



# ACADEMY OF CIVIL SERVICES

## INDIAN ECONOMY UPSC PREVIOUS YEARS PRELIMS QUESTIONS (2011-2022)

### Economics: The Discipline

- 1) A “closed economy” is an economy in which (2011)
  - a) The money supply is fully controlled
  - b) Deficit financing takes place
  - c) Only exports take place
  - d) **Neither exports nor imports take place**
- 2) **Karl Marx explained the process of class struggle with the help of which one of the following theories. (2011)**
  - a) Empirical liberalism
  - b) Existentialism
  - c) Darwin’s theory of evolution
  - d) **Dialectical materialism**
- 3) **Economic growth in country X will necessarily have to occur if (2013)**
  - a) There is technical progress in the world economy
  - b) There is population growth in X
  - c) **There is capital formation in X**
  - d) The volume of trade grows in the world economy
- 4) **The national income of a country for a given period is equal to the (2013)**
  - a) Total value of goods and services produced by the nationals
  - b) Sum of total consumption and investment expenditure
  - c) Sum of personal income of all individuals
  - d) **Money value of final goods and services produced**

**5) With reference to Indian economy, consider the following statements: (2015)**

1. The rate of growth of Real Gross Domestic Product has steadily increased in the last decade.
2. The Gross Domestic Product at market prices (in rupees) has steadily increased in the last decade.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only**
- c) Both 1 and 2
- d) Neither 1 nor 2

**6) Increase in absolute and per capita real GNP do not connote a higher level of economic development, if (2018)**

- a) Industrial output fails to keep pace with agricultural output
- b) Agricultural output fails to keep pace with industrial output
- c) Poverty and unemployment increase**
- d) Imports grow faster than exports

**7) Consider the following statements: (2018)**

**Human capital formation as a concept is better explained in terms of a process which enables**

1. Individuals of a country to accumulate more capital
2. Increasing the knowledge, skill levels and capacities of the people of the country
3. Accumulation of tangible wealth
4. Accumulation of intangible wealth

**Which of the statements given above is/are correct?**

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

**8) Despite being a high saving economy, capital formation may not result in significant increase in output due to (2018)**

- a) Weak administrative machinery
- b) Illiteracy
- c) High population density
- d) High capital-output ratio**

**9) In the context of any country, which one of the following would be considered as part of its social capital? (2019)**

- a) The proportion of literates in the population
- b) The stock of its buildings, other infrastructure and machines
- c) The size of population in the working age group
- d) The level of mutual trust and harmony in the society**

**10) One common agreement between Gandhism and Marxism is (2020)**

- (a) The final goal of a stateless society**
- (b) Class struggle**
- (c) Abolition of private property**
- (d) Economic determinism**

**11) Which of the following activities constitute real sector in the economy? (2022)**

1. Farmers harvesting their crops
2. Textile mills converting raw cotton into fabrics
3. A commercial bank lending money to a trading company
4. A corporate body issuing Rupee Denominated Bonds overseas

**Select the correct answer using the code given below:**

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

### **Monetary Policy and the Reserve Bank of India**

**1) The lowering of Bank Rate by the Reserve Bank of India leads to (2011)**

- a) More liquidity in the market**
- b) Less liquidity in the market**
- c) No change in the liquidity in the market**
- d) Mobilization of more deposits by commercial banks**

**2) The Reserve Bank of India (RBI) acts as a bankers' bank. This would imply which of the following? (2012)**

1. Other banks retain their deposits with the RBI.
2. The RBI lends funds to the commercial banks in times of need.
3. The RBI advises the commercial banks on monetary matters.

**Select the correct answer using the codes given below:**

- a) 2 and 3 only**
- b) 1 and 2 only**
- c) 1 and 3 only**
- d) 1, 2 and 3**

**3) Which of the following measures would result in an increase in the money supply in the economy? (2012)**

1. Purchase of government securities from the public by the Central Bank.
2. Deposit of currency in commercial banks by the public.
3. Borrowing by the government from the Central Bank.
4. Sale of government securities to the public by the Central Bank.

**Select the correct answer using the codes given below:**

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

**4) The Reserve Bank of India regulates the commercial banks in matters of (2013)**

1. Liquidity of assets
2. Branch of expansion
3. Merger of banks
4. Winding up of banks

**Select the correct answer using the codes given below:**

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

**5) An increase in the bank rate generally indicates that the (2013)**

- a) Market rate of interest is likely to fall
- b) Central bank is no longer making loans to commercial banks
- c) Central bank is following an easy money policy
- d) Central bank is following a tight money policy**

**6) In the context of Indian economy, 'Open Market Operations' refers to (2013)**

- a) Borrowing by scheduled banks from the RBI
- b) Lending by commercial banks to industry and trade
- c) Purchase and sale of government securities by the RBI**
- d) None of the above

**7) Supply of money remaining the same when there is an increase in demand for money, there will be (2013)**

- a) A fall in the level of prices
- b) An increase in the rate of interest**
- c) A decrease in the rate of interest
- d) An increase in the level of income and employment

**8) In the context of Indian economy, which of the following is/are the purpose/purposes of 'Statutory Reserve Requirements'? (2014)**

1. To enable the Central Bank to control the amount of advances the banks can create
2. To make the people's deposits with banks safe and liquid
3. To prevent the commercial banks from making excessive profits
4. To force the banks to have sufficient vault cash to meet their day-to-day requirements.

**Select the correct answer using the codes given below:**

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

**9) If the interest rate is decreased in an economy, it will (2014)**

- a) Decrease the consumption expenditure in the economy**
- b) Increase the tax collection of the Government
- c) Increase the investment expenditure in the economy
- d) Increase the total savings in the economy

**10) When the Reserve Bank of India reduces the Statutory Liquidity Ratio by 50 basis points, which of the following is likely to happen? (2015)**

- a) India's GDP growth rate increases drastically
- b) Foreign institutional investors may bring more capital into our country.
- c) Scheduled Commercial Banks may cut their lending rates**
- d) It may drastically reduce the liquidity to the banking system

**11) With reference to Indian economy, consider the following: (2015)**

1. Bank rate
2. Open market operations
3. Public debt
4. Public revenue

**Which one of the above is/are component/components of Monetary policy?**

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

**12) Which of the following statements is/are correct regarding the Monetary Policy Committee (MPC)? (2017)**

1. It decides the RBI's benchmark interest rates.
2. It is a 12-member body including the Governor of RBI and is reconstituted every year.
3. It functions under the chairmanship of the Union Finance Minister.

