

INDIAN ECONOMIC

1. Which of the following is/are not true of the initiative named 'Make in India'?
 1. It seeks to facilitate investment.
 2. It encourages investment in IT industry.
 3. It will enhance skill development.
 4. It will support the protection of intellectual property.
 5. It fosters best in class manufacturing infrastructure.Select the correct answer from the codes given below:
 - (a) 4 only
 - (b) 2 only
 - (c) 3 and 5 only
 - (d) 1 only
2. Which of the following is not part of the Make in India programme?
 - (a) Ease of doing Business
 - (b) Opening up of new sectors like defence for 100% FDI
 - (c) Developing industrial corridors and smart cities
 - (d) Facilitating easy exit for investors
3. Consider the following statements about the Stand Up India scheme:
 1. The scheme is intended to assist SC/ST/OBC and women entrepreneurs.
 2. At least one woman entrepreneur per bank branch will be supported.
 3. The support is available only for greenfield enterprises.Select the correct answer from the codes given below:
 - (a) 1, 2, and 3
 - (b) 1 and 3 only
 - (c) 1 only
 - (d) 2 and 3 only
4. Which of the following statements is/are correct?
 1. Industries sector, including mining, contributes less than 20 per cent to India's GDP.
 2. India is the largest producer of sugar
 3. India is the second largest producer of silk.
 - (a) 1, 2, and 3
 - (b) 1 and 3 only
 - (c) 1 only
 - (d) 2 and 3 only
5. Government of India has launched the e-Biz portal for G2B services, as a Private Public Partnership venture with Infosys. Which of the following services will not be covered under the portal?
 - (a) Obtaining clearances
 - (b) Marketing support
 - (c) Issue of licenses
 - (d) Registration with tax authorities
6. Consider the following statements regarding Smart Cities scheme:
 1. The Smart Cities Mission is for a period of 10 years (2015—2025).
 2. Cities are selected for inclusion on the basis of competition.
 3. Basis of selection will be the level of infrastructural development of the city.
 4. Implementation will be by a private company formed as the Special Purpose Vehicle.

Select the correct answer from the codes given below:

- (a) 1, 3 and 4 only
 - (b) 2 and 4 only
 - (c) 2, 3 and 4 only
 - (d) 1, 2, 3 and 4
7. The HRIDAY scheme of Government of India is intended to
- (a) help poor heart patients
 - (b) develop inner-city areas
 - (c) promote organic cultivation
 - (d) develop heritage cities
8. Consider the following statements about the National Investment and Infrastructure Fund:
1. NIIF will be funded by Central Government and private sector in equal share.
 2. It will function as a fund of funds and sponsor other funds.
- Which of the above is correct?
- (a) 1 and 2
 - (b) 1 only
 - (c) 2 only
 - (d) Neither 1 nor 2
9. Consider the following statements about the Pradhan Mantri Awas Yojana (Urban):
1. It is part of the Mission 'Housing for All (2015— 2022).
 2. The component of credit-linked subsidy will be a 100% centrally funded item.
 3. This will be implemented by the Urban Local Bodies.
- Which of the above statement/s is/are correct?
- (a) 1, 2, and 3
 - (b) 1 and 3 only
 - (c) 1 only
 - (d) 2 and 3 only
10. The Enforcement Directorate (ED) of the Finance Ministry is responsible for:
1. enforcing the provisions of Foreign Exchange Management Act (FEMA)
 2. collection of intelligence regarding possible cases of money laundering
 3. assessment of cases of evasion of Income Tax
 4. confiscation of property of crime under Prevention of Money Laundering Act (PMLA)
- Select the correct answer using the codes given below:
- (a) 1 and 4 only
 - (b) 2 only
 - (c) 1, 2 and 4 only
 - (d) 1, 2, 3 and 4
11. The annual financial statement is laid before the two Houses of Parliament in accordance with:
- (a) Article 74
 - (b) Article 112
 - (c) Article 268
 - (d) Article 370
12. Among the tax revenues of the union government, the most important source is:
- (a) Income tax
 - (b) Corporation tax
 - (c) Union excise duties
 - (d) Customs duty.

13. Direct taxation is a better form of taxation because:
 - (a) it fetches more revenue
 - (b) it can be more easily collected
 - (c) it allows for taxation according to means
 - (d) it has greater tax compliance
14. Which of the following conditions need not be fulfilled for declaring an offence under the Prevention of Money Laundering Act, 2002?
 - (a) There must be commission of a crime.
 - (b) There must be proceeds or gains from the crime.
 - (c) The crime must have been committed beyond the country's boundaries.
 - (d) There must be a transaction in respect of the proceeds of the crime.
15. Consider the following statements about India's tax-to-GDP Ratio:
 1. The ratio is arrived at by dividing the total tax collection of central and state governments by the GDP of the country.
 2. The ratio has been declining in recent years.
 3. Inflation can lead to a reduction in the ratio.
 4. The introduction of Goods and Services tax is expected to increase the ratio.
 Select the correct answer from the following:
 - (a) 2 and 3 only
 - (b) 1, 3 and 4 only
 - (c) 1, 2, 3 and 4
 - (d) 1, 2 and 3 only
16. Consider the following statements in respect of the Comptroller and Auditor General (CAG):
 1. CAG is appointed by the President of India and can be removed only on grounds and procedure similar to those of a Supreme Court Judge.
 2. The form in which accounts of the centre and states are to be kept is prescribed by CAG.
 3. Reports on the accounts of the states are submitted to the President who shall cause these to be placed before the Parliament.
 - (a) 1, 2 and 3
 - (b) 1 and 2
 - (c) 2 and 3
 - (d) 1 and 3
17. Which of the following statements is not correct in relation to International Monetary Fund?
 1. India is a founder member of the IMF.
 2. IMF conducts regular review of India's economic status under Article IV.
 3. India's quota in the IMF is more than 2 per cent.
 4. Finance Minister is ex-officio Governor of the IMF.
 - (a) 1 and 4
 - (b) 3 only
 - (c) 1 only
 - (d) 2 and 4
18. The argument for reduction in the rate of taxation to promote economic activity rests on the following premises:
 1. Lower taxes increase the amount of savings.
 2. Moderate taxes lead to lower prices.
 3. It promotes consumption.
 4. It increases government's revenue.

Select the correct answer from the code given below:

- (a) all four
- (b) 1 only
- (c) 4 only
- (d) 1 and 3

19. Consider the following statements in respect of Finance Commission:

1. It is mandatory to appoint a Finance Commission every five years.
2. Finance Commission lays down the principles governing grant-in-aid to states.
3. Finance Minister is the ex-officio Chairperson of the Finance Commission.
4. The award given by the Finance Commission is binding on central and state governments.

Which of the above statements are correct?

- (a) 1, 2, 3 and 4
- (b) 1, 2 and 4
- (c) 1, 2 and 3
- (d) 1, 3 and 4

20. The purpose of the Fiscal Responsibility and Budget Management Act is, among other things:

- (a) to regulate government borrowing
- (b) to allow urban local bodies to incur debts
- (c) to make the state governments responsible for the implementation of central schemes
- (d) none of the above

EVALUATE YOURSELF

Total Marks :

Your Mark :

Topper's Mark :

SCORE GRADE

30-40 : Outstanding

A

20-30 : Very Good

B

10-20 : Good

C

0-10 : Average

D

ANSWER KEYS

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