

BRAHMASTRA SERIES

Chapter : 10

INDIAN

ECONOMY

1. Between the first and the 17th century AD, India was prosperous and self – radiant and is believed to have controlled _____ of the world’s wealth.
(a) One tenth (b) One Third
(c) One fourth (d) Between one third and one fourth
2. During the time of emperor Chandragupta Maurya, the great intellectual guru of the emperor, outlined the public policy of the state.
(a) Akbar (b) Sultan (c) Chanakya (d) Todarmal
3. Who has authored the book ‘Arthshastra’ , a conceptual frame work of state craft and public policy ?
(a) Chandragupta Maurya (b) Chanakya
(c) Plato (d) Akbar
4. The advent of the Europeans and the rule of British from _____ brought about a marked shift in the economic history of India.
(a) 1700 to 1947 (b) 1717 to 1947
(c) 1757 to 1947 (d) 1787 to 1947
5. The Indian industry stagnated under the colonial rule because :
(a) Indians were keen on building huge structures and monuments only
(b) Deterioration was caused by high prices of inputs due to draught
(c) The Indian manufactures could not compete with the imports of cheap machine – made goods
(d) None of the above
6. In British era, what was the reason of virtual collapse of Indian agriculture?
(a) Absentee landlordism
(b) High indebtedness of agriculturists, growth of a class of exploitative money lenders
(c) Low attention to productivity enhancing measures
(d) All of the above

7. In British era, which of the following factors forced many depend on agriculture for livelihood ?
- (a) Large scale unemployment
 - (b) Absence of alternate sources of employment
 - (c) Both (a) and (b)
 - (d) None of these
8. In British era, the increased pressure on land led to _____.
- (a) Sub-division and fragmentation of land holdings
 - (b) Subsistence farming
 - (c) Reduced agricultural productivity and poverty
 - (d) All of the above
9. Which of the following cause is reducing the ability of Indian agriculturalists to participate in domestic as well as export market ?
- (a) Low farming productivity and subsistence farming.
 - (b) Large amount of marketable surplus with farmers
 - (c) Dominated by big farmers and farm productivity
 - (d) Big landholding by small farmers
10. Before 1950, the factory – based production _____ in India.
- (a) Did not exist
 - (b) existed in petroleum
 - (c) Existed in digital products
 - (d) existed in agriculture
11. The ‘Modern’ industrial enterprises in colonial india started to grow in the _____.
- (a) Mid 16th century
 - (b) Mid 18th century
 - (c) Mid 19th century
 - (d) Mid 20th century
12. At the end of the 19th century, the Indian jute mill industry was the _____ in the world in terms of the amount of raw jute consumed in production.
- (a) Largest
 - (b) Second Largest
 - (c) Negligible
 - (d) Lowest

13. Heavy industries such as the iron industry were established as early as 1814 by British capital. India's iron industry was ranked _____ in the world in terms of output in 1930.
- (a) First (b) Fifth (c) Seventh (d) Eighth
14. Just before the great depression, India was ranked as the _____ largest industrialized country measured by the value of manufactured products.
- (a) 10th (b) 11th (c) 12th (d) 13th
15. In pre-independence era, the consequence of collapse of manufacturing sector was felt heavily on agricultural sector in the form of _____.
- (a) Overcrowding on farms
(b) Subdivision and fragmentation
(c) Subsistence farming, low productivity, lower incomes and aggravated poverty
(d) All of the above
16. The post – independence economic policy was rooted in :
- (a) A capitalist mode of production with heavy industrialization
(b) Social and economic redistribution and industrialization directed by the state
(c) Social and economic redistribution through private sector initiatives
(d) Industrialization led by private entrepreneurs and redistribution by state
17. At the time of independence, which of the following is correct about India?
- (a) India was overwhelmingly rural, inhabited by mostly illiterate and poor people with low life expectancy
(b) The social structure was deeply stratified and exceedingly heterogeneous on many counts
(c) India was deficient in physical financial and human capital
(d) All of the above