**Select the correct answer using the code given below:**

- a) 1 only
- b) 1 and 2 only
- c) 3 only
- d) 2 and 3 only

**13) Which one of the following statements correctly describes the meaning of legal tender money? (2018)**

- a) The money which is tendered in courts of law to defray the fee of legal cases.
- b) **The money which a creditor is under compulsion to accept in settlement of his claims.**
- c) The bank money in the form of cheques, drafts, bills of exchange, etc.
- d) The metallic money in circulation in a country

**14) Which one of the following is NOT the most likely measure the Government/RBI takes to stop the slide of Indian rupee? (2019)**

- a) Curbing imports of non-essential goods and promoting exports
- b) Encouraging Indian borrowers to issue rupee denominated Masala Bonds
- c) Easing conditions relating to external commercial borrowing
- d) **Following an expansionary monetary policy**

**15) Consider the following statements: (2019)**

The Reserve Bank of India's recent directives relating to 'Storage of Payment System Data', popularly known as data diktat, command the payment system providers that

1. They shall ensure that entire data relating to payment systems operated by them are stored in a system only in India
2. They shall ensure that the systems are owned and operated by public sector enterprises
3. They shall submit the consolidated system audit report to the CAG of India by the end of the calendar year

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 1 and 2 only
- c) 3 only
- d) 1, 2 and 3

**16) If you withdraw Rs. 1,00,000 in cash from your Demand Deposit Account at your bank, the immediate effect on aggregate money supply in the economy will be (2020)**

- (a) to reduce it by Rs. 1,00,000
- (b) to increase it by Rs. 1,00,000
- (c) to increase it by more than Rs. 1,00,000
- (d) to leave it unchanged**

**17) If the RBI decides to adopt an expansionist monetary policy, which of the following would it not do? (2020)**

- 1. Cut and optimize the Statutory Liquidity Ratio
- 2. Increase the Marginal Standing Facility Rate
- 3. Cut the Bank Rate and Repo Rate

**Select the correct answer using the code given below:**

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

**18) In India, the central bank's function mas the 'lender of last resort' usually refers to which of the following? (2021)**

- 1. Lending to trade and industry bodies when they fall to borrow from other sources
- 2. Providing liquidity to the banks having a temporary crisis
- 3. Lending to governments to finance budgetary deficits

**Select the correct answer using the code given below.**

- (a) 1 and 2
- (b) 2 only**
- (c) 2 and 3
- (d) 3 only

**19) With reference to the Indian economy, consider the following statements: (2022)**

- 1. If the inflation is too high, Reserve Bank of India (RBI) is likely to buy government securities.
- 2. If the rupee is rapidly depreciating, RBI is likely to sell dollars in the market.
- 3. If interest rates in the USA or European Union were to fall, that is likely to induce RBI to buy dollars.

**Which of the statements given above are correct?**

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

**20) Consider the following statements: (2022)**

1. In India, credit rating agencies are regulated by Reserve Bank of India.
2. The rating agency popularly known as ICRA is a public limited company.
3. Brickwork Ratings is an Indian credit rating agency.

**Which of the statements given above are correct?**

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

## **Banking System and Financial Inclusion**

- 1) Microfinance is the provision of financial services to people of low-income groups. This includes both the consumers and the self-employed. The service/services rendered under microfinance is/are: (2011)**

1. Credit facilities
2. Savings facilities
3. Insurance facilities
4. Fund Transfer facilities

**Select the correct answer using the codes given below the lists:**

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

- 2) Why is the offering of “teaser loans” by commercial banks a cause of economic concern? (2011)**

1. The teaser loans are considered to be an aspect of sub-prime lending and banks may be exposed to the risk of defaulters in future.
2. In India, the teaser loans are mostly given to inexperienced entrepreneurs to set up manufacturing or export units.

**Which of the statements given above is/are correct?**

- a) 1 only**
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2



**3) Which of the following can be said to be essentially the parts of 'Inclusive Governance'? (2012)**

1. Permitting the Non-Banking Financial Companies to do banking
2. Establishing effective District Planning Committees in all the districts
3. Increasing the government spending on public health
4. Strengthening the Mid-day Meal Scheme

**Select the correct answer using the codes given below:**

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

**4) The basic aim of Lead Bank Scheme is that (2012)**

- a) Big banks should try to open offices in each district
- b) There should be stiff competition among the various nationalized banks
- c) Individual banks should adopt particular districts for intensive development**
- d) All the banks should make intensive efforts to mobilize deposits

**5) Consider the following liquid assets: (2013)**

1. Demand deposits with the banks
2. Time deposits with the banks
3. Savings deposits with the banks
4. Currency

**The correct sequence of these assets in the decreasing order of liquidity is**

- a) 1-4-3-2
- b) 4-3-2-1
- c) 2-3-1-4
- d) 4-1-3-2**

**6) Priority sector lending by banks in India constitutes the lending to (2013)**

- a) Agriculture
- b) Micro and small enterprises
- c) Weaker sections
- d) All of the above**

**7) Which of the following grants/grant direct credit assistance to rural household? (2013)**

1. Regional Rural Banks
2. National Bank for Agriculture and Rural Development
3. Land Development Banks

**Select the correct answer using the codes given below:**

- a) 1 and 2 only
- b) 2 only
- c) **1 and 3 only**
- d) 1, 2 and 3

**8) The terms 'Marginal Standing Facility Rate' and 'Net Demand and Time Liabilities;' sometimes appearing in news, are used in relation to (2014)**

- a) **Banking operations**
- b) Communication networking
- c) Military strategies
- d) Supply and demand of agricultural products

**9) What is/are the facility/facilities the beneficiaries can get from the services of Business Correspondent (Bank Saathi) in branchless area? (2014)**

1. It enables the beneficiaries to draw their subsidies and social security benefits in their villages.
2. It enables the beneficiaries in the rural areas to make deposits and withdrawals.

**Select the correct answer using the code given below:**

- a) 1 only
- b) 2 only
- c) **Both 1 and 2**
- d) Neither 1 nor 2

**10) Pradhan Mantri Jan-Dhan Yojana' has been launched for (2015)**

- a) Providing housing loan to poor people at cheaper interest rates
- b) Promoting women's Self-help Groups in backward areas
- c) **Promoting financial inclusion in the country**
- d) Providing financial help to the marginalized communities

**11) 'Basel III Accord' or simply 'Basel III', often seen in the news, seeks to (2015)**

- a) Develop national strategies for the conservation and sustainable use of biological diversity
- b) **Improve banking sector's ability to deal with financial and economic stress and improve risk management**
- c) Reduce the greenhouse gas emissions but places a heavier burden on developed countries
- d) Transfer technology from developed countries to poor countries to enable them to replace the use of chlorofluorocarbons in refrigeration with harmless chemicals

**12) Pradhan Mantri MUDRA Yojana is aimed at (2016)**

- a) **Bringing the small entrepreneurs into formal financial system**
- b) Providing loans to poor farmers for cultivating particular crops
- c) Providing pensions to old and destitute persons
- d) Funding the voluntary organization involved in the promotion of skill development and employment generation

**13) The establishment of 'Payment Banks' is being allowed in India to promote financial inclusion. Which of the following statements is/are correct in this context? (2016)**

- 1. Mobile telephone companies and supermarket chains that are owned and controlled, by residents are eligible to be promoters of Payment Banks.
- 2. Payment Banks can issue both credit cards and debit cards.
- 3. Payment Banks cannot undertake lending activities.

