

SHETH NKTT COLLEGE OF COMMERCE & SHETH JTT COLLEGE OF ARTS, THANE

DEPARTMENT OF ECONOMICS

MCQs (100) FOR SYBA SEM-IV INDIAN ECONOMY

(Note: PREPARED BY DR DHANASHREE SAWANT as sample questions, these questions may be modified for the semester examination)

UNIT-I INTRODUCTION (25)

1. Indian Economy is
 - a. Socialist Economy
 - b. Gandhian Economy
 - c. Mixed Economy
 - d. Free Economy
2. Mixed Economy means an economy where
 - a. Both agriculture and industry are equally promoted by the state.
 - b. There is co-existence of public sector along with private sector.
 - c. There is importance of small-scale industries along with heavy industries.
 - d. Economy is controlled by military as well as civilian rulers.
3. Who is the chairman of the planning commission in India?
 - a. President
 - b. Vice president
 - c. Prime Minister
 - d. Finance Minister
4. The contribution of Indian agricultural sector is
 - a. Increasing
 - b. Decreasing
 - c. Constant
 - d. None of these
5. FERA stands for
 - a. Foreign Exchange Regulation Act
 - b. Foreign Energy Regulation Act
 - c. Foreign Exchange Ruling Act
 - d. None of these
6. FEMA Stands for
 - a. Foreign Exchange Merging Act
 - b. Foreign Exchange Managed Act
 - c. Foreign Exchange Management Act
 - d. None of these
7. MNCs Stands for
 - a. Multinational Commodities
 - b. Multinational Corporations
 - c. Minimum number of commodities
 - d. Major National Corporations
8. The population of India as on 1st March 2011
 - a. 100 crores

- b. 150 crores
 - c. 200 crores
 - d. 121 crores
9. Sex ratio in India as per the census of 2011.
- a. 1000 females per 1000 males
 - b. 1036 females per 1000 males
 - c. 840 females per 1000 males
 - d. 940 females per 1000 males
10. Number of persons per square Kilometer is called
- a. Density of population
 - b. Growth rate of population
 - c. Morality rate of population
 - d. demography
11. An Economy which does not have any relation with rest of the world is known as
- a. Mixed economy
 - b. Open economy
 - c. Closed economy
 - d. Socialist economy
12. According to 2011 census the rate of urbanization in India is
- a. 72.2%
 - b. 32.5%
 - c. 31.16%
 - d. 45.2%
13. Which of the following type of unemployment is more prominent in India?
- a. Seasonal
 - b. Cyclical
 - c. Structural
 - d. Open.
14. Disguised unemployment is common in
- a. Agricultural sector
 - b. Industrial sector
 - c. Service sector
 - d. Education sector
15. The National Income growth rate in India was increased fromin 1997.
- a. 5.6% to 6.5%
 - b. 2.5% to 3.5%
 - c. 7.1% to 8.5%
 - d. 4.4% to 7.9%
16. India's Per Capita NNP growth rate at current prices (2011) was in 1990-91.
- a. 11.8%
 - b. 15.2%
 - c. 19.2%
 - d. 20.5%
17. India's Net National product growth rate increased from 3.5% in 1980-81 to In 2011-12 at 2004-05 prices.
- a. 4.1%
 - b. 5.6%
 - c. 7.8%

- d. 9.5%
18. The employment in public sector in 1981 was
- 123.9 lakh
 - 154.8 lakh
 - 198.7 lakh
 - 209.2 lakh
19. The employment in public sector in 2012 was
- 176.1 lakh
 - 202.5 lakh
 - 308.2 lakh
 - 501.2 lakh
20. The employment in private sector in 1981 was
- 74 lakh
 - 96 lakh
 - 102 lakh
 - 119 lakh
21. The employment in public sector in 2012 was
- 100 lakh
 - 119.4 lakh
 - 132 lakh
 - 144 lakh
22. The share of agricultural sector was 1950-51.
- 53.1%
 - 33.2%
 - 25.2%
 - 67%
23. The share of industrial sector was 1950-51.
- 10.2%
 - 16.6%
 - 19.0%
 - 22.1%
24. The share of tertiary sector was 1950-51.
- 22.3%
 - 30.3%
 - 49%
 - 80.2%
25. The share of agricultural sector was 2017-18.
- 15.2%
 - 26.2%
 - 45.1%
 - 70.2%