18. Which of the following was NOT the ideology of industrialization prevailed in the early days of independence ?
- (a) Establishing an economic system in which the central government would have authority to design the economic strategy
 - (b) To carry out the necessary investments in coordination with the private sector.
 - (c) Systematic planning to support industrialization.
 - (d) Lowest level of industrialization of the economy
19. The industrial policy resolution (1948) aimed at _____.
- (a) Market oriented economic reforms and opening up of economy
 - (b) A shift from state led industrialization to private sector led industrialization
 - (c) An expanded role for the public sector and licensing to the private sector
 - (d) An expanded role of private sector a limited role of public sector
20. Which of the following economic philosophy was the guiding force for planning in 1950's ?
- (a) The then prime minister Nehru's visualization to build a socialistic society with emphasis on heavy industry
 - (b) The Gandhian philosophy of small scale and cottage industry and village republics
 - (c) Both (a) and (b)
 - (d) None of the above
21. In independent India, the comprehensive import controls were maintained until _____.
- (a) 1955 (b) 1962 (c) 1966 (d) 1970
22. Rapid industrialization of the economy was the cornerstone of whose development strategy ?
- (a) Nehru (b) Patel (c) Indira (d) None of these

23. The industries policy resolution of 1956 though provided a comprehensive framework for industrial development, was lopsided as its guiding principle supported enormous expansion of the _____.
- (a) Private sector (b) Public sector
(c) Both (a) and (b) (d) None of these
24. In industrial policy resolution (1956) a natural outcome of the undue priority for public sector was the _____.
- (a) Dampening of private initiative and enterprise
(b) Private investments were discouraged
(c) Negative consequences of industrial growth
(d) All of the above
25. The 'Hindu growth rate' is a term used to refer to _____.
- (a) The high rate of growth achieved after the new economic policy of 1991
(b) The low rate of economic growth of India from the 1950's to the 1980's, which averaged around 3.5 per cent per year
(c) The low growth of the economy during British period marked by an average 3.5 per cent
(d) The growth rate of country because India is referred to as 'Hindustan'
26. In 1954, India signed a long – term agreement with the US for food aid, what was the name of this agreement ?
- (a) PL – 480 (b) PL – 440
(c) PL – 420 (d) PL – 400
27. The industrial policy resolution (1948) envisaged _____.
- (a) An expanded role for the public sector
(b) Licensing to the private sector
(c) Both (a) and (b)
(d) None of these

28. The policies in 1950's were guided by _____.
- (a) Nehruvian philosophy of visualizing a socialistic society with emphasis on heavy industries
 - (b) Gandhian philosophy of stressing on small scale and cottage industry and village republics
 - (c) Both (a) and (b)
 - (d) None of these
29. Which revolution was materialized by innovative farm technologies including high yielding seed varieties and intensive use of water, fertilizers & pesticides ?
- (a) The green revolution
 - (b) The Kisan revolution
 - (c) The agricultural revolution
 - (d) the fasal revolution
30. Which one of the following is a feature of green revolution ?
- (a) Use of soil friendly green manure to preserve fertility of soil
 - (b) Grow more crops by redistributing land to landless people
 - (c) High yielding varieties of seeds and scientific cultivation
 - (d) Diversification to horticulture
31. The strategy of agricultural development in India before green revolution was _____.
- (a) High yielding varieties of seeds and chemical fertilizers to boost productivity
 - (b) Institutional reforms such as land reforms
 - (c) Technological upgradation of agriculture
 - (d) All of the above
32. The objective of introducing monopolies and restrictive trade practices Act, 1969 was _____.
- (a) To ensure that the operation of the economic system does not result in the concentration of economic power in hands of a few.
 - (b) To provide for the control of monopolies
 - (c) To prohibit monopolistic and restrictive trade practice
 - (d) All the above