**Select the correct answer using the code given below:**

- a) 1 and 2 only
- b) **1 and 3 only**
- c) 2 only
- d) 1, 2 and 3

**14) The term 'Core Banking Solutions' is sometimes seen in the news. Which of the following statements best describes/describe this term? (2016)**

- 1. It is a networking of a bank's branches which enables customers to operate their accounts from any branch of the bank on its network regardless of where they open their accounts.
- 2. It is an effort to increase RBI's control over commercial banks through computerization.
- 3. It is a detailed procedure by which a bank with huge non-performing assets is taken over by another bank.

**Select the correct answer using the code given below:**

- a) **1 only**
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**15) What is/are the purpose/purposes of the 'Marginal Cost of Funds based Lending Rate (MCLR)' announced by RBI? (2016)**

- 1. These guidelines help improve the transparency in the methodology followed by banks for determining the interest rates on advances.
- 2. These guidelines help ensure availability of bank credit at interest rates which are fair to the borrowers as well as the banks.

**Select the correct answer using the code given below:**

- a) **1 only**
- b) 2 only

- c) **Both 1 and 2**
- d) Neither 1 nor 2

**16) What is the purpose of setting up of Small Finance Banks (SFBs) in India? (2017)**

1. To supply credit to small business units.
2. To supply credit to small and marginal farmers.
3. To encourage young entrepreneurs to set up business particularly in rural areas.

**Select the correct answer using the code given below:**

- a) **1 and 2 only**
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**17) Which of the following is a most likely consequences of implementing the ‘Unified Payments Interface (UPI)’? (2017)**

- a) **Mobile wallets will not be necessary for online payments.**
- b) Digital currency will totally replace the physical currency in about two decades.
- c) FDI inflows will drastically increase.
- d) Direct transfer of subsidies to poor people will become very effective.

**18) Consider the following statements: (2017)**

1. National Payments Corporation of India (NPCI) helps in promoting the financial inclusion in the country.
2. NPCI has launched RuPay, a card payment scheme.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) **Both 1 and 2**
- d) Neither 1 nor 2

**19) Which one of the following best describes the term “Merchant Discount Rate” sometimes seen in the news? (2018)**

- a) The incentive given by a bank to a merchant for accepting payments through debit cards pertaining to that bank.
- b) The amount paid back by banks to their customers when they use debit cards for financial transactions for purchasing goods and services.
- c) **The charge to a merchant by a bank for accepting payments from his customers through the bank’s debit cards.**
- d) The incentive given by the Government to merchants for promoting digital payments by their customers through Point of Sale (PoS) machines and debit cards.

**20) Which one of the following links all the ATMs in India? (2018)**

- a) Indian Banks' Association
- b) National Securities Depository Limited
- c) National Payments Corporation of India**
- d) Reserve Bank of India

**21) Consider the following statements: (2018)**

1. Capital Adequacy Ratio (CAR) is the amount that banks have to maintain in the form of their own funds to offset any loss that banks incur if the accountholders fail to repay dues.
2. CAR is decided by each individual bank.

**Which of the statements given above is/are correct?**

- a) 1 only**
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**22) With reference to digital payments, consider the following statements: (2018)**

1. BHIM app allows the user to transfer money to anyone with a UPI-enabled bank account.
2. While a chip-pin debit card has four factors of authentication, BHIM app has only two factors of authentication.

**Which of the statements given above is/are correct?**

- a) 1 only**
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**23) With reference to the governance of public sector banking in India, consider the following statements: (2018)**

1. Capital infusion into public sector banks by the Government of India has steadily increased in the last decade.
2. To put the public sector banks in order, the merger of associate banks with the parent State Bank of India has been affected.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) Both 1 and 2**
- d) Neither 1 nor 2

**24) The Chairman of public sector banks are selected by the (2019)**

- a) **Banks Board Bureau**
- b) Reserve Bank of India
- c) Union Ministry of Finance
- d) Management of concerned bank

**25) Which of the following is NOT included in the assets of a commercial bank in India? (2019)**

- a) Advances
- b) **Deposits**
- c) Investments
- d) Money at call and short notice

**26) The money multiplier in an economy increases with which one of the following? (2019)**

- a) Increase in the cash reserve ratio
- b) **Increase in the banking habit of the population**
- c) Increase in the statutory liquidity ratio
- d) Increase in the population of the country

**27) In the context of the Indian economy, non-financial debt includes which of the following? (2020)**

1. Housing loans owed by households.
2. Amounts outstanding on credit cards
3. Treasury bills

**Select the correct answer using the code given below:**

- a) 1 only
- b) 1 and 2 only
- c) 3 only
- d) **1, 2 and 3**

**28) What is the importance of the term “Interest Coverage Ratio” of a firm in India? (2020)**

1. It helps in understanding the present risk of a firm that a bank is going to give loan to.
2. It helps in evaluating the emerging risk of a firm that a bank is going to give loan to.
3. The higher a borrowing firm’s level of Interest Coverage Ratio, the worse is its ability to service its debt.

**Select the correct answer using the code given below:**

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

**29) Consider the followings statements (2021)**

1. The Governor of the Reserve Bank of India (RBI) is appointed by the Central Government.
2. Certain provisions in the Constitution of India give the Central government the right to issue directions to the RBI in public interest.
3. The Governor of the RBI draws his power from the RBI Act.

**Which of the above statements are correct?**

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only**
- d) 1, 2 and 3

**30) With reference to 'Urban Cooperative Banks' in India, consider the following statements: (2021)**

1. They are supervised and regulated by local boards set up by the State governments.
2. They can issue equity shares and preference shares
3. They were brought under the purview of the Banking Regulation Act, 1949 through an Amendment in 1966.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 and 3 only**
- c) 1 and 3 only
- d) 1, 2 and 3

**31) The money multiplier in an economy increases with which one of the following (2021)**

- (a) Increase in the Cash Reserve Ratio in the banks
- (b) Increase in the Statutory Liquidity Ratio in the banks
- (c) Increase in the banking habit of the people**
- (d) Increase in the population of the country

**32) With reference to the 'Banks Board Bureau (BBB), which of the following statements are correct? (2022)**

1. The Governor of RBI is the Chairman of BBB.
2. BBB recommends for the selection of heads for Public Sector Banks.
3. BBB helps the Public Sector Banks in developing strategies and capital raising plans.

**Select the correct answer using the code given below:**

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

## **Money Market in India**

**1. Consider the following statements: (2018)**

1. The Reserve Bank of India manages and services Government of India Securities but not any State Government Securities.
2. Treasury bills offer are issued by the Government of India and there are no treasury bills issued by the state governments.
3. Treasury bills offer are issued at a discount from the par value

**Which of the statements given above is/are correct?**

- a) 1 and 2 only
- b) 3 only
- c) **2 and 3 only**
- d) 1, 2 and 3

**2. With reference to the Indian economy, consider the following statements: (2020)**

1. 'Commercial Paper' is a short-term unsecured promissory note.
2. 'Certificate of Deposit' is a long-term instrument issued by the Reserve Bank of India to a corporation.
3. 'Call Money' is a short-term finance used for interbank transactions.
4. 'Zero-Coupon Bonds' are the interest-bearing short-term bonds issued by the Scheduled Commercial Banks to corporations.