Unit-II Agricultural Sector (25)

1. Which of the following is among the general causes of low agricultural productivity in India?
- Land reforms
 - Land degradation
 - Low population growth
 - Money lenders

2. Which of the following is among the institutional causes of low agricultural productivity in India?
 - a. Lack of credit facilities
 - b. Population growth
 - c. Social environment
 - d. Use of outdated techniques
3. Which of the following is among the technical causes of low agricultural productivity in India?
 - a. Use of outdated technology
 - b. Land reforms
 - c. Land tenure systems
 - d. Poor marketing facilities
4. Which of the following is one of the features of agricultural price policy in India?
 - a. Chain of middlemen
 - b. Lack of power supply
 - c. Low population growth
 - d. Stable prices
5. Which among the following is the main objective of agricultural price policy in India?
 - a. Provision of essential goods
 - b. Supply of water to rural areas
 - c. Provision of remunerative price
 - d. Low population growth
6. Which among the following is recent measure of agricultural pricing problem in India?
 - a. Credit rationing
 - b. Rationing and sale through fair price shops
 - c. Bank rate policy
 - d. Industrial production growth
7. 'Organization of Food Zone' is initiated under which of the following?
 - a. Population policy
 - b. Monetary policy
 - c. Agricultural pricing policy
 - d. Industrial policy
8. Which among the following is the criticism of agricultural price policy in India?
 - a. Poor technology
 - b. Use of HYV of seeds program
 - c. Mounting fiscal deficit
 - d. Workers' non-cooperation
9. Which among the following evaluates agricultural pricing policy?
 - a. No integration among different criteria
 - b. Lack of marketing facility
 - c. Lack of warehousing and storage
 - d. Over-emphasis on demand side
10. Which among the following is included in institutional sources of agricultural finance?
 - a. Moneylenders
 - b. Traders
 - c. Regional rural banks
 - d. Friends and relatives
11. Which among the following is included in non-institutional sources of agricultural finance?

- a. Commercial banks
 - b. Private credit societies
 - c. NABARD
 - d. SIDBI
12. Moneylenders contributedof rural credit in 1951.
- a. 90.5%
 - b. 71.6%
 - c. 59.2%
 - d. 85%
13. Moneylenders usually charged for agricultural credit in India.
- a. 10% – 15%
 - b. 18% - 50%
 - c. 5% - 10%
 - d. 30% - 50%
14. Total Non-institutional credit accounted for in 2013.
- a. 60%
 - b. 80%
 - c. 20%
 - d. 40%
15. There were State Cooperative banks in India till 2016
- a. 22
 - b. 25
 - c. 33
 - d. 41
16. There were District Coop Banks in India till 2016.
- a. 275
 - b. 370
 - c. 405
 - d. 515
17. Short-term agricultural credit was given by
- a. District cooperative banks
 - b. State cooperative banks
 - c. NABARD
 - d. IDBI
18. There were PACS who gave Short term credit
- a. 25134
 - b. 36712
 - c. 56712
 - d. 93367
19. There were 13 State cooperative Agricultural and Rural Development Banks who gave credit
- a. Long-term
 - b. Short-term
 - c. Consumer
 - d. local
20. There were Primary Cooperative Agricultural credit societies till 2016 in India.
- a. 543
 - b. 601

- c. 675
 - d. 731
21. Which among the following is the defect of cooperative credit banks in India?
- a. High NPAs
 - b. Low NPAs
 - c. High rate of interest
 - d. Low rate of interest
22. Uneconomic size of PACS is a of cooperative credit banks.
- a. Merit
 - b. Demerit
 - c. Policy
 - d. Measure
23. The share of cooperative credit to total rural credit was in 1970-71.
- a. 55%
 - b. 75%
 - c. 100%
 - d. 10%
24. The share of cooperative credit societies to the total rural credit was In 2016-17.
- a. 13.4%
 - b. 20.1%
 - c. 40.3%
 - d. 60.7%
25. The share of commercial banks to the total rural credit was In 1980-81.
- a. 28.5%
 - b. 38.4%
 - c. 46.7%
 - d. 60.2%

UNIT-III Industrial sector (35)

1. LPG means.....
 - a. Liberalization, Personalization and Globalisation
 - b. Localisation Personalisation Globalisation
 - c. Liberalization Privatization Globalization
 - d. None of the above
2. The main strategy adopted in the NIP, 1991

