

Multiple Choice Questions

EC010204 Indian Economy - II

Second Semester PG Private

1. IGST deals with

- (A) Composition scheme
- (B) Service tax on imported services
- (C) Time of supply

2. Which one of the following states in India has focused more on human resource development?

- (A) Punjab
- (B) Karnataka
- (C) Kerala

3. Which of the following programme was launched in the year of 2000?

- (A) National Rural Employment Guarantee Act.
- (B) Swarna Jayanti Gram Swarozgar Yojana
- (C) Pradhan Mantri Gramodaya Yojana.

4. Who conducts the periodical sample survey for estimating the poverty line in India?

- (A) National Survey Organisation
- (B) National Sample Survey Organisation
- (C) Sample Survey Organisation

5. Which scheme was started in 1993 to create self-employment opportunities for educated unemployed youth in rural areas and small towns?

- (A) Prime Minister Rozgar Yojana
- (B) National Rural Employment Guarantee Act.
- (C) Rural Employment Generation Programme

6. For how many days NREGA provides employment?

- (A) 80
- (B) 90

(C) 100

7. Which among the following is the method to estimate the poverty line in India?

(A) Income method

(B) Investment method

(C) Capital method

8. Women and children under the age of five are food insecure population due to:

(A) Malnutrition

(B) Healthy diet at

(C) Fats

9. By which year governments are aiming to meet the Millennium Development Goals including halving the rate of global poverty?

(A) 2015

(B) 2035

(C) 2045

10. Which among the following schemes was started in the year 2000 for the indigent senior citizens?

(A) PDS

(B) APS

(C) SGSY

11. What is the average calories required in rural areas for measuring poverty?

(A) 2400 calories per person per day

(B) 2100 calories per person per day

(C) 2800 calories per person per day

12. What is not a one of the major cause of income inequality in India?

(A) Unequal distribution of land

(B) Lack of fertile land

(C) Increase in population.

13. Which of the following is an indicator of poverty in India?

(A) Income level

(B) Illiteracy level

(C) Employment level

14. What is the average calorie requirement in India in urban areas (per person per day)?

- (A) 2000 cal / person / day
- (B) 2100 cal / person / day
- (C) 2300 cal / person / day

15. In which year was N R E G A enacted?

- (A) 2005
- (B) 2000
- (C) 1999

16. Poverty ratio in which of the following state has above the national average:

- (A) West Bengal
- (B) Tamil Nadu
- (C) Andhra Pradesh
- (D) Karnataka.

17. The Concept of 'entitlements' was introduced by:

- (A) Pranab Mukharjee
- (B) Amartya Sen
- (C) Manmohan Singh

18. Which of the following states of India has the highest poverty ratio?

- (A) Bihar
- (B) Orissa
- (C) Punjab

19. Which year is called the 'demographic divide' in India?

- (A) 1881
- (B) 1901
- (C) 1921

20. Which period is referred to as the period of population explosion?

- a) 1901-1921
- b) 1921-1951
- c) 1951-1981

21. Which is the state with minimum sex ratio in India?

- (A) Chandigarh
- (B) Haryana
- (C) Punjab

22. Which is the state with highest population of Scheduled Tribe in India?

- (A) Gujarat
- (B) Madhya Pradesh
- (C) Maharashtra

23. Which is the least urbanized state of India?

- (A) Assam
- (B) Bihar
- (C) Himachal Pradesh

24. What type of unemployment is found in India?

- (A) Structural Unemployment
- (B) Seasonal unemployment
- (C) Disguised unemployment

25. The number of people in different age groups is referred as:

- (A) Sex ratio
- (B) Age composition
- (C) Occupational structure

26. Which of the following is an important social indicator to measure to extent of equality between males and females in a society at a given time?

- (A) Age composition
- (B) Literacy Rate
- (C) Sex ratio

27. As per 2001 census, which of the following states has the least density of population?

- (A) West Bengal
- (B) Bihar
- (C) Arunachal Pradesh

28. When did the National Population Policy come into effect?

- (A) 2001
- (B) 2000
- (C) 1952

29. Which one of the following is not a Tertiary activity?

- (A) Banking
- (B) Transport and Communication
- (C) Building and Construction work.

30. The magnitude of population growth refers to:

- (A) The number of persons added each year
- (B) The rate at which the population increases
- (C) The number of females per thousand males.