**Which of the statements given above is/are correct?**

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

## **Inflation**

**1. India has experienced persistent and high food inflation in the recent past. What could be the reasons? (2011)**

1. Due to a gradual switchover to the cultivation of commercial crops, the area under the cultivation of food grains has steadily decreased in the last five years by about 30%.
2. As a consequence of increasing incomes, the consumption patterns of the people have undergone a significant change.
3. The food supply chain has structural constraints.

**Which of the statements given above are correct?**

- a) 1 and 2 only
- b) **2 and 3 only**
- c) 1 and 3 only
- d) 1, 2 and 3



2. A rapid increase in the rate of inflation is sometimes attributed to the “base effect”.  
What is “base effect”? (2011)

- a) It is the impact of drastic deficiency in supply due to failure of crops.
- b) It is the impact of the surge in demand due to rapid economic growth
- c) **It is the impact of the price levels of previous year on the calculation of inflation rate**
- d) None of the statements (a), (b) and (c) given above is correct in this context

3. Economic growth is usually coupled with (2011)

- a) Deflation
- b) **Inflation**
- c) Stagflation
- d) Hyperinflation

4. Consider the following statements: (2013)

- 1. Inflation benefits the debtors.
- 2. Inflation benefits the bond-holders.

Which of the statements given above is/are correct?

- a) **1 only**
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

5. A rise in general level of prices may be caused by (2013)

- 1. An increase in the money supply
- 2. A decrease in the aggregate level of output
- 3. An increase in the effective demand

Select the correct answer using the codes given below:

- a) 1 only
- b) 1 and 2 only
- c) 2 and 3 only
- d) **1, 2 and 3**

6. Which one of the following is likely to be the most inflationary in its effect? (2013)

- a) Repayment of public debt
- b) Borrowing from the public to finance a budget deficit
- c) Borrowing from banks to finance a budget deficit
- d) **Creating new money to finance a budget deficit**

7. Which of the following brings out the ‘Consumer Price Index Number for Industrial Workers’? (2015)

- a) The Reserve Bank of India
- b) The Department of Economic Affairs
- c) **The Labour Bureau**

d) The Department of Personnel and Training.

**8. With reference to inflation in India, which of the following statements is correct? (2015)**

- a) Controlling the inflation in India is the responsibility of the Government of India only
- b) The Reserve Bank of India has no role in controlling the inflation
- c) **Decreased money circulation helps in controlling the inflation**
- d) Increased money circulation helps in controlling the inflation

**9. Which of the following factors/policies were affecting the price of rice in India in the recent past? (2020)**

- 1. Minimum Support Price
- 2. Government's trading
- 3. Government's stockpiling
- 4. Consumer subsidies

**Select the correct answer using the code given below:**

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

**10. Consider the following statements: (2020)**

- 1. The weightage of food in Consumer Price Index (CPI) is higher than that Wholesale Price Index (WPI).
- 2. The WPI does not capture changes in the prices of services, which CPI does.
- 3. Reserve Bank of India has now adopted WPI as its key measure of inflation and to decide on changing the key policy rates.

**Which of the statements given above is/are correct?**

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

**11. Consider the following statements: (2021)**

Other things remaining unchanged, market demand for a good might increase if

1. Price of its substitute increases
2. Price of its complement increases
3. The good is an inferior good and income of the consumers increases
4. Its price falls

**Which of the above statements are correct?**

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

**12. Which one of the following is likely to be the most inflationary in its effects? (2021)**

- a) Repayment of public debt
- b) Borrowing from the public to finance a budget deficit
- c) Borrowing from the banks to finance a budget deficit
- d) Creation of new money to finance a budget deficit

**13. With reference to Indian economy, demand-pull inflation can be caused/increased by which of the following? (2021)**

1. Expansionary policies
2. Fiscal stimulus
3. Inflation-indexing wages
4. Higher purchasing power
5. Rising interest rates

**Select the correct answer using the code given below.**

- (a) 1, 2 and 4 only
- (b) 3, 4 and 5 only
- (c) 1, 2, 3 and 5
- (d) 1, 2, 3, 4 and 5

**14. With reference to the India economy, what are the advantages of “Inflation-Indexed Bonds (IIBs)”? (2022)**

1. Government can reduce the coupon rates on its borrowing by way of IIBs.
2. IIBs provide protection to the investors from uncertainty regarding inflation.
3. The interest received as well as capital gains on IIBs are not taxable.

**Which of the statements given above are correct?**

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

## **Fiscal System**

- 1. In India, deficit financing is used for raising resources for (2013)**
  - a) **Economic development**
  - b) Redemption of public debt
  - c) Adjusting the balance of payments
  - d) Reducing the foreign debt
- 2. With reference to Union Budget, which of the following is/are covered under Non-Plan Expenditure? (2014)**
  1. Defence expenditure
  2. Interest payments
  3. Salaries and pensions
  4. Subsidies

**Select the correct answer using the code given below:**

- a) 1 only
  - b) 2 and 3 only
  - c) **1, 2, 3 and 4**
  - d) None
- 3. There has been a persistent deficit budget year after year. Which of the following actions can be taken by the government to reduce the deficit? (2015)**
  1. Reducing revenue expenditure
  2. Introducing new welfare schemes
  3. Rationalizing subsidies
  4. Expanding industries

**Select the correct answer using the code given below:**

- a) **1 and 3 only**
  - b) 2 and 3 only
  - c) 1 only
  - d) 1, 2, 3 and 4
- 4. With reference to 'Financial Stability and Development Council', consider the following statements: (2016)**
  1. It is an organ of NITI Aayog.
  2. It is headed by the Union Finance Minister.
  3. It monitors macroprudential supervision of the country.

**Which of the statements given above is/are correct?**

- a) 1 and 2 only
  - b) 3 only
  - c) **2 and 3 only**
  - d) 1, 2 and 3

**5. Which of the following is/are included in the capital budget of the Government of India? (2016)**

1. Expenditure on acquisition of assets like roads, buildings, machinery, etc.
2. Loans received from foreign governments.
3. Loans and advances granted to the states and union territories.

