growth
 - c) International Integration
31. Which among the following took initiation for developing micro irrigation fund?
- a) IBRD
 - b) IMF
 - c) NABARD
32. Which among the following facilities has been started in India for refinance assistance for small irrigation, IRDP, dairy development and mechanisation of farms?
- a) National Credit Stabilisation Fund
 - b) National Rural Credit Fund
 - c) Rural Infrastructure Development Fund
33. How agriculture finance and marketing has to be estimated?
- a) On the basis of time and purpose
 - b) On the basis of market
 - c) On the basis of quantity of product
34. Which is the important source of agriculture credit provided by government to our country?
- a) Kisan credit card
 - b) Tractor loan
 - c) Taccavi loan
35. GATT was formed in
- a) 1947
 - b) 1962
 - c) 1983

36. Intensive Agricultural District Program was introduced in?
a) 1972
b) 1950
c) 1960
37. How many percentage of the rural house hold depend on agriculture?
a) 20%
b) 80%
c) 70%
38. How many pillars are included in WTO agreement?
a) 6
b) 3
c) 4
39. The year in which Intensive Agriculture Area Program was introduced
a) 1942
b) 1968
c) 1964
40. Which agriculture minister took initiative for new technology in Indian agriculture?
a) Narendra Singh Tomar
b) Arjun Munda
c) Kiran Riju
41. The main motive of the service sector is _____
a) Profit
b) Service
c) Profit and service
42. Which among the following does not comes under the service sector in India?
a) Real estate
b) Transport
c) Formation of electronic television
43. What is the current rate of service tax in India?
a) 12.5%
b) 13.5%
c) 15%
44. Since when the service tax is being imposed in India?
a) 1991
b) 1999
c) 1994
45. Which of the following statements is not correct with regards to infrastructure?
a) Infrastructure contributes to economic development.
b) Infrastructure provides support services.
c) All infrastructural facilities have a direct impact on the production of goods and services.
46. Which of the following facilities is included in social infrastructure?
a) Roads and highways
b) Housing
c) Internet
47. India is considered to be the export hub for
a) Handloom Products
b) Software Services
c) Manufacturing Products
48. Which country invests almost 50 percent of its GDP in infrastructure?
a) India
b) China

- c) Pakistan
49. Right of Children to Free and Compulsory Education Act, 2009 is a
- a) Fundamental Right
 - b) Fundamental Duty
 - c) Fundamental Responsibility
50. Low-income countries do not invest in which of the given infrastructural services?
- a) Transport
 - b) Irrigation
 - c) Telecommunication
51. Pulse Polio Programme was introduced in India, in the year
- a) 1995-96
 - b) 1985-86
 - c) 1950-51
52. Communication and advertising come under which sector?
- a) Primary sector
 - b) Secondary sector
 - c) Service sector
53. Which one of the following is the correct sequence of GDP composition by sector in India?
- a) Services>Industry>Agriculture
 - b) Industry>Services>Agriculture
 - c) Agriculture>Industry>Services
54. Which activity is termed as activity of tertiary sector?
- a) Wheat production
 - b) Mobile production
 - c) Construction of a dam
55. Which of the following is not in the infrastructure sector?
- a) Power generation
 - b) Construction of roads
 - c) Food production
56. Which one of the following economic activities is not in the tertiary sector?
- a) Banking
 - b) Bee keeping
 - c) Teaching
57. In terms of GDP the share of tertiary sector in 2003 is:
- a) Between 20 per cent to 30 per cent
 - b) Between 30 per cent to 40 per cent
 - c) 70 per cent
58. All the support structures which facilitates development of a country constitute its:
- a) Infrastructure
 - b) Manufactures
 - c) Construction
59. Reason behind the growth of service sector:
- a) Rapid urbanization
 - b) Expansion of the public sector
 - c) Both (a) and (b)
60. Which sector has emerged as the largest producing sector in India?
- a) Secondary sector
 - b) Tertiary sector
 - c) Primary sector
61. Which of the following is a non renewable resources?
- a) Coal
 - b) Forest
 - c) Water

62. Telecommunication in India is in the world
a) First largest
b) Second largest
c) Third largest
63. The State known for best roads in India:
a) Kerala
b) Karnataka
c) Tamilnadu
64. Who was the head of the task force that constituted the national infrastructure pipeline?
a) Ajay Bhushan Pandey
b) Injeti Srinivas
c) Atanu Chakraborty
65. 'The India Infrastructure Report' by Dr. Rakesh Mohan committee was released in the year?
a) 1999
b) 1998
c) 1996
66. Social infrastructure influences the economic activities
a) Directly
b) Indirectly
c) Merely
67. What are the problems in the electricity sector?
a) Increased demand
b) Climate Change
c) Both (a) and (b)
68. Which of the following is not an example of core infrastructure?
a) Roads
b) Railways
c) Inland waterways
69. Which of the following trade policies limits specified quantity of goods to be imported?
a) Quota
b) Import tariff
c) Specific tariff
70. Since 2014-15, India has consistently run trade surplus with which among the following countries?
a) China
b) Saudi Arabia
c) USA
71. The average income of the country is:
a) Per capita Income
b) Disposable Income
c) Inflation rate
72. ----- process bring together producers and consumers
a) Marketing
b) Production
c) Consumption
73. IT is an example of which sector?
a) Primary sector
b) Secondary sector
c) Tertiary sector
74. The sectors are classified in to public and private sector on the basis of:
a) Employment condition
b) The nature of economic activity
c) Ownership of enterprises