37. In which year, the policy of reservation of many products for exclusive manufacture by the small scale sector was initiated with the objective of promotion of small – scale industries.
- (a) 1967 (b) 1969 (c) 1971 (d) 1973
38. The first wave of liberalization starts in India _____.
- (a) In 1951 (b) In 1980's
(c) In 1990's (d) In 1966
39. On which date the Securities and Exchange Board of India (SEBI) was established as a non – statutory body on through a resolution of the government of India ?
- (a) April 1, 1982 (b) April 12, 1982
(c) April 1, 1988 (d) April 12, 1988
40. The number of capital goods items included in the OGL list expanded steadily reaching 1,329 in April 1990. What is the full form of OGL ?
- (a) Open General License (b) Other goods list
(c) Open goods list (d) Other general list
41. The sequence of growth and structural in Indian economy is characterized by _____.
- (a) The historical pattern of prominence of sectors as agriculture, industry, services
(b) The historical pattern of prominence of sectors as industry, services, agriculture
(c) Unique experience of the sequence as agriculture, services, industry
(d) All the above are correct
42. Based on the Real effective exchange rate (REER), the rupee was depreciated by about 30 per cent from _____.
- (a) 1980 – 81 to 1990 – 91 (b) 1982 – 83 to 1990 – 91
(c) 1985 – 86 to 1989 – 90 (d) none of these

43. The budget for 1986 introduced policies of _____.
- (a) cutting taxes further (b) liberalizing imports
(c) Reducing tariffs (d) all of the above
44. In 1991, the foreign exchange reserves touched the lowest point with a reserve which was barely sufficient for two weeks of imports. What was the status of reserves at that time ?
- (a) \$ 5.2 billion (b) \$ 4.2 billion
(c) \$ 3.2 billion (d) \$ 1.2 billion
45. The economic condition of India in the year 1991 was very miserable. Which of the following is NOT the reason behind the major economic reforms in the economy ?
- (a) Poor performance of public sector
(b) Deficit in balance of payment
(c) Rise in foreign exchange reserves
(d) Huge burden of taxes
46. What is the main cause attributed to the immediate need for economic reforms in 1991 ?
- (a) Fiscal deficit was financed by huge amounts of domestic and external debts
(b) Forex reserves touched the highest point
(c) Persistent huge deficit led to declining public debt
(d) Government's revenue expenditure consistently lowering revenue receipts.
47. To manage the economic crises of 1991, Indian government approached world Bank and IMF. What is the amount of loan received by India ?
- (a) \$ 10 billion (b) \$ 7 billion
(c) \$ 5 billion (d) None of these

48. Which of the following was the objective of the LPG reforms, taken in 1991 ?
- (a) Reorientation of the economy from a centrally directed and highly controlled one to a 'market friendly' or market – oriented economy
 - (b) Macroeconomic stabilization by substantial reduction in fiscal deficit
 - (c) Both (a) and (b)
 - (d) None of these
49. In the context of the new economic policy of 1991, the term 'disinvestment' stands for _____.
- (a) A policy whereby government investments are reduced to correct fiscal deficit
 - (b) The policy of sale of portion of the government shareholding of a public sector enterprise
 - (c) The policy of public partnership in private enterprise
 - (d) A policy of opening up government monopoly to the private sector
50. Which of the following is a part of fiscal reforms of 1991 ?
- (a) Introduction of a stable and transparent tax structure
 - (b) Ensuring better tax compliance
 - (c) Reduction in subsidies and abolition of unnecessary subsidies
 - (d) All of the above
51. Which of the following NOT correct about fiscal reforms of 1991 ?
- (a) Thrust on curbing government expenditure
 - (b) Substantial increase in subsidies and addition in many subsidies
 - (c) Disinvestment of part of government's equity holdings in select public sector undertakings
 - (d) Encouraging private sector participation

52. What was the focus of monetary and fiscal sector reforms (1991) ?
- (a) Reducing the burden of non – performing assets on government banks
 - (b) Introducing and sustaining competition
 - (c) Deregulating interest rates
 - (d) All of the above
53. In line with the recommendations of the Narasimham Committee report, 1991, what was done as regards Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR) ?
- (a) Increase in both SLR and CRR
 - (b) Decrease in both SLR and CRR
 - (c) Increase in SLR and Decrease in CRR
 - (d) Decrease in SLR and increase in CRR
54. In which year the securities and exchange board of India (SEBI) was given statutory recognition in 1992.
- (a) 1988 (b) 1991 (c) 1992 (d) 1993
55. The new economic policy of 1991 manifest in _____.
- (a) State led industrialization and import substitution
 - (b) Rethinking the role of markets versus the state
 - (c) Emphasized the role of good governance
 - (d) Bringing about reduction in poverty and redistributive justice
56. Which of the following is not a policy reform included in the new economic policy of 1991 ?
- (a) Removing licensing requirements for all industries
 - (b) Foreign investment was liberalized
 - (c) Liberalization of international trade
 - (d) The disinvestment of government holdings of equity share capital of public sector enterprise