**Select the correct answer using the code given below:**

- a) 1 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**6. Consider the following statements: (2018)**

1. The Fiscal Responsibility and Budget Management (FRBM) Review Committee Report has recommended a debt to GDP ratio to 60% for the general (combined) government by 2023, comprising 40% for the central government and 20% for the state governments.
2. The central government has domestic liabilities of 21% of GDP as compared to that of 49% of GDP of the state governments.
3. As per the constitution of India, it is mandatory for a state to take the central government's consent for raising any loan of the former owes any outstanding liabilities to the latter.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**7. Consider the following statements: (2019)**

1. Most of India's external debt is owed by governmental entities
2. All of India's external debt is denominated in US dollars

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**8. Along with the Budget, the Finance Minister also places other documents before the Parliament which includes 'The Macro Economic Framework Statement'. The aforesaid document is presented because this is mandated by (2020)**

- (a) Long standing parliamentary convention
- (b) Article 112 and Article 110(1) of the Constitution of India
- (c) Article 113 of the Constitution of India

**(d) Provisions of the Fiscal Responsibility and Budget Management Act, 2003**

**9. Which among the following steps is most likely to be taken at the time of an economic recession? (2021)**

- a) Cut in tax rates accompanied by increase in interest rate
- b) Increase in expenditure on public projects**
- c) Increase in tax rates accompanied by reduction of interest rate
- d) Reduction of expenditure on public projects

**10. Indian Government Bond yields are influenced by which of the following? (2021)**

- 1. Actions of the United States Federal Reserve
- 2. Actions of the Reserve Bank of India
- 3. Inflation and short-term interest rates

**Select the correct answer using the code given below:**

- a) 1 and 2 only
- b) 2 only
- c) 3 only
- d) 1, 2 and 3**

**11. With reference to the expenditure made by an organization or a company, which of the following statements is/are correct? (2022)**

- 1. Acquiring new technology is capital expenditure.
- 2. Debt financing is considered capital expenditure, while equity financing is considered revenue expenditure.

**Select the correct answer using the code given below:**

- (a) 1 only**
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

**12. With reference to the Indian economy, consider the following statements: (2022)**

- 1. A share of the household financial savings goes towards government borrowings.
- 2. Dated securities issued at market-related rates in auctions form a large component of internal debt.

**Which of the above statements is/are correct?**

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2**
- (d) Neither 1 nor 2

## **Stock Market in India**

**1. What does venture capital mean? (2014)**

- a) A short-term capital provided to industries
- b) A long-term start-up capital provided to new entrepreneurs**
- c) Funds provided to industries at times of incurring losses.
- d) Funds provided for replacement and renovation of industries

**2. Which of the following is issued by registered foreign portfolio investors to overseas investors who want to be part of the Indian stock market without registering themselves directly? (2019)**

- a) Certificate of Deposit
- b) Commercial paper
- c) Promissory Note
- d) Participatory Note**

**3. With reference to India, consider the following statements: (2021)**

- 1. Retail investors through demat account can invest in 'Treasury Bills' and 'Government of India Debt Bonds' in primary market
- 2. The 'Negotiated Dealing System-Order Matching' is a government securities trading platform of the Reserve Bank of India.
- 3. The 'Central Depository Services Ltd.' is jointly promoted by the Reserve Bank of India and the Bombay Stock Exchange.

**Which of the statements given above is/are correct?**

- (a) 1 only
- (b) 1 and 2**
- (c) 3 only
- (d) 2 and 3

**4. With reference to Convertible Bonds, consider the following statements : (2022)**

- 1. As there is an option to exchange the bond for equity, Convertible Bonds pay a lower rate of interest.
- 2. The option to convert to equity affords the bondholder a degree of indexation to rising consumer prices.

**Which of the statements given above is/are correct?**

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

## **Taxation System**

**1. Which one of the following is not a feature of “Value Added Tax”? (2011)**

- a) It is a multi-point destination – based system of taxation.
- b) It is a tax levied on value addition at each stage of transaction in the production – distribution chain
- c) It is a tax on the final consumption of goods and services and must ultimately be borne by the consumer
- d) It is basically a subject of the Central government and the State governments are only a facilitator for its successful implementation.**

**4. Under which of the following circumstances may ‘capital gains’ arise? (2012)**

- 1. When there is an increase in the sales of a product
- 2. When there is a natural increase in the value of the property owned
- 3. When you purchase a painting and there is a growth in its value due to increase in its popularity

**Select the correct answer using the codes given below:**

- a) 1 only
- b) 2 and 3 only**
- c) 2 only
- d) 1, 2 and 3

**5. The sales tax you pay while purchasing a toothpaste is a (2014)**

- a) Tax imposed by the Central Government
- b) Tax imposed by the Central Government but collected by the state government
- c) Tax imposed by the state government but collected by the Central government
- d) Tax imposed and collected by the state government**

**6. A decrease in tax to GDP ratio of a country indicates which of the following? (2015)**

- 1. Slowing economic growth rate
- 2. Less equitable distribution of national income

**Select the correct answer using the code given below:**

- a) 1 only**
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**7. The term ‘Base Erosion and Profit Shifting’ is sometimes seen in the news in the context of (2016)**

- a) Mining operation by multinational companies in resource-rich but backward areas
- b) Curbing of the tax evasion by multinational companies**
- c) Exploitation of genetic resources of a country by multinational companies
- d) Lack of consideration of environmental costs in the planning and implementation of developmental projects



**8. What is/are the most likely advantages of implementing ‘Goods and Services Tax (GST)’? (2017)**

1. It will replace multiple taxes collected by multiple authorities and will thus create a single market in India.
2. It will drastically reduce the ‘Current Account Deficit’ of India and will enable it to increase its foreign exchange reserves.
3. It will enormously increase the growth and size of economy of India and will enable it to overtake China in the near future.

**Select the correct answer using the code given below:**

- a) 1 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**9. With reference to India’s decision to levy an equalization tax of 6% on online advertisement services offered by non-resident entities, which of the following statements is/are correct? (2018)**

1. It is introduced as a part of the Income Tax Act.
2. Non-resident entities that offer advertisement services in India can claim a tax credit in their home country under the “Double Taxation Avoidance Agreements”.

**Select the correct answer using the code given below:**

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**10. Consider the following items: (2018)**

1. Cereal grains hulled
2. Chicken eggs cooked
3. Fish processed and canned
4. Newspapers containing advertising material

**Which of the above items is/are exempted under GST (Goods and Services Tax)?**

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

**11. Which one of the following effects of creation of black money in India has been the main cause of worry to the Government of India? (2021)**

- a) Diversion of resources to the purchase of real estate and investment in luxury housing
- b) Investment in unproductive activities and purchase of precious stones, jewellery, gold etc.
- c) Large donations to political parties and growth of regionalism
- d) **Loss of revenue to the state Exchequer due to tax evasion**

## **Foreign Trade**

- 1. In terms of economy, the visit by foreign nationals to witness the XIX Commonwealth Games in India amounted to (2011)**
  - a) **Export**
  - b) Import
  - c) Production
  - d) Consumption
- 2. Both Foreign Direct Investment (FDI) and Foreign Institutional Investor (FII) are related to investment in a country. Which one of the following statements best represents an important difference between the two? (2011)**
  - a) FII helps bring better management skills and technology, while FDI only brings in capital
  - b) **FII helps in increasing capital availability in general, while FDI only targets specific sectors**
  - c) FDI flows only into the secondary market, while FII targets primary market
  - d) FII is considered to be more stable than FDI
- 3. Which of the following would include Foreign Direct Investment in India? (2012)**
  1. Subsidiaries of foreign companies in India
  2. Majority foreign equity holding in Indian companies
  3. Companies exclusively financed by foreign companies
  4. Portfolio investment

**Select the correct answer using the codes given below:**

- a) 1, 2, 3 and 4
  - b) 2 and 4 only
  - c) 1 and 3 only
  - d) **1, 2 and 3 only**
- 4. Consider the following statements: (2012)**
- The price of any currency in international market is decided by the
1. World Bank
  2. Demand for goods/services provided by the country concerned
  3. Stability of the government of the concerned country
  4. Economic potential of the country in question