31. Which of the following migration of population does not change the size of the population?

- (A) External migration
- (B) Internal migration
- (C) International migration

32. Which among the following is not included in policy framework of NPP 2000?

- (A) Imparting free and compulsory school education above 14 years of age
- (B) Achieving universal immunization of children against all vaccine preventable diseases
- (C) Making family welfare a people centered program

33. The migrants in India (2001 census) are:

- (A) 10.7 crores
- (B) 15.7 crores
- (C) 30.7 crores

34. Which states of India receives highest amount of remittances from migrators?

- (A) Kerala
- (B) Punjab
- (C) Haryana

35. Which of the following are included in resolution of industrial disputes in India?

- (A) Workers & Trade Union
- (B) Workers& Management

(C) Workers, Management & Government

36. The concept of vicious circle of poverty is associated with

(A) J.M. Keynes

(B) Ragner Nurkse

(C) Karl Marx

37. What was the amount of outlay under MGNREGA in 2011-12 by the Government of India ?

(A) Rs. 25,000 crore

(B) Rs. 30,000 crore

(C) Rs. 40,000 crore

38. Which of the following is not a component of Bharat Nirman ?

(A) Rural housing

(B) Rural electrification

(C) Agro-based industries

39. 'Aam Admi Bima Yojana' provides social security to

(A) All labour in rural areas

(B) All landless labour living below poverty line in rural areas

(C) All labour in urban areas

40. Which of the following programmes is not included in rural infrastructure development in India?

(A) Integrated Low Cost Sanitation Scheme (ILCS)

(B) Indira Awas Yojana (IAY)

(C) Total Sanitation Campaign (TSC)

41. Unemployment which occur due to move from one job to another job is known as:

a. Seasonal Unemployment

b. Frictional unemployment

c. Cyclical unemployment

42. Absolute poverty means

(A) Poverty in terms of absolute number of people

- (B) Poverty in terms of basic minimum calorie requirements.
- (C) Poverty in terms of prevailing price level.

43. Poverty gap is:

- (A) Different between poverty line and actual income level.
- (B) Gap between rich and poor.
- (C) Gap between developed nation and developing nation

44). Which Committee's recommendations are being followed for estimating Poverty Line in India?

- (A). Dutt Committee
- (B). Lakdawala Committee
- (C) Chakravati Committee

45). Which among the following definitions has been given by the World Bank to define people below the poverty line?

- (A) Income not exceeding \$1 a day
- (B) Income not exceeding 50 cent a day
- (C) Income not exceeding \$2 a day

46. Which among the following has been adopted by the Tendulkar committee for measuring poverty

- (A) Welfare measures
- (B) Cost of Living
- (C) Inequality & growth

47. In September 1999, which organization established the Poverty Reduction and Growth Facility (PRGF) to make the objective of poverty reduction more central to lending operations in its poorest member countries

- (A) Asian Development Bank
- (B) International Monetary Fund
- (C) World Bank

48. As per the Lakdawala Formula, which among the following is accepted to estimate “urban poverty”?

- (A) Consumer price Index for industrial labors
- (B) Consumer price Index for Agriculture
- (C) Wholesale Price index

49. What is the third tier of government known as?

- (a) Village Panchayats
- (b) State government
- (c) Local self-government

50. Which among the following plan document has a subtitle “ Inclusive growth” ?

- (A) 10th Five year Plan
- (B) 11th Five year Plan
- (C) National Solar Mission

51. Fiscal policy in India is formulated by

- a) Reserve Bank of India
- b) Planning Commission
- c) Finance Ministry

52. Fiscal Responsibility and Budget Management Act (FRBMA) was passed to keep check on

- a) Fiscal deficit only
- b) Revenue deficit only
- c) Both fiscal deficit and revenue deficit

53. Fiscal deficit in the union budget is equal to

- a) Net increase in internal and external borrowings
- b) The difference between current expenditure and current revenue
- c) The sum of monetized deficit and budgetary deficit

54. Every year the Economic Survey is compiled by :

- a) Department of Economic Affairs
- b) Central Statistical Office (CSO)
- c) National Sample Survey Organisation (NSSO)

