



1. Which country is not a member of SAARC?

- A. Pakistan
- B. Myanmar
- C. India
- D. Bangladesh

Answer: B

2. Who is the father of Economics?

- A. Max Mullar
- B. Adam Smith
- C. Karl Marx
- D. None of these above

Answer: B

3. Indian Economy is :

- A. Socialistic Economy
- B. Ghandian Economy
- C. Mixed Economy
- D. Free Economy

Answer: C

4. Mixed Economy means an economy where

- A. both agriculture and industry are equally permotod by the states
- 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

Answer: B

5. Indian's economy planning CANNOT be said to be :

- A. Indicative
- B. Imperative
- C. Limited
- D. Democratic

Answer: B

6. Which one of the following is the task of the Planning Commision?

- A. Prepration of the plan
- B. Implementation of the plan



- C. Financing of the plan  
D. None of these above

Answer: A

7. Which one of the following bodies finalizes the Five Year Plan Proposals?  
A. Planning Commission  
B. Union Cabinet  
C. National Development Council  
D. Ministry of Planning

Answer: C

8. The Deputy Chairman of the Planning Commission?  
A. HRD Minister  
B. Finance Minister  
C. Holds the rank of a Cabinet minister  
D. is an economist of repute

Answer: C

9. Economy survey is published by :  
A. Ministry of Finance  
B. Planning Commission  
C. Govt. of India  
D. Indian Statistical Institute

Answer: A

10. Who is the Chairman of the Planning Commission in India?  
A. President  
B. Vice President  
C. Prime Minister  
D. Finance Minister

Answer: C

11. With reference to the Finance Commission of India, which of the following statements is correct?  
A. It encourages the inflow of foreign capital for infrastructure development  
B. It facilitates the proper distribution of finance among the public sector undertakings  
C. It ensures transparency in financial administration  
D. None of the above



Answer: D

12. Which one of the following is the objective of social forestry which is started by Indian Government?

- A. To increase green coverage
- B. To create more employment opportunities
- C. To reduce urbanisation in rural areas
- D. To produce raw material for rayon and match factories

Answer: C

13. Who was the Chairman of the 13th Finance Commission of India?

- A. Indira Rajaraman
- B. C Rangarajan
- C. Vijay Kelkar
- D. None of the above

Answer: C

14. Which one of the following areas is associated with Shale gas which is estimated to be abundantly found in India?

- A. Off-shore rocks
- B. Ignituous rocks
- C. Sedimentary rocks
- D. Marsh land

Answer: C

15. How much percentage of the cost incurred in the Indira Awas Yojana Scheme for rural housing is shared between Centre and States?

- A. 50 : 50
- B. 65 : 35
- C. 75 : 25
- D. 90:10

Answer: C

16. Which one of the following regions of India is not connected to the Integrated Power Transmission Grid 'National Grid' synchronously?

- A. Northern region
- B. Eastern region
- C. North-Eastern region
- D. Southern region



Answer: D

17. Which one of the following Service Organisations is the subsidiary of the National Civil Aviation India Limited (Air India)?

- A. Alliance Air
- B. Air India Charters Limited
- C. Inter Globe Aviation Limited
- D. Both 'a' and 'b'

Answer: D

18. Which one of the following statements is incorrect?

- A. Power generation capacity addition during the XI Plan would be about 74000 MW
- B. In its mid-term review, the Planning Commission had reduced power generation capacity addition target by over 20% to 62374 MW, from 78577 MW
- C. During the X Plan 21080 MW was added against the target of 41000 MW
- D. 'Bachat Lamp Yojana' was launched with incandescent bulbs are replaced by energy efficient CFL's bulbs in the country. This will result in a saving of 5000 MW of power

Answer: D

19. Which of the following is used for the measurement of distribution of income?

- A. Laffer Curve
- B. Engel's Law
- C. Gini-Lorenz Curve
- D. Philip Curve

Answer: C

20. Select the correct answer about the Indian states in Health-Sector

- A. Kerala is the best performer in term of life expectancy at birth (both male and female) in last decade
- B. Madhya Pradesh the worst in terms of life expectancy at birth (both male and female) in last five years
- C. The highest birth rate in India is found in Goa
- D. Both the statements given in 'a' and 'b' are correct

Answer: D

21. Who was the first administrator-statesman to attempt planning as a means for economic development?

- A. Sir CP Ramaswami Aiyar
- B. M Viswesvarayya
- C. VT Krishnamachari
- D. C Rajagopalachari

Answer: B

22. An economy is at the take off stage on its path to development when it

- A. becomes stagnant
- B. begins steady growth
- C. is liberalized
- D. gets maximum foreign aid

Answer: B

23. Which of the following is the basic characteristic of Oligopoly?

- A. a few sellers, one buyer
- B. a few sellers, many buyers
- C. a few sellers, a few buyers
- D. many sellers, a few buyers