**Which of the statements given above is/are correct?**

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

5. The balance of payments of a country is a systematic record of (2013)
- All import and export transactions of a country during a given period of time, normally a year
  - Goods exported from a country during a year
  - Economic transaction between the government of one country to another
  - Capital movements from one country to another
6. Which one of the following groups of items is included in India's foreign-exchange reserves? (2013)
- Foreign-currency assets, Special Drawing Rights (SDRs) and loans from foreign countries
  - Foreign-currency assets, gold holdings of the RBI and SDRs**
  - Foreign-currency assets, loans from the World Bank and SDRs
  - Foreign-currency assets, gold holdings of the RBI and loans from the World bank
7. Which of the following constitute Capital Account? (2013)
- Foreign loans
  - Foreign Direct Investment
  - Private Remittances
  - Portfolio Investment
- Select the correct answer using the codes given below:
- 1, 2 and 3
  - 1, 2 and 4**
  - 2, 3 and 4
  - 1, 3 and 4
8. With reference to the Balance of Payments, which of the following constitutes/constitute the Current Account? (2014)
- Balance of trade
  - Foreign assets
  - Balance of invisibles
  - Special Drawing Rights
- Select the correct answer using the codes given below:
- 1 only
  - 2 and 3
  - 1 and 3**
  - 1, 2 and 4
9. Convertibility of rupee implies (2015)
- Being able to convert rupee notes into gold
  - Allowing the value of rupee to be fixed by market forces
  - Freely permitting the conversion of rupee to other countries and vice versa**
  - Developing an international market for currencies in India

**10. The problem of international liquidity is related to the non-availability of (2015)**

- a) Goods and services
- b) Gold and silver
- c) Dollar and other hard currencies**
- d) Exportable surplus

**11. Which of the following best describes the term 'import cover', sometimes seen in the news? (2016)**

- a) It is the ratio of value of imports to the Gross Domestic Product of a country.
- b) It is the total value of imports of a country in a year.
- c) It is the ratio between the value of exports and that of imports between two countries.
- d) It is the number of months of imports that could be paid for by a country's international reserves.**

**12. Consider the following statements: (2018)**

- 1. The quantity of imported edible oils is more than the domestic production of edible oils in the last five years.
- 2. The Government does not impose any customs duty on all the imported edible oils as a special case.

**Which of the statements given above is/are correct?**

- a) 1 only**
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**13. In the context of India, which of the following factors is/are contributor/contributors to reducing the risk of a currency crisis? (2019)**

- 1. The foreign currency earnings of India's IT sector
- 2. Increasing the government expenditure
- 3. Remittances from Indians abroad

**Select the correct answer using the code given below:**

- a) 1 only
- b) 1 and 3 only**
- c) 2 only
- d) 1, 2 and 3

**14. Consider the following statements: (2019)**

1. Purchasing Power Parity (PPP) exchange rates are calculated by comparing the prices of the same basket of goods and services in different countries
2. In terms of PPP dollars, India is the sixth largest economy in the world.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**15. With reference to Foreign Direct Investment in India, which one of the following is considered its major characteristic? (2020)**

- (a) It is the investment through capital instruments essentially in a listed company.
- (b) It is a largely non-debt creating capital flow.**
- (c) It is the investment which involves debt-servicing.
- (d) It is the investment made by foreign institutional investors in the Government securities.

**16. With reference to the international trade of India at present, which of the following statements is/are correct? (2020)**

1. India's merchandise exports are less than its merchandise imports.
2. India's imports of iron and steel, chemicals, fertilisers and machinery have decreased in recent years.
3. India's exports of services are more than its imports of services.
4. India suffers from an overall trade/current account deficit.

**Select the correct answer using the code given below:**

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

**17. Consider the following statements: (2020)**

1. The value of Indo-Sri Lanka trade has consistently increased in the last decade.
2. "Textile and textile articles" constitute an important item of trade between India and Bangladesh.
3. In the last five years, Nepal has been the largest trading partner of India in South Asia.

**Which of the statements given above is/are correct?**

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

**18. Consider the following: (2021)**

1. Foreign currency convertible bonds
2. Foreign institutional investment with certain conditions
3. Global depository receipts
4. Non-resident external deposits

**Which of the above can be included in Foreign Direct Investments?**

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

**19. Consider the following statements: (2022)**

The effect of devaluation of a currency is that it necessarily

1. Improves the competitiveness of the domestic exports in the foreign markets
2. Increases the foreign value of domestic currency
3. Improves the trade balance

**Which of the above statements is/are correct?**

- a) 1 only
- b) 1 and 2
- c) 3 only
- d) 2 and 3

**20. With reference to the Indian economy, consider the following statements: (2022)**

1. An increase in Nominal Effective Exchange Rate (NEER) indicates the appreciation of rupee.
2. An increase in the Real Effective Exchange Rate (REER) indicates an improvement in trade competitiveness.
3. An increasing trend in domestic inflation relative to inflation in other countries is likely to cause an increasing divergence between NEER and REER.

**Which of the above statements are correct?**

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

**21. Which one of the following situations best reflects “Indirect Transfers” often talked about in media recently with reference to India? (2022)**

- (a) An Indian company investing in a foreign enterprise and paying taxes to the foreign country on the profits arising out of its investment
- (b) A foreign company investing in India and paying taxes to the country of its base on the profits arising out of its investment
- (c) An Indian company purchases tangible assets in a foreign country and sells such assets after their value increases and transfers the proceeds to India
- (d) A foreign company transfers shares and such shares derive their substantial value from assets located in India

**22. Consider the following statements: (2022)**

1. Tight monetary policy of US Federal Reserve could lead to capital flight.
2. Capital flight may increase the interest cost of firms with existing External Commercial Borrowings (ECBs).
3. Devaluation of domestic currency decreases the currency risk associated with ECBs.

**Which of the statements given above are correct?**

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

### **Agriculture Economy**

1. **In India, which of the following have the highest share in the disbursement of credit to agriculture and allied activities? (2011)**
  - a) **Commercial banks**
  - b) Cooperative banks
  - c) Regional Rural banks
  - d) Microfinance institutions
2. **The Fair and Remunerative Price (FRP) of sugarcane is approved by the (2015)**
  - a) **Cabinet Committee on Economic Affairs**
  - b) Commission for Agricultural Costs and Prices
  - c) Directorate of Marketing and Inspection, Ministry of Agriculture
  - d) Agricultural Produce Market Committee
3. **In India, markets in agricultural products are regulated under the (2015)**
  - a) Essential Commodities Act, 1955
  - b) **Agricultural Produce Market Committee Act enacted since by states.**
  - c) Agricultural Produce (Grading and Marking) Act, 1937
  - d) Food Products Order, 1956 and Meat and Food Products Order, 1973

**4. With reference to 'Pradhan Mantri Fasal Bima Yojana', consider the following statements: (2016)**

1. Under this scheme, farmers will have to pay a uniform premium of two percent for any crop they cultivate in any season of the year.
2. This scheme covers post-harvest losses arising out of cyclones and unseasonal rains.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only**
- c) Both 1 and 2
- d) Neither 1 nor 2

**5. What is/are the advantage/advantages of implementing the 'National Agriculture Market' scheme? (2017)**

1. It is a pan-India electronic trading portal for agricultural commodities.
2. It provides the farmers access to nationwide market, with prices commensurate with the quality of their produce.