57. In “New industrial policy” of 1991, the public sector was limited to _____ sectors based on security and strategic grounds.
(a) 10 (b) 8 (c) 6 (d) 5
58. The new economic policy put on end to the ‘License Raj’ by removing licensing restrictions for all industries except for 18 that related to :
(a) Security and strategic concerns
(b) Social reasons
(c) Problems related to safety and overriding environmental issues
(d) All of the above
59. The trade policy reforms aimed at _____.
(a) Dismantling of quantitative restrictions on imports and exports
(b) Focusing on a more outward oriented regime with phased reduction and simplification of tariffs
(c) Removal of licensing procedures for imports
(d) All of the above
60. In July, 1991 the Indian government devalued the rupee by between _____.
(a) 14 to 15 per cent (b) 15 to 16 per cent
(c) 16 to 17 per cent (d) 18 to 19 per cent
61. When was NITI AAYOG established ?
(a) 1st January 2013 (b) 15th August 2013
(c) 1st January 2015 (d) 15th August 2015
62. To develop the mechanism to formulate credible plans at village level and aggregate these progressively higher level of government is an objective of _____.
(a) Ministry of rural development
(b) NITI aayog
(c) Commission of policy and planning
(d) Planning commission

63. The parent agency of NITI AAYOG is _____.
- (a) Ministry of planning (b) Ministry of Industries
(c) Ministry of corporate affairs (d) Prime minister's office
64. Who is the current chief executive officer of the NITI AAYOG ?
- (a) V.K. Saraswat (b) B.V.R. Subrahmanyam
(c) Vinod Paul (d) Rajiv Kumar
65. The current vice – chairperson of NITI AAYOG is _____.
- (a) V.K. Saraswat (b) Amitabh Kant
(c) Vinod Paul (d) Suman Bery
66. Who amongst the following is not ex-officio member of NITI AAYOG ?
- (a) Amit Shah (b) Rajnath Singh
(c) Nirmala Sitharaman (d) Narendra Modi
67. Who leads the NITI AAYOG as its chairperson ?
- (a) President (b) Prime Minister
(c) Home minister (d) Finance Minister
68. Think tank of the government of India, that replaced the planning commission, is _____.
- (a) Mission commission (b) NITI AAYOG
(c) NITI commission (d) None of these
69. Which of the following is the function of NITI AAYOG ?
- (a) Instruments to bring outside ideas into policy – making
(b) Fostering cooperative federalism
(c) Platform for resolution of inter-sectoral and inter department issues
(d) All of the above
70. What is the name given to NITI AAYOG's ambitious project to develop a nation – wide block chain network ?
- (a) Indo chain (b) India chain
(c) Bharat chain (d) Atal chain

71. The programme “SATH” of NITI AAYOG focuses on which of the following sector ?
- (a) Education and health (b) health and power
(c) Power and safety (d) Safety and environment
72. The programme “SATH” focuses on sectors “Education and health” & to build three role model states. Which of the following is not selected for the programme ?
- (a) Jharkhand (b) Madhya Pradesh
(c) Uttar Pradesh (d) Odisha
73. What is the full form of “SATH” ?
- (a) Sustainable action for transforming human capital
(b) Sustainable action training high-tech
(c) Separate augmented theory
(d) None of these
74. The SATH programme is implemented along with which of the following knowledge partner ?
- (a) Boston consulting group
(b) Piramal foundation for education leadership
(c) Reliance foundation
(d) Both (a) & (b)
75. What is the role of NITI aayog in “SATH” ?
- (a) Facilitator & financier (b) Facilitator & coordinator
(c) Facilitator & knowledge partner (d) facilitator & technical partner
76. Which of the following is/are comes under the gamut of activities of NITI aayog ?
- (a) Design policy & programme frame-work
(b) Foster cooperative federalism
(c) Monitoring & evaluation
(d) All of the above