Answer: B

24. The aim of which of the Five Year Plans was to correct the disequilibrium in the economy?

- A. First Five Year Plan
- B. Second Five Year Plan
- C. Third Five Year Plan
- D. Fourth Five Year Plan

Answer: A

25. Which of the following Five Year Plans recognized human development as the core of all developmental efforts?

- A. Eighth Five Year Plan
- B. Seventh Five Year Plan
- C. Fifth Five Year Plan
- D. Third Five Year Plan

Answer: A

26. Which of the following plans aimed at improving the standard of living?

- A. Third Plan
- B. Fourth Plan



C. Fifth Plan

D. Sixth Plan

Answer: B

27. At which of the following places was the mining of coal started in 1774?

A. Chhindwara

B. Dhanbad

C. Ranchi

D. Raniganj

Answer: D

28. In which of the following years were the coking coals and non-coking coal mines in India nationalized?

A. 1971 and 1972 repetitively

B. 1972 and 1973 respectively

C. 1973 and 1974 respectively

D. 1970 and 1972 respectively

Answer: B

29. Which Indian state has the largest number of cotton textile mills?

A. Madhya Pradesh

B. Maharashtra

C. Gujarat

D. West Bengal

Answer: B

30. Minor ports like Kakinada, Machilipatnam, Bheemunipatnam and Krishnapatnam are in which of the following states?

A. Tamil Nadu

B. Andhra Pradesh

C. Maharashtra

D. Karnataka

Answer: B

31. Fiscal Deficit means—

A. Public Expenditure—Debts froms sources other than RBI

B. Public Capital Expenditure—Surplus of Revenue Account

C. Govt. Expenditure—Revenue receipts

D. Public Expenditure—Tax and non-tax



revenue receipts

Answer: D

32. Dunkel Draft was—

- A. Associated with Uruguay round
- B. Related to atomic treaty among nations
- C. Related to Super 301
- D. Related to promoting drugs trade

Answer: A

33. Which of the following bank is going to be merged at first with SBI ?

- A. State Bank of Saurashtra
- B. State Bank of Indore
- C. State Bank of Patiala
- D. State Bank of Bikaner and Jaipur

Answer: A

34. 'Pure Banking, Nothing Else' is a slogan raised by—

- A. ICICI Bank
- B. HDFC Bank
- C. SBI Bank
- D. UTI Bank

Answer: C

35. Which day has been declared as 'Balika Diwas' (Girl Day) by the Ministry of Woman and Children Development ?

- A. April 5, every year
- B. July 9, every year
- C. October 9, every year
- D. December 9, every year

Answer: D

36. VAT is imposed—

- A. Directly on consumer
- B. On final stage of production
- C. On first stage of production
- D. On all stages between production and final sale



Answer: D

37. Kutir Jyoti scheme is associated with—

- A. Promoting cottage industry in villages
- B. Promoting employment among rural unemployed youth
- C. Providing electricity to rural families living below the poverty line
- D. All of these

Answer: C

38. 'Mid-day Meal' scheme was started in the year—

- A. 1998
- B. 1997
- C. 1996
- D. 1995

Answer: D

39. The central banking functions in India are performed by the

- A. Central Bank of India
- B. Reserve Bank of India
- C. State Bank of India
- D. Punjab National Bank

Answer: B

40. Development expenditure of the Central government does not include

- A. defence expenditure
- B. expenditure on economic services
- C. expenditure on social and community services
- D. grant to states

Answer: A

41. In which of the following sequences the change in quantity of money leads to change in price level in the Keynesian models?

- A. Change in quantity of money - change in investment - change in employment and output - change in rate of interest - change in
- B. Change in quantity of money - change in employment and output - change in investment - change in the rate of interest -



- price level
- C. Change in quantity of money - change in investment - change in rate of interest - change in employment and output - change in price level
- D. Change in quantity of money - change in rate of interest - change in investment - change in employment and output - change in price level

Answer: D

42. Paper currency first started in India in
- A. 1861
- B. 1542
- C. 1601
- D. 1880

Answer: A

43. The ARDC is now a branch of the
- A. RBI
- B. NABARD
- C. IDBI
- D. SDBI

Answer: B

44. Since 1983, the RBI's responsibility with respect to regional rural banks was transferred to
- A. ARDC
- B. SBI
- C. NABARD
- D. PACs

Answer: C

45. 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
- D. fiscal deficit less interest payments

Answer: C



46. In India, which one among the following formulates the fiscal policy?

- A. Planning Commission
- B. Ministry of Finance
- C. Finance Commission
- D. The Reserve Bank of India

