

INDIAN ECONOMY

1. Consider the following statements about the post-cold war directional changes in Indian Foreign Policy
 1. By the mid 1990s, Indian Foreign Policy submitted itself to a process of adaptive learning to boost its status and influence in the global pecking order.
 2. Indian Foreign Policy has shifted from an overemphasis on idealism during cold war era to pragmatic realism in the post-cold war era.
 3. Indian Foreign Policy is geared to establish tangible economic and security partnership with major regions and countries of the world.Which of the statements given above is/are correct?
 - (a) 1 and 2
 - (b) Only 1
 - (c) Only 2
 - (d) All of these
2. The value of all final goods and services produced by the normal residents of a country and their property, whether operating within the domestic territory of the country or outside in a year is termed as
 - (a) Gross National Income
 - (b) Net National Income
 - (c) Gross Domestic Product
 - (d) Net Domestic Product
3. The most appropriate measure of a country's economic growth is its
 - (a) Gross Domestic Product
 - (b) Net Domestic Product
 - (c) Net National Product
 - (d) Per Capita Real Income
4. Which of the following are signs of an open economy?
 - I. Share of trade in GDP is high.
 - II. GDP and GNP are almost the same.
 - III. Exchange rate is determined by markets.Select the correct answer using the codes given below
 - (a) I and III
 - (b) Only II
 - (c) I and II
 - (d) II and III
5. Economic liberalisation in India started with
 - (a) substantial changes in industrial licensing policy
 - (b) the convertibility of Indian rupee
 - (c) doing away with procedural formalities for foreign direct investment
 - (d) significant reduction in tax rates
6. What is a Green Index?
 - (a) It measures the nation's wealth according to GNP per capita
 - (b) It measures the nation's wealth according to GDP per capita
 - (c) It measures the nation's wealth according to provisions of control on greenhouse gases
 - (d) It measures nation's wealth in terms of coverage of forest area

7. New Economic Policy aims at
 - (a) giving importance to rural techniques of production
 - (b) reforms in production pattern, obtaining new technology, making Indian economy more competitive
 - (c) creating more tax brackets
 - (d) imposing Tobin tax
8. Which of the following is/are the components of Gross Domestic Capital Formation (GDCF)?
 1. Gross Domestic Savings
 2. Net Capital Inflow
 3. Direct Foreign Investment

Select the correct answer using the codes given below

 - (a) Only 1
 - (b) Only 2
 - (c) Only 3
 - (d) 1 and 2
9. Consider the following statements
 - I. GDP is a better measure of National Income than GNP.
 - II. GNP is always higher than GDR.

Which of the statements given above is/are correct?

 - (a) Only I
 - (b) Only II
 - (c) Both I and II
 - (d) Neither I nor II
10. Which of the following measures should be taken when an economy is going through inflationary pressures?
 1. The direct taxes should be increased.
 2. The interest rate should be reduced.
 3. The public spending should be increased.

Select the correct answer using the codes given below

 - (a) Only 1
 - (b) Only 2
 - (c) 2 and 3
 - (d) 1 and 2
11. Deficit financing means the government borrows money from the

(a) IMF	(b) Ministry of Finance
(c) RBI	(d) WTO
12. GDP at factor cost is
 - (a) GDP minus indirect taxes plus subsidies
 - (b) GNP minus depreciation allowance
 - (c) NNP plus depreciation allowance
 - (d) GDP minus subsidies plus indirect taxes
13. Which of the following is the standard definition of recession?
 - (a) Negative GDP growth for the year as a whole
 - (b) Negative GDP growth for two consecutive quarters
 - (c) Negative GDP growth for three consecutive quarters
 - (d) Negative GDP growth with increased rate of inflation compared to the previous years

14. Non-Tax revenue can be increased by improving the working of
- Commercial Irrigation Projects
 - State Road Transport Corporation
 - Electricity Boards
 - None of the above
15. Gross domestic product is a measure of total value of all
- consumer income in an economy over a period of time
 - capital accumulation in an economy over a period of time
 - sales in an economy over a period of time
 - final goods and services produced in an economy over a period of time
16. With reference to Indian economy, consider the following:
- Bank rate
 - Open market operations
 - Public debt
 - Public revenue
- Which of the given is/are component(s) of Monetary Policy?
- Only 1
 - 2, 3 and 4
 - 1 and 2
 - 1, 3 and 4
17. Among the following who are eligible to benefit from MGNREGA?
- Adult members of only the SC and ST households
 - Adult members of BPL households
 - Adult members of households of all backward communities
 - Adult members of any household
18. With reference to 'Aam Admi Bima Yojana' consider the following statements
- The member insured under the scheme must be the head of the family or an earning member of the family in a rural landless household.
 - The member insured must be in the age group of 30 to 65 years.
 - There is a provision for free scholarship for upto two children of the insured who are studying between classes 9 and 12.
- Which of the statements given above is/are correct?
- Only 1
 - 2 and 3
 - 1 and 3
 - 1, 2 and 3
19. Consider the following norms of the Mid-day Meal Scheme
- To provide a minimum of 550 calories of food.
 - To provide a minimum 12 gram of protein.
 - To provide an adequate quantities of micronutrients like iron, folic acid, vitamin-A.
 - To provide an adequate quantities of essential fatty acids and medicine for the common cold and diarrhea.
- Which of the norms given above are correct?
- 1, 3 and 4
 - 1, 2 and 3
 - 1, 2 and 4
 - All of these

20. What is the aim of Operation Blackboard?

- (a) Providing education to urban slum dwellers
- (b) Providing primary education in an educationally backward area
- (c) Opening new schools specially for female child
- (d) Promoting adult literacy

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Topper's Mark :	<input style="width: 50px;" type="text"/>	10-20 : Good	<input style="width: 50px;" type="text"/> C
		0-10 : Average	<input style="width: 50px;" type="text"/> D

ANSWER KEYS

01 d 02 a 03 d 04 a 05 a 06 c 07 b 08 c 09 d 10 a
11 c 12 a 13 b 14 a 15 d 16 c 17 d 18 c 19 b 20 d