75. Energy efficiency services limited is under the ministry of:
a) Ministry of power
b) Ministry of new and renewable energy
c) Ministry of coal
76. Which among the following is not a renewable source of energy:
a) Solar energy
b) Biomass energy
c) Hydro power
77. Both power and manure is provided by:
a) Nuclear plants
b) Thermal plants
c) Biogas plants
78. Which of the following is a barrier to the energy of private investor for developing infrastructure facilities?
a) Large monopoly profits
b) Huge sunk costs
c) High returns on investment
79. Which state uses biggest quantity of fertilizer in India?
a) Punjab
b) Karnataka
c) U.P
80. Which of the following industries is known as sun rising industry?
a) Dairy industry
b) Information industry
c) Health and clinic industry
81. When was the first industrial policy announced in India?
a) 1945
b) 1948
c) 1947
82. The concept of mixed economy relates to
a) The coexistence of rural sector and urban sector
b) The coexistence of private sector and public sector
c) The coexistence of small-scale sector and large scale sector
83. Economic liberalization started with:
a) Substantial changes in industrial licensing policy
b) The convertability of Indian rupee
c) Doing away with procedural formalities for foreign direct investment
84. What were the objectives of industrial policy in India:
a. Maintaining steady growth and productivity
b. Increasing employment opportunities & better usage of existing human resources
c. Both (a) and (b)
85. Which was the year Foreign Exchange Regulation Act introduced?
a) 1972
b) 1973
c) 1965
86. Industrial Policy Statement of 1980 was not concerned with:
a) Modernization
b) Promoting completion in domestic market

- c) Restriction on multinational companies
87. Which of the following is not a Maha Ratna industry?
a) GAIL
b) Coal India limited
c) Airports authority of India
88. When was the National Investment Fund set up?
a) 2001
b) 2005
c) 2006
89. When was FEMA (Foreign Exchange Management Act)introduced?
a) 1999
b) 1992
c) 1899
90. When was small-scale Industries Development Organization set up?
a) 1954
b) 1945
c) 1967
91. India adopted which model of economy after independence?
a) Mixed economic model
b) Socialist economic model
c) Capitalist economic model
92. Kochi Refineries Ltd.(KRL) is a
a) Public Sector Refinery
b) Private Sector Refinery
c) MNC
93. The process of abolition of industrial licensing for all projects except for a short list of industries?
a) Delicensing
b) Disinvestment
c) Privatisation
94. Which among the following statement is not correct according to the history of Indian manufacturing industries?
a) The exports from India consisted of manufacturers goods like cotton, silk ,artistic ware, silk and woolen clothes.
b) The impact of British policies and the industrial revolution led to the development of Indian handicraft industry
c) Post industrial revolution in Britain machine made goods started flooding into the Indian markets
95. Which five year plan accorded highest priority to Industrialisation?
a) First five year plan
b) Second five year plan
c) Third five year plan
96. The term IIP stands for
a) Indian Industry for Production
b) International Index of Production
c) Index of Industrial Production
97. New economic policy was adopted by India in the year?

- a) 1999
c) 1991
- b) 1992
98. CPI in Indian economy stands for
a) Consumer Price Index
c) Calculating Price Index
- b) Combined Price Index
99. The IPR 1956, stressed the importance of?
a) Cottage and small scale industries
c) Banking and finance
- b) Huge investment model
100. Index of 8 core industries are released by
a) Office of Economic Advisor of Ministry of Commerce
c) Office of Prime Minister of India
- b) Office of CAG

FIRST SEMESTER
ECO10104 - INDIAN ECONOMY-I

ANSWER KEY

1.c	11.a	21.c	31.c	41.b.	51.a	61.a.	71.a.	81.b	91.a
2.c	12.c	22.b	32.c	42.c	52.c	62.b.	72.a.	82.b	92.a
3.b	13.c	23.a	33.a	43.c.	53.a	63.b.	73.c.	83.a	93.a
4.a	14.c	24.b	34.c	44.c.	54.c	64.c.	74.c.	84.c	94.b
5.a	15.c	25.c	35.a	45.c.	55.c	65.c.	75.a.	85.b	95.b
6. c	16.a	26.a	36.c	46.b.	56.b	66.b.	76.b.	86.c	96.c
7.a	17.a	27.c	37.c	47.b.	57.c	67.c.	77.c.	87.c	97.c
8.a	18.a	28.a	38.b	48.b.	58.b	68.c.	78.b.	88.b	98.a
9.a	19.c	29.c	39.c.	49.a.	59.c	69.a.	79.a.	89.a	99.a
10.a	20.a	30.c	40.a	50.c.	60.b	70.c.	80.b.	90.a	100.a