77. One of the objectives of NITI AAYOG is to evolve a shared vision of national development priorities, sectors and strategies with the active involvement of states. What is the full of NITI ?
- (a) National Institution for Transforming India
 - (b) New Institute for Training India
 - (c) National integration and technical integrity
 - (d) NITI stands for planning
78. Which of the following is not covered under NITI aayog's entire gamut of activities ?
- (a) Design policy & programme frame work
 - (b) Foster cooperative federalism, monitoring & evaluation
 - (c) Think tank and knowledge and innovation hub
 - (d) Co-ordination among domestic and international transactions
79. India has the world's _____ area planted under wheat, rice and cotton.
- (a) Smallest
 - (b) Largest
 - (c) Negligible
 - (d) Significantly low
80. India is the world's _____ producer of fruits, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton and sugar :
- (a) Largest
 - (b) Second – largest
 - (c) third largest
 - (d) Fifth
81. Indian food and grocery market is the world's _____ largest, with retail contributing 70% of the sales.
- (a) 3rd
 - (b) 4th
 - (c) 6th
 - (d) None of these
82. India has the world's _____ cattle herd (buffaloes).
- (a) Largest
 - (b) Second - largest
 - (c) Third largest
 - (d) Fifth

83. According to the latest estimates, _____ of India's population is directly dependent on agriculture for living.
(a) 30% (b) 40% (c) 47% (d) 72%

84. As per the economic survey, 2022 – 23, agriculture remained robust, recording a growth of 3.5 per cent in 2022-23, driven by buoyant rabi sowing and allied activities. Which of the following measures have been taken by the government which has contributed to this robust performance of the agriculture and allied sectors ?

- (a) Improve market infrastructure through the impetus provided for the setting up of farmer – producer organizations
- (b) Ensure certainty of returns to the farmers through price support (The minimum support price (MSP) of all 23 mandated crops is fixed at 1.5 times of all India weighted average cost of production)
- (c) Promotion of investment in infrastructure facilities through the agriculture infrastructure fund
- (d) All of the above

85. India is among the top _____ exporters of agricultural products in the world.

- (a) 3 (b) 5 (c) 10 (d) 11

86. APEDA – full form

- (a) Agricultural product export development agency
- (b) Agricultural produce economic development association
- (c) Animal product export development authority
- (d) Agricultural & processed food export development authority

87. APEDA is entrusted with the responsibility of export promotion of Agri products. What is the full form of APEDA ?

- (a) Agricultural and processed food export development authority
- (b) Agricultural and processed food enriching development authority
- (c) Agri and products facilitator export development authority
- (d) Agri and products food export development authority

88. As part of liberalization measures, the government of India has allowed _____ FDI in marketing of food products and in food product E – commerce under the automatic route.
- (a) 30% (b) 40% (c) 50% (d) 100%
89. What is the name of the novel insurance scheme for financial support to farmers suffering crop loss/damage ?
- (a) Pradhan Mantri Fasal Bima Yojana (PMFBY)
(b) Pradhan Mantri Farmer Bima Yojana (PMFBY)
(c) Pradhan Mantri Financial Bima Yojana (PMFBY)
(d) None of these
90. What is the name of the scheme for the holistic growth of the horticulture sector ?
- (a) Ministry for integrated development of horticulture (MIDH)
(b) Mission for integrated development of horticulture (MIDH)
(c) Mission for informal development of horticulture (MIDH)
(d) Mission for intensified development of horticulture (MIDH)
91. Paramparagat Krishi Vikas Yojana (PKVY) is the scheme for supporting and promoting _____
- (a) Organic farming (b) improvement of soil health
(c) traditional farming methods of agriculture
(d) both (a) and (b)
92. PDMC scheme to increase water use efficiency at the farm level. What is the full form of PDMC ?
- (a) Per Drop More Crop
(b) Perfect Drop More Crop
(c) Perfect Development Mission Crop
(d) None of these

93. E-Nam is _____

- (a) An electronic name card given to citizens of India
- (b) National agriculture market with the objective of creating a unified national market for agricultural commodities.
- (c) A pan-India electronic trading portal which networks the existing APMC mandis
- (d) Both (b) and (c) above

94. What does the E-NAM (Electronic National Agriculture Market) aim to achieve ?

- (a) Increase farm productivity
- (b) Create a unified national market for agricultural commodities
- (c) Provide financial support to farmers
- (d) Promote organic farming