55. GST was implemented in India from

- A) 1st January 2017

- B) 1st July 2017
- C) 1st March 2017

56. In India, the GST is based on the dual model GST adopted in:

- A) UK
- B) Canada
- C) USA

57. GST is a consumption of goods and service tax based on

- A) Development
- B) Destination
- C) Destiny

58. The number of structures in India's GST model is?

- A) 6
- B) 4
- C) 3

59. GST rates applicable on goods and services are:

- A) 0% 5% 12% 18% 26%
- B) 0% 6% 12% 18% 28%
- C) 0% 5% 12% 18% 28%

60. What does "I" in IGST stands stand for?

- A) Internal
- B) Integrated
- C) Internal

61. Which of the following is not the function of the NITI Aayog?

- (a) To evolve a shared vision of national development priorities sectors and strategies
- (b) To foster cooperative federalism
- (c) To give final approval to the Five Year Plans of India

62. Which of the following statement is correct about the NITI Aayog?

- (a) NITI Aayog was Formed 25 January 2016
- (b) NITI Aayog comes under the Ministry of Commerce and Industry

(c) The NITI Aayog is a policy think tank of the Government of India

63. When was NITI Aayog established?

- (a) 1 January 2015
- (b) 25 January 2016
- (c) 14 May 2014

64. One of the reasons for India's occupational structure remaining more or less the same over the years has been that

- (A) Investment pattern has been directed towards capital intensive industries
- (B) Productivity in agriculture has been high enough to induce people to stay with agriculture
- (C) Ceiling on land holdings have enabled more people to own land and hence their preference to stay with agriculture

65. In India, inflation measured by the

- (A) Wholesale Price Index number
- (B) Consumers Price Index for urban non-manual workers
- (C) Consumers Price Index for agricultural workers

66. The budget deficit means

- (A) The excess of total expenditure, including loans, net of lending over revenue receipts
- (B) Difference between revenue receipts and revenue expenditure
- (C) Difference between all receipts and all the expenditure

67. Which of the following is the most appropriate cause of exports surplus?

- (A) Country's exports promotion value
- (B) Country's stringent import policy
- (C) Developments in national and international markets

68. Modvat is

- (A) A term used in excise which is a new scheme of indirect taxes

(B) Scheme which allows a manufacturer to claim instant reimbursement of the excise duty paid on the raw materials used for the production of the final good

(C) All of the above

69. In India, while defining an urban area, the most important consideration besides the size of its population is that it should have

(A) Half of its male working in non-primary sector

(B) Three-fourth of its male working on non-agricultural pursuits

(C) A police station, a college and a hospital

70. Which of the following is not a part of machinery that settles industrial disputes?

(A) Wage Court

(B) Works Committee

(C) Board of Conciliation

71. Which of the following is not a recommendation of the Narsimham Committee, 1991?

(A) Reduction of CRR and SLR

(B) Phasing out directed credit programme

(C) Reduction of Capital Adequacy Ratio

72. The Narsimham Committee II was setup to suggest some recommendations for improvement in the

(A) efficiency and productivity of the financial institution

(B) banking reform process

(C) export of IT sector

73. The Banking Regulation Act, 1949 came into force on.....

(A) 1st Jan, 1956

(B) 1st Mar, 1966

(C) 16th Mar, 1949

74. The assets of the banks which do not perform are called

- (A) Non-Performing Assets (NPA)
- (B) Bad loans
- (C) a and b

75. Which committee has been constituted to give recommendations on Fiscal Responsibility and Budget Management (FRBM)?

- A) Ajay Shankar committee
- B) NR Madhava Menon committee
- C) NK Singh committee

76. Prime Minister Narendra Modi's government has ordered the formation of a Special Investigation Team (SIT) to investigate black money. The SIT will be headed by retired Supreme Court judge

- (A) Deepak Mohanty
- (B) M B Shah
- (C) Shankar Acharya

77. The Reserve Bank of India introduced KYC guidelines for all banks in

- (A) 2002
- (B) 2007
- (C) 2009

78. When the housing market boom first began to unravel globally in 2007, banks discovered their overexposure to what?

- a) Derivatives.
- b) Shoddy buildings.
- c) 'Toxic assets' of mortgage-backed securities

79. A major disruption in financial markets characterized by sharp declines in asset prices and firm failures is called a

- A) financial crisis.
- B) fiscal imbalance.
- C) free-rider problem

80. The financial crisis of 2007-08 originated in the following country.

- (A) Russia
- (B) United States
- (C) England

81. The fourth biggest U.S. investment bank that collapsed during the financial crisis of 2007-08 and filed the largest bankruptcy in U.S. history was:

- (A) Morgan Stanley
- (B) Bank of America
- (C) Lehman Brothers

82. The first instance of demonetisation in India was on

- (a) 1945
- (b) 1947
- (c) 1946

83. Which one of the following was one of the objectives of demonetisation in 2016?

- (a) To gift new notes to people of India
- (b) To reduce and prevent circulation of black money in the market
- (c) To increase the interest rate

84. Which of the following roles/functions/responsibilities are NOT under the purview of the Finance commission?

- (A) Sharing of net proceeds of taxes between the Center and States
- (B). Recommending principles for governing the grants-in-aid to the states by the Center
- (C). Preparation and periodical revision of electoral rolls

85. In which year did the Finance Commission of India come into existence?

- a) 1947
- b) 1948
- c) 1951

86) Who is the Chairman of the 14th and current Financial Commission of India that was appointed in 2013?

- a) K.C. Neogy
- b) K.Santhanam
- c) Y.V. Reddy

87. The micro-finance movement in India has been initiated by

- (A) NABARD
- (B) RBI
- (C) RRBs

88. In which Part of the Indian constitution, Central-State relations are mentioned.

- (A) Part XI
- (B) Part X
- (C) Part IV

89. Who among the following recommends distribution of taxes between the Union and State Govt?

- (A) Finance Minister
- (B) Finance Commission
- (C) Reserve bank of India

90. Which of the following recommends to the President the basis for distribution of the net proceeds of taxes between the centre and states?

- (A) Finance Ministry
- (B) RBI
- (C) Finance commission

91. The establishment of a finance commission was provided by the Indian constitution by the President within a period of _____ of commencement of the constitution?

- (A) 2 years

(B) 3 years

(C) 5 years

92. Recommendations of first Finance Commission covered which of the following periods?

(A) 1951-56

(B) 1952-57

(C) 1953-58

93. The unorganised Workers Social Security Act came in existence in the year

(A) 2001

(B) 2005

(C) 2008

94. Identify the Five Year Plans when actual growth realisation has been higher than the growth target :

I. Fifth Plan

II. Seventh Plan

III. Ninth Plan

IV. Tenth Plan

Codes:

(A) I, II & III

(B) II, III & IV

(C) I & II

95. Natural growth of population is the outcome of the following:

I. Crude Birth Rate

II. Crude Death Rate

III. Migration

IV. Marriages

Codes:

(A) Only I & II

(B) Only III

(C) II & IV

96. When power is taken away from state governments and is given to local government, it is called

(a) Decentralisation

(b) Centralisation

(c) Panchayat Samiti

97. NREGA was renamed 'MNREGA' on

a) 2nd October, 2007

b) 2nd October, 2009

c) 2nd October, 2010

98. The wage rates of MGNREGA workers are revised annually based on which index?

a) CPI-Rural

b) CPI-Agricultural Labourers

c) CPI-Rural Labourers

99. When did The Child Labour (prohibition And Regulation) Act, 1986, come into force?

A) 01 April 1986

B) 01 March 1987

C) 23 December 1986

100. Which section of The Child Labour (prohibition And Regulation) Act, 1986 deals with the Prohibition of employment of children in certain occupations and processes?

- A. Section 2 of the Child Labour (prohibition And Regulation) Act, 1986
- B. Section 3 of the Child Labour (prohibition And Regulation) Act, 1986
- C. Section 4 of the Child Labour (prohibition And Regulation) Act, 1986

Multiple Choice Questions Answer Key

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- 1. B
- 2. C
- 3. C
- 4. B
- 5. A
- 6. C
- 7. A
- 8. A
- 9. A
- 10. B
- 11. A
- 12. B
- 13. A
- 14. B

15. A

16. B

17. A

18. A

19. B

20. A

21. B

22. B

23. C

24. C

25. B

26. C

27. C

28. B

29. C

30. A

31. B

32. A

33. C

34. A

35. C

36. B

37. C

38. C

39. B

40. A

41. B

42. B

43. A

44. B

45. A

46. B

47. B

48. A

49. C

50. B

51. C

52. C

53. A

54. A

55. B

56. B

57. B

58. B

59. C

60. B

61. C

62. C

63. A

64. A

65. A

66. C

67. C

68. C

69. A

70. A

71. A

72. B

73. C

74. C

75. B

76. B

77. A

78. C

79. A

80. B

81. C

82. C

83. B

84. C

85. C

86. C

87. A

88. A

89. B

90. C

91. A

92. B

93. C

94. C

95. A

96. A

97. B

98. B

99. C

100. B