Answer: B

47. Short-term finance is usually for a period ranging up to

- A. 5 months
- B. 10 months
- C. 12 months
- D. 8 months

Answer: C

48. Redistribution policies geared to reduce economic inequalities include

- A. progressive tax policies
- B. land reforms
- C. rural development policies
- D. All the above

Answer: D

49. If the RBI adopts an expansionist open market operations policy, this means that it will

- A. buy securities from non-government holders
- B. sell securities in the open market
- C. offer commercial banks more credit in the open market
- D. openly announce to the market that it intends to expand credit

Answer: C

50. Subsidies mean

- A. payment by government for purchase of goods and services
- B. payment made by business enterprises to factors of production
- C. payment made by companies to shareholders
- D. payment made by the government to business enterprises, without buying any goods and services

Answer: D



51. National expenditure includes

- A. consumption expenditure
- B. investment expenditure
- C. government expenditure
- D. All of the above

Answer: D

52. Resurgent India Bonds were issued in US dollar, Pound Sterling and

- A. Japanese Yen
- B. Deutsche Mark
- C. Euro
- D. French Franc

Answer: B

53. The apex body for formulating plans and coordinating research work in agriculture and allied fields is

- A. State Trading Corporation
- B. Regional Rural Banks
- C. National Bank for Agriculture and Rural Development (NABARD)
- D. Indian Council of Agricultural Research

Answer: D

54. How many banks were nationalized in 1969?

- A. 16
- B. 14
- C. 15
- D. 20

Answer: B

55. In India, the first bank of limited liability managed by Indians and founded in 1881 was

- A. Hindustan Commercial Bank
- B. Oudh Commercial Bank
- C. Punjab National Bank
- D. Punjab and Sind Bank

Answer: B

56. The annual yield from which of the following Union Government taxes is the highest?

- A. Custom duties
- B. Corporation tax and income tax



- C. Inheritance tax, wealth tax, interest tax and gift tax      D. Excise duties

Answer: D

57. Reserve Bank of India was nationalized in the year

- A. 1935      B. 1945  
C. 1949      D. 1969

Answer: C

58. Fiscal deficit in the Union Budget means

- A. the difference between current expenditure and current revenue      B. net increase in Union Governments borrowings from the Reserve Bank of India  
C. the sum of budgetary deficit and net increase in internal and external borrowings      D. the sum of monetized deficit and budgetary deficit

Answer: C

59. Notes on which denomination has the portrait of Mahatma Gandhi printed on them?

- A. 1000 rupee      B. 500 rupee  
C. 100 rupee      D. All of the above

Answer: D

60. Devaluation of currency will be more beneficial if

- A. prices of domestic goods remain constant      B. prices of exports remain constant  
C. prices of imports remains constant      D. prices of exports rise proportionately

Answer: B

61. The banks are required to maintain a certain ratio between their cash in the hand and totals assets. This is called

- A. Statutory Bank Ratio (SBR)      B. Statutory Liquid Ratio (SLR)



C. Central Bank Reserve (CBR)

D. Central Liquid Reserve (CLR)

Answer: B

62. Since the inception of the co-operative movement, rural credits has been

A. institutionalized

B. rationalized

C. cheapened

D. All of the above

Answer: D

63. If an economy is equilibrium at the point where plans to save and to invest are equal, then government expenditure must be

A. zero

B. equal to government income

C. larger than government income

D. negative

Answer: B

64. The co-operative credit societies have a

A. two-tier structure

B. three-tier structure

C. four-tier structure

D. five-tier structure

Answer: B

65. The Board of Industrial and Financial Reconstruction (BIFR) came into existence in

A. 1984

B. 1986

C. 1987

D. 1989

Answer: C

66. Non Tax revenues can be increased by improving the working of the

A. State Road Transport Corporations

B. electricity boards

C. commercial irrigation projects

D. All of the above

Answer: C



67. Which of the following is not viewed as a national debt?

- A. Provident Fund
- B. Life Insurance Policies
- C. National Saving Certificate
- D. Long-term Government Bonds

Answer: C

68. Revenue of the state governments are raised from the following sources, except

- A. entertainment tax
- B. expenditure tax
- C. agricultural income tax
- D. land revenue

Answer: C

69. Our financial system has provided for the transfer of resources from the centre to the states; the important means of resource transfer are

- A. tax sharing
- B. grant-in-aids
- C. loans
- D. All the above

Answer: D

70. Excise duty is a tax levied on the

- A. import of goods
- B. export of goods
- C. production of goods
- D. sale of goods

Answer: C

71. Which of the following is the first Indian private company to sign an accord with Government of Myanmar for oil exploration in two offshore blocks in that country?