95. E – amrit is related to _____

- (a) One – stop destination for all information on electric vehicles
- (b) Facilities and improve access to Indian government data
- (c) Improves air quality in India by accelerating the deployment of electronic vehicles.
- (d) Provides a stimulus to exports and economic growth

96. India's rank in the global innovation Index (GII) improved to 40th in 2022 from _____ in 2015.

- (a) 71st
- (b) 81st
- (c) 91st
- (d) 99th

97. The department for promotion of Industry and Internal trade (DPIIT) has a role in the _____ of industrial policy and strategies for industrial development in conformity with the development needs and national objectives.

- (a) Formulation
- (b) Implementation
- (c) Formulation and implementation
- (d) Critical evaluation

98. The introduction of which of the following on 1 July 2017 as a single domestic indirect tax law for the entire country has replaced many indirect taxes in India such as the excise duty, VAT, services tax, etc.

- (a) CBIC (b) CBDT (c) Customs Duty (d) GST

99. In terms of ease of doing business in 202 India ranks _____.

- (a) 63 (b) 77 (c) 45 (d) None of these

100. _____ is to facilitate data – based decisions related to integrated planning of multimodal infrastructure, thereby reducing logistics cost.

- (a) PM Gati Shakti National Master Plan
(b) Mission Gati Shakti National Master Plan
(c) PM Multi – modal National Master plan
(d) PM Integrated plan for multi-modal

101. PM Gati shakti is related to

- (a) Empowerment of MSMEs
(b) Data based decisions related to integrated planning of multimodal infrastructure thereby reducing the logistic cost
(c) Manufacturing of electric and hybrid vehicle technology
(d) Automatic route for FDI

102. FAME – India scheme aims to :

- (a) Enhance faster industrialization through private participation
(b) To promote manufacturing of electric and hybrid vehicle technology
(c) To spread India's fame among its trading partners
(d) None of the above

103. _____ aims at the empowerment of Micro Small and Medium enterprises (MSMEs).

- (a) Naya bharat (b) Viksit Bharat
(c) Udyog Bharat (d) Udyami Bharat

104. The foreign investment promotion board (FIPB) _____.
- (a) a government entity through which inward investment proposals were routed to obtain required government approvals
 - (b) no more exists as the same is replaced by a new regime namely foreign investment facilitation portal
 - (c) no more exists as all inward investments are through automatic route and need no approval
 - (d) is the body which connects different ministries in respect of foreign portfolio investments.
105. The government of India has allowed 100% FDI in marketing of food products and in food product E – commerce under the _____ route.
- (a) Automatic
 - (b) Green channel route
 - (c) Priority route
 - (d) Trade route
106. Merchandise exports from India scheme was replaced by _____.
- (a) Remission of duties and taxes on export products (RoDTEP) in 2021
 - (b) National logistics policy (NLP) in 2020
 - (c) Remission of duties and taxes on export products (RoDTEP) in 2019
 - (d) None of the above
107. Which of the following is/are the challenges to the industrial sector ?
- (a) Shortage of efficient infrastructure and manpower and consequent reduced factor productivity
 - (b) Reliance on imports, exchange rate volatility and associated time and cost overruns
 - (c) Heavy losses, inefficiencies, lower productivity and unsustainable returns plaguing public sector industries
 - (d) All of the above

108. India is among the _____ world trade organization (WTO) members in service exports and imports.
(a) top 3 (b) top 5 (c) top 8 (d) top 10
109. To ensure the liberalization of investment in various industries , the government has permitted _____ foreign participation in telecommunication services through the automatic route including services infrastructure providers.
(a) 30% (b) 40% (c) 50% (d) 100%
110. Imports of foreign goods and of foreign investments were restricted in India because :
(a) The government wanted people to follow the policy of ‘Be India ; Buy Indian’
(b) Because foreign goods were costly and meant loss of precious foreign exchange
(c) Government policy was directed towards protection of domestic industries from foreign competition
(d) Government wanted to preserve Indian culture and to avoid influence of foreign culture
111. Which of the following sector contributes maximum to india’s groos value added ?
(a) primary sector (b) secondary sector
(c) tertiary sector (d) all of the above