 - a. Liberalization
 - b. Privatization
 - c. Globalisation
 - d. All the above

3. New Economic Policy 1991 was introduced on

 - a. 24th July 1991
 - b. 24th January 1991
 - c. 24th July 1990
 - d. 26th January 1991

4. Removal of government restrictions is called ...
 - a. Liberalization
 - b. Investment
 - c. Unfavorable trade

- d. None of the above
5. New Economic Policy 1991 was launched by
- Mr. Deve Gowda
 - Mr. Narsimha Rao
 - Mr. V P Singh
 - Mr. Manmohan Singh
6. refers to transfer of ownership of an industry from the public to private sector
- Liberalization
 - Privatization
 - Globalization
 - Localization
7. Under the New Economic Policy import licensing was abolished except in case of
- Textile industries
 - IT industries
 - Consumer goods industries
 - Hazardous chemicals industries
8. India has adopted policy of economic development since 1991
- Liberal
 - Restrictive
 - Both (a) & (b)
 - None of the above
9. Refers to the interaction of the domestic economy with rest of the world
- Liberalization
 - Privatization
 - Globalization
 - None of the above
10. New Economic Policy was adopted in
- 1991
 - 1992
 - 1990
 - 2011
11. The New Economic Policy introduced reforms in
- Industrial sector
 - Banking sector
 - Both (a) & (b)
 - None of the above
12. Social infrastructure aims at
- Investing in human capital
 - Promoting education for all
 - Good quality of life
 - All the above
13. The Foreign Investment Promotion Board (FIPB) was set up in
- Early 1990
 - Mid 2014
 - End of 2000
 - 1991
14. The FIPB was abolished in
- 2014

- b. 2017
 - c. 2015
 - d. 2000
15. Which of the following is not the benefit of FDI?
- a. Sectorial development
 - b. Dependency
 - c. Employment generation
 - d. Transfer of technology
16. Which of the following is the merit of FDI?
- a. Increasing employment
 - b. Goods better quality of goods
 - c. Sectorial development
 - d. All the above
17. Which sector received the highest FDI inflow in April-Dec. 2017
- a. Banking
 - b. Finance
 - c. Consumption
 - d. Telecommunication
18. The highest contribution to FDI in India in April 2017 is from
- a. Singapore
 - b. USA
 - c. UK
 - d. Mauritius
19. Make in India initiative was launched in
- a. 2011
 - b. 2014
 - c. 2015
 - d. 2019
20. Invest India was set up in
- a. 2000
 - b. 2005
 - c. 2010
 - d. 2015
21. The Ministry of Skill Development and Entrepreneurship (MSDE) was created in Nov-2014 to drive the Agenda.
- a. Fab India
 - b. Incredible India
 - c. Skill India
 - d. None of the above
22. Which of the following is not among the foreign investment measures in India?
- a. FDI
 - b. FIIs
 - c. SLR
 - d. Global Depository Receipts (GDRs).
23. Which among the following is not the benefits of FDI?
- a. Transfer of new technology

- b.** contribution to BOPs
 - c.** family welfare
 - d.** Human capital development
24. Which among the following is not the cost of FDI?
- a. corruption
 - b. disturbance in domestic plans
 - c. attack on sovereignty and autonomy
 - d. social and cultural impact
25. Which among the following is not the advantage of MNCs?
- a. Direct employment
 - b. Indirect employment
 - c. Cultural development
 - d. FDI
26. Which among the following is not the disadvantage of MNCs?
- a. Profits repatriated in foreign exchange
 - b. FDI
 - c. Environmental damage
 - d. Loss of revenue
27. Since 1951 India has been a Economy
- a. Socialist
 - b. Mixed
 - c. Capitalist
 - d. Feudal
28. The fiscal crisis faced by the Indian economy in 1940s was caused by
- a. Widening gap between imports and exports
 - b. Difference between savings and investments
 - c. Widening gap between government expenditure and revenue
 - d. Difference between aggregate demand and aggregate supply
29. Structural reforms are
- a. Long-term measures
 - b. Improve the supply side of the economy
 - c. Remove growth bottlenecks
 - d. All the above
30. The FDI limit in the insurance sector in India is
- a. 100%
 - b. 79%
 - c. 49%
 - d. 26%
31. According to the Human Development Report 2016, India's HDI rank is among 188 countries
- a. 131
 - b. 125
 - c. 141
 - d. 100
32. Which of the following is not true of the Right to Education act?
- a. Free education to all children between 6 and 14 years
 - b. It was enacted in 2009