**Select the correct answer using the code given below:**

- a) 1 only
- b) 2 only
- c) Both 1 and 2**
- d) Neither 1 nor 2

**6. Consider the following statements: (2017)**

The nation-wide 'Soil Health Card Scheme' aims at

1. Expanding the cultivable area under irrigation.
2. Enabling the banks to assess the quantum of loans to be granted to farmers on the basis of soil quality.
3. Checking the overuse of fertilizers in farmlands.

**Which of the above statements is/are correct?**

- a) 1 and 2 only
- b) 3 only**
- c) 2 and 3 only
- d) 1, 2 and 3



**7. With reference to the provisions made under the National Food Security Act, 2013, consider the following statements: (2018)**

1. The families coming under the category of 'below poverty line (BPL)' only are eligible to receive subsidized food grains.
2. The eldest woman in a household, of age 18 years or above, shall be the head of the household for the purpose of issuance of a ration card.
3. Pregnant women and lactating mothers are entitled to a 'take-home ration' of 1600 calories per day during pregnancy and for six months thereafter.

**Which of the statements given above is/are correct?**

- a) 1 and 2
- b) 2 only**
- c) 1 and 3
- d) 3 only

**8. Consider the following: (2018)**

1. Areca nut
2. Barley
3. Coffee
4. Finger millet
5. Groundnut
6. Sesamum
7. Turmeric

**9. With reference to organic farming in India, consider the following statements: (2018)**

1. "The National Programme for Organic Production" (NPOP) is operated under the guidelines and directions of the Union Ministry of Rural Development.
2. The Agricultural and Processed Food Products Export Development Authority' (APEDA) functions as the Secretariat for the implementation of NPOP
3. Sikkim has become India's first fully organic state.

**Which of the statements given above is/are correct?**

- a) 1 and 2 only
- b) 2 and 3 only**
- c) 3 only
- d) 1, 2 and 3

**The Cabinet Committee on Economic Affairs has announced the Minimum Support Price for which of the above? (2019)**

- a) 1, 2, 3 and 7 only
- b) 2, 4, 5 and 6 only**
- c) 1, 3, 4, 5 and 6 only
- d) 1, 2, 3, 4, 5, 6 and 7

**10. The economic cost of food grains to the Food Corporation of India is Minimum Support Price and bonus (if any) paid to the farmers plus (2019)**

- a) Transportation cost only
- b) Interest cost only
- c) Procurement incidentals and distribution cost**
- d) Procurement incidentals and charges for godowns

**11. Among the agricultural commodities imported by India, which one of the following accounts for the highest imports in terms of value in the last five years? (2019)**

- a) Spices
- b) Fresh fruits
- c) Pulses
- d) Vegetable oils**

**12. Consider the following statements: (2020)**

1. In terms of short-term credit delivery to the agriculture sector, District Central Cooperative Banks (DCCBs) deliver more credit in comparison to Scheduled Commercial Banks and Regional Rural Banks.
2. One of the most important functions of DCCBs is to provide funds to the Primary Agricultural Credit Societies.

**Which of the statements given above is/are correct?**

- (a) 1 only
- (b) 2 only**
- (c) Both 1 and 2
- (d) Neither 1 nor 2

**13. In India, which of the following can be considered as public investment in agriculture? (2020)**

1. Fixing Minimum Support Price for agricultural produce of all crops
2. Computerization of Primary Agricultural Credit Societies
3. Social Capital development
4. Free electricity supply to farmers
5. Waiver of agricultural loans by the banking system
6. Setting up of cold storage facilities by the governments

**Select the correct answer using the code given below:**

- (a) 1, 2 and 5 only
- (b) 1, 3, 4 and 5 only
- (c) 2, 3 and 6 only**
- (d) 1, 2, 3, 4, 5 and 6

**14. Under the Kisan Credit Card scheme, short-term credit support is given to farmers for which of the following purposes? (2020)**

1. Working capital for maintenance of farm assets
2. Purchase of combine harvesters, tractors and mini truck
3. Consumption requirements of farm households
4. Post-harvest expenses
5. Construction of family house and setting up of village cold storage facility

**Select the correct answer using the code given below:**

- (a) 1, 2 and 5 only
- (b) 1, 3 and 4 only**
- (c) 2, 3, 4 and 5 only
- (d) 1, 2, 3, 4 and 5

**15. Consider the following statements: (2020)**

1. In the case of all cereals, pulses and oil-seeds, the procurement at Minimum Support Price (MSP) is unlimited in any State/UT of India.
2. In the case of cereals and pulses, the MSP is fixed in any State/UT at a level to which the market price will never rise.

**Which of the statements given above is/are correct?**

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2**

### **Economic Reforms**

**1. Why is the Government of India disinvesting its equity in the Central Public Sector Enterprises (CPSEs)? (2011)**

1. The government intends to use the revenue earned from the disinvestment mainly to pay back the external debt.
2. The government no longer intends to retain the management control of the CPSEs.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2**

**2. Which of the following has/have occurred in India after the liberalization of economic policies in 1991? (2017)**

1. Share of agriculture in GDP increased enormously.
2. Share of India's exports in world trade increased.
3. FDI inflows increased.
4. India's foreign exchange reserves increased enormously.

**Select the correct answer using the codes given below:**

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

**3. With reference to the Indian economy after the 1991 economic liberalization, consider the following statements: (2020)**

1. Worker productivity (Rupee per worker at 2004-05 prices) increased in urban areas while it decreased in rural areas.
2. The percentage share of rural areas in the workforce steadily increased.
3. In rural areas, the growth in non-farm economy increased.
4. The growth rate in rural employment decreased.

**Which of the statements given above is/are correct?**

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

## **Planning in India**

**1. The main objective of the 12<sup>th</sup> Five Year Plan is (2014)**

- a) Inclusive growth and poverty reduction
- b) Inclusive and sustainable growth
- c) Sustainable and inclusive growth to reduce unemployment
- d) Faster, sustainable and more inclusive growth**

**2. With reference to India's Five-Year Plans, which of the following statements is/are correct? (2019)**

1. From the Second Five-Year Plan, there was a determined thrust towards substitution of basic and capital good industries
2. The Fourth Five-Year Plan adopted the objective of correcting the earlier trend of increased concentration of wealth and economic power
3. In the Fifth Five-Year plan, for the first time, the financial sector was included as an integral part of the Plan.

