

ECONOMICS

Q1. India has

- (a) Socialistic economy
- (b) Gandhian economy
- (c) Mixed economy
- (d) Free economy

Ans. (c)

Q2. Which of the following is not a central problem of the economy?

- (a) What to produce
- (b) How to produce
- (c) When to produce
- (d) For whom to produce

Ans. (c)

Q3. National income in India is compiled by

- (a) Finance Commission
- (b) Indian Statistical Institute
- (c) National Development Council
- (d) Central Statistical Organisation

Ans. (d)

Q4. Which is the best measure of the economic growth of a country?

- (a) GNP
- (b) GDP
- (c) Net revenue
- (d) None of these

Ans. (a)

Q5. The largest revenue in India is obtained from

- (a) Sales tax
- (b) Direct tax
- (c) Excise duties
- (d) None of these

Ans. (c)

Q6. Deficit financing is spending

- (a) By getting foreign aid
- (b) Less than what is needed
- (c) In excess of revenue
- (d) By borrowing from abroad

Ans. (c)

Q7. Monetary policy is regulated by

- (a) Money lenders
- (b) Central Banks
- (c) Private entrepreneurs
- (d) Government policy

Ans. (d)

Q8. Which of the following is the banker of the banks?

- (a) IDBI
- (b) SBI
- (c) RBI
- (d) SBI & RBI

Ans. (c)

Q9. Inflation implies

- (a) Rise in budget deficit
- (b) Rise in money supply
- (c) Rise in general price index
- (d) Rise in prices of consumer goods

Ans. (c)

Q10. The Industrial Development Bank started functioning in

- (a) 1950
- (b) 1952
- (c) 1964
- (d) 1972

Ans. (c)

Q11. Jawahar Rozgar Yojna was started by

- (a) Jawaharlal Nehru
- (b) Rajiv Gandhi
- (c) Indira Gandhi
- (d) Sanjay Gandhi

Ans. (b)

Q12. IRDP stands for

- (a) Integrated Regional Development Programme
- (b) International Rural Development Programme
- (c) Integrated Rural Development Programme
- (d) None of these

Ans. (c)

Q13. The family planning programme was adopted by the government in

- (a) 1952
- (b) 1953
- (c) 1962
- (d) 1965

Ans. (a)

Q14. MODVAT refers to

- (a) Export value of a commodity
- (b) Value generated by exports
- (c) Value added to manufacturing costs
- (d) Money generated by import – export

Ans. (c)

Q15. The basic characteristic of oligopoly is

- (a) A few sellers, a few buyers
- (b) A few sellers, many buyers
- (c) A few sellers, one buyer
- (d) Many sellers, a few buyer

Ans. (b)

Q16. Nurke's theory of 'Vicious Circle' is related to

- (a) Population explosion
- (b) Poverty
- (c) Capital formation
- (d) Unemployment

Ans. (b)

Q17. According to the law of demand

- (a) Price increases, demand decreases
- (b) Price decreases, demand decreases
- (c) Price increases, demand decreases
- (d) Price decreases, demand does not change

Ans. (a)

Q18. Who is called the 'Father of Economics'?

- (a) Karl Marx
- (b) Max Muller
- (c) Adam Smith
- (d) None of these

Ans. (c)

Q19. Fiscal Policy means

- (a) Credit policy
- (b) Planning policy
- (c) Taxation policy
- (d) Policy of expenditure and public debt policy

Ans. (d)

Q20. 'Utility' in economics means

- (a) Provide comfort
- (b) Earn an income
- (c) Satisfy human wants
- (d) Satisfy human motives

Ans. (c)

Q21. 'Capital goods' refers to the goods

- (a) Which serve as a source of raising further capital
- (b) Which help in the further production of goods
- (c) Directly go into the satisfaction of human wants
- (d) Find multiple uses

Ans. (b)

Q22. Bank rate means

- (a) Interest rate charged by the scheduled banks
- (b) Official rate of interest charged by the central bank of a country
- (c) Rate of profit of the banking institutions
- (d) Interest rate charged by the money lenders

Ans. (b)

Q23. Which of the following is not a characteristic of Capitalism?

- (a) Equality
- (b) Privatisation
- (c) Monopoly
- (d) Maximum profit

Ans. (a)

Q24. Which of the following would be fixed cost for an industry?

- (a) Raw materials
- (b) Replacement of load
- (c) Wages
- (d) Plant & machinery

Ans. (d)

Q25. The biggest public sector undertaking in the country is

- (a) Shipways
- (b) Roadways
- (c) Railways
- (d) Airways

Ans. (c)