- c. It is an adult literacy program
 - d. It is aimed at providing quality elementary education
33. Which of the following statement best describes economic development?
- a. It always accompanies economic growth
 - b. It indicates the increase in GDP
 - c. It is reflected in the quality of life of the people
 - d. It is a quantitative concept
34. Which of the following is not included in UNDP's HDI composite?
- a. Culture
 - b. Education
 - c. Health
 - d. Standard of living
35. Sustainable development includes which of the following?
- a. Economic development
 - b. Social development
 - c. Environmental development
 - d. All the above

UNIT-IV Service sector (25)

1. In 2017-18, the service sector's contribution to GVA was _____
- a. 55.2%
 - b. 65.2%
 - c. 59%
 - d. 45%
2. The services sector's contribution to employment as percentage of total employment , in 2015-16 was _____
- a. 40%
 - b. 32%
 - c. 50%
 - d. 25%
3. The health care industry includes _____
- a. Hospitals
 - b. health insurance
 - c. pharmaceutical companies
 - d. all of the above
4. FDI limit permitted for healthcare related services under automatic route is _____
- a. 49%
 - b. 74%
 - c. 100%
 - d. 51%
5. _____ has a growth potential in the healthcare industry in India
- a. Growing Insurance market
 - b. expanding medical tourism
 - c. telemedicine

- d. all of the above
6. ____ sector is the driver of economic growth in India
- Industrial
 - Services
 - Agriculture
 - all of these
7. With economic prosperity the demand for ____ rises faster.
- Primary goods
 - Secondary goods
 - Services
 - Manufacturing goods
8. ____ has the responsibility of protecting the interest of the insurance policy holder.
- RBI
 - Commercial banks
 - IRDA
 - all of these
9. Insurance density is ____ in India .
- Constant
 - rising
 - falling
 - irregular
10. A rising percentage of FDI contribution to services sector is seen among ____
- Media
 - Real estate
 - Tourism
 - Infrastructure
11. ____ tourism is experiencing marked growth in India in recent years.
- Heritage
 - Eco
 - Medical
 - Adventure
12. Services sector is also known as ____
- Primary sector
 - Secondary sector
 - Tertiary sector
 - all of the above
13. The health care industry is expected to grow at ____% CAGR during 2008-2020
- 16.5%
 - 10%
 - 12 %
 - none of these
14. The ____ logo is used to promote tourism in India
- Make in India
 - Investment in India
 - Incredible India

- d. None of these
15. The national Tourism policy was initiated in the year ____
- 1991
 - 2002
 - 2000
 - 2012
16. ____ is a primary health care centre
- AYUSH
 - Incredible India
 - LaQshya
 - none of these
17. The service economy in developing countries is mostly concentrated in ____
- Financial services
 - hospitality
 - retail
 - all the above
18. Tourism policy highlights ____
- Swagat (welcome)
 - Soochna (information)
 - Suvidha (Facilitation)
 - All the above
19. Community health centers are located at the Level of public health infrastructure
- Primary
 - Secondary
 - Tertiary
 - None of the above
20. AIIMS are at the level of public health infrastructure
- Primary
 - Secondary
 - Tertiary
 - None of the above
21. The provides a reference point for the functioning of the public health centers
- Indian Public Health standards
 - Indian Public Health guidelines
 - Indian Public Health manual
 - Indian Public Health rules
22. Which of the following is the program aimed at controlling the spread of communicable diseases?
- National Oral Health Program
 - National mental Health Program
 - National TB control Program
 - National Program for prevention and control of deafness
23. is a fund that financially supports poor patients suffering from major life threatening illnesses
- Rashtriya Swasthya Bima Yojana

- b. Rashtriya Arogya Nidhi
 - c. Pradhan mantri Swasthya yojana
 - d. All the above
24. A scheme for promoting residential school for girls at the elementary level is called
- a. Mid-day meal
 - b. Kasturba Gandhi Balika Vidyalaya
 - c. Model School Scheme
 - d. None of the above
25. Sarva Shiksha Abhiyan was launched in the year
- a. 1991-92
 - b. 2003-04
 - c. 2001-02
 - d. 1995-96

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