**Select the correct answer using the code given below:**

- a) 1 and 2 only
- b) 2 only**
- c) 3 only

d) 1, 2 and 3

**3. With reference to the funds under Members of Parliament Local Area Development Scheme (MPLADS), which of the following statements are correct? (2020)**

1. MPLADS funds must be used to create durable assets like physical infrastructure for health, education, etc.
2. A specified portion of each MP's 'fund must benefit SC/ST populations.
3. MPLADS funds are sanctioned on yearly basis and the unused funds cannot be carried forward to the next year.
4. The district authority must inspect at least 10% of all works under implementation every year.

**Select the correct answer using the code given below:**

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

## **WTO**

**1. The terms 'Agreement on Agriculture', 'Agreement on the Application of Sanitary and Phytosanitary Measures' and 'Peace Clause' appear in the news frequently in the context of the affairs of the (2015)**

- a) Food and Agriculture Organization
- b) United Nations Framework Conference on Climate Change
- c) World Trade Organization**
- d) United Nations Environment Programme

**2. Which of the following has/have been accorded 'Geographical Indication' status? (2015)**

1. Banaras Brocades and Sarees
2. Rajasthani Daal-Bati-Churma
3. Tirupathi Laddu

**Select the correct answer using the code given below:**

- a) 1 only
- b) 2 and 3 only
- c) 1 and 3 only**
- d) 1, 2 and 3

**3. In the context of which of the following do you sometimes find the term 'amber box, blue box and green box' in the news? (2016)**

- a) WTO affairs**
- b) SAARC affairs
- c) UNFCCC affairs
- d) India-EU negotiations on FTA

**4. With reference to the 'National Intellectual Property Rights Policy', consider the following statements: (2017)**

1. It reiterates India's commitment to the Doha Development Agenda and the TRIPS Agreement.
2. Department of Industrial Policy and Promotion is the nodal agency for regulating intellectual property rights in India.

**Which of the above statements is/are correct?**

- a) 1 only
- b) 2 only
- c) **Both 1 and 2**
- d) Neither 1 nor 2

**5. India enacted The Geographical Indications of Goods (Registration and Protection) Act, 1999 in order to comply with the obligations to (2018)**

- a) ILO
- b) IMF
- c) UNCTAD
- d) **WTO**

**6. Consider the following statements: (2019)**

1. According to the Indian Patents Act, a biological process to create a seed can be patented in India.
2. In India, there is no Intellectual Property Appellate Board.
3. Plant varieties are not eligible to be patented in India.

**Which of the statements given above is/are correct?**

- a) 1 and 3 only
- b) 2 and 3 only
- c) **3 only**
- d) 1, 2 and 3

**7. With reference to Trade-Related Investment Measures (TRIMS), which of the following statements is/are correct? (2020)**

1. Quantitative restrictions on imports by foreign investors are prohibited.
2. They apply to investment measures related to trade in both goods and services.
3. They are not concerned with the regulation of foreign investment.

**Select the correct answer using the code given below:**

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

## **IMF and World Bank**

1. **Regarding the International Monetary Fund, which one of the following statements is correct? (2011)**
  - a) It can grant loans to any country
  - b) It can grant loans to only developed countries
  - c) **It grants loans to only member countries**
  - d) It can grant loans to the central bank of a country
2. **Which of the following organizations brings out the publication known as 'World Economic Outlook'? (2014)**
  - a) **The International Monetary Fund**
  - b) The United Nations Development Programme
  - c) The World Economic Forum
  - d) The World Bank
3. **Which one of the following issues the 'Global Economic Prospects' report periodically? (2015)**
  - a) The Asian Development Bank
  - b) The European Bank for Reconstruction and Development
  - c) The US Federal Reserve Bank
  - d) **The World Bank**
4. **'Biocarbon Fund Initiative for Sustainable Forest Landscapes' is managed by the (2015)**
  - a) Asian Development Bank
  - b) International Monetary Fund
  - c) United Nations Environment Programme
  - d) **World Bank**
5. **With reference to 'IFC Masala Bonds', sometimes seen in the news, which of the statements given below is/are correct? (2016)**
  1. The International Finance Corporation, which offers these bonds, is an arm of the World Bank.
  2. They are the rupee-denominated bonds and are a source of debt financing for the public and private sector.

**Select the correct answer using the code given below:**

  - a) 1 only
  - b) 2 only
  - c) **Both 1 and 2**
  - d) Neither 1 and 2

6. Recently, which one of the following currencies has been proposed to be added to the basket of IMF's SDR? (2016)
- a) Rouble
  - b) Rand
  - c) Indian Rupee
  - d) **Renminbi**
7. India's ranking in the 'Ease of Doing Business Index' is sometimes seen in the news. Which of the following has declared that ranking? (2016)
- a) Organization for Economic Cooperation and Development (OECD)
  - b) World Economic Forum
  - c) **World Bank**
  - d) World Trade Organization (WTO)
8. 'Global Financial Stability Report' is prepared by the (2016)
- a) European Central Bank
  - b) **International Monetary Fund**
  - c) International Bank for Reconstruction and Development
  - d) Organization for Economic Cooperation and Development
9. The Global Infrastructure Facility is a/an (2017)
- a) ASEAN initiative to upgrade infrastructure in Asia and financed by credit from the Asian Development Bank.
  - b) **World Bank collaboration that facilitates the preparation and structuring of complex infrastructure Public-Private Partnerships (PPPs) to enable mobilization of private sector and institutional investor capital.**
  - c) Collaboration among the major banks of the world working with the OECD and focused on expanding the set of infrastructure projects that have the potential to mobilize private investment.
  - d) UNCTAD funded initiative that seeks to finance and facilitate infrastructure development in the world.
10. Which one of the following is NOT a sub-index of the World Bank's 'Ease of Doing Business Index'? (2019)
- a) **Maintenance of law and order**
  - b) Paying taxes
  - c) Registering property
  - d) Dealing with construction permits
11. "Gold Tranche" (Reserve Tranche) refers to (2020)
- (a) a loan system of the World Bank
  - (b) one of the operations of a Central Bank
  - (c) a credit system granted by WTO to its members
  - (d) **credit system granted by IMF to its members**



**12. “Rapid Financing Instrument” and “Rapid Credit Facility” are related to the provisions of lending by which one of the following? (2022)**

- (a) Asian Development Bank
- (b) International Monetary Fund**
- (c) United Nations Environment Programme Finance Initiative
- (d) World Bank

### **International Organizations**

**1. With reference to a grouping of countries known as BRICS, consider the following statements: (2011)**

- 1. The First Summit of BRICS was held in Rio de Janeiro in 2009.
- 2. South Africa was the last to join the BRICS grouping.

**Which of the statements given above is/are correct?**

- a) 1 only
  - b) 2 only**
  - c) Both 1 and 2
  - d) Neither 1 nor 2
- 2. The ‘Fortaleza Declaration’, recently in the news, is related to the affairs of (2015)**
- a) ASEAN
  - b) BRICS**
  - c) OECD
  - d) WTO
- 3. What is Rio+20 Conference, often mentioned in the news? (2015)**
- a) It is the United Nations Conference on Sustainable Development**
  - b) It is a Ministerial Meeting of the World Trade Organization
  - c) It is a Conference of the Inter-governmental