- A. Reliance Energy
- B. Essar Oil
- C. GAIL
- D. ONGC

Answer: B

72. The currency convertibility concept in its original form originated in

- A. Wells Agreement
- B. Bretton Woods Agreement



C. Taylors Agreement

D. None of the above

Answer: B

73. The central co-operative banks are in direct touch with

A. farmers

B. state co-operative banks

C. land development banks

D. central government

Answer: B

74. The first wholly Indian Bank was set up in

A. 1794

B. 1894

C. 1896

D. 1902

Answer: B

75. States earn maximum revenue through

A. land revenue

B. custom revenue

C. commercial taxes

D. excise duties on intoxicants

Answer: C

76. Gross domestic capital formation is defined as

A. flow of expenditure devoted to increased or maintaining of the capital stock

B. expenditure incurred on physical assets only

C. production exceeding demand

D. net addition to stock after depreciation

Answer: D

77. On July 12, 1982, the ARDC was merged into

A. RBI

B. NABARD

C. EXIM Bank

D. None of the above

Answer: B



78. 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
- D. None of the above

Answer: C

79. If the cash reserve ratio is lowered by the RBI, its impact on credit creation will be to

- A. increase it
- B. decrease it
- C. no impact
- D. None of the above

Answer: A

80. Which of the following items would not appear in a company's balance sheet?

- A. Value of stocks of raw materials held
- B. Total issued capital
- C. Revenue from sales of the company's products
- D. Cash held at the bank

Answer: C

81. If all the banks in an economy are nationalized and converted into a monopoly bank, the total deposits

- A. will decrease
- B. will increase
- C. will neither increase nor decrease
- D. None of the above

Answer: C

82. India changed over to the decimal system of coinage in

- A. April 1995
- B. April 1957
- C. April 1958
- D. April 1959

Answer: B

83. The association of the rupee with pound sterling as the intervention currency was broken in



# GKINDIA

- A. 1990
- C. 1992
- B. 1991
- D. 1993

Answer: C

84. On which one of the followings is the benefits received principle of taxation to achieve optimality bases?

- A. On which one of the followings is the benefits received principle of taxation to achieve optimality bases?
- C. Average benefit received
- B. Total benefit received
- D. Ability to pay for the benefit

Answer: D

85. Devaluation of a currency means

- A. reduction in the value of a currency vis-a-vis major internationally traded currencies
- C. fixing the value of the currency in conjunction with the movement in the value of a basket of pre-determined currencies
- B. permitting the currency to seek its worth in the international market
- D. fixing the value of currency in multilateral consultation with the IMF, the World Bank and major trading partners

Answer: A

86. In the second nationalization of commercial banks, \_\_\_ banks were nationalized.

- A. 4
- C. 6
- B. 5
- D. 8

Answer: C

87. Depreciation means

- A. closure of a plant due to lock out
- C. loss of equipment over time due to wear and tear
- B. closure of a plant due to labour trouble
- D. destruction of a plant in a fire accident

Answer: C

88. Deficit financing leads to inflation in general, but it can be checked if

- A. government expenditure leads to increase in the aggregate supply in ratio of aggregate demand
- B. only aggregate demand is increased
- C. all the expenditure is denoted national debt payment only
- D. All of the above

Answer: D

89. Gilt-edged market means

- A. bullion market
- B. market of government securities
- C. market of guns
- D. market of pure metals

Answer: B

90. The best indicator of economic development of any country is ?

- A. Its agriculture
- B. Its transport
- C. Its gross production
- D. Its per capita income

Answer: D

91. What is the mainstay of Indian economy ?

- A. Manufacturing
- B. Business
- C. Public sector
- D. Agriculture

Answer: D

92. Who was the father of Operation Flood ?

- A. Dr. Norman Borlaug
- B. Dr. M.S. Swaminathan
- C. Dr. Verghese Kurien
- D. Dr. William Gande

Answer: C

93. The increase in oil seeds production was due to ?

- A. White revolution
- B. Yellow revolution



C. Green revolution

D. Brown revolution

Answer: B

94. The progress in increase of fish production was called

A. Yellow revolution

B. White revolution

C. Brown revolution

D. Blue revolution

Answer: D

95. Which state is the biggest tea producer in the country ?

A. Andhra Pradesh

B. Sikkim

C. Assam

D. West Bengal

Answer: C

96. National Agriculture Insurance Scheme was implemented on

A. Oct. 1997

B. Oct. 1998

C. Oct. 1999

D. Oct. 2000

Answer: C

97. Which is not a Kharif Crop ?

A. Jowar

B. Maize

C. Groundnut

D. Wheat

Answer: D

98. The data of estimation of India's National income is issued by ?

A. Planning Commission

B. National Data Center

C. Central Statistical Organisation

D. None of above

Answer: C



99. The concept of Economic Planning in India is derived from ?

- A. USA
- B. UK
- C. Australia
- D. Russia

Answer: D

100. First five year plan in India was from

- A. 1947 - 1952
- B. 1949 - 1954
- C. 1950 - 1955
- D. 1951 - 1956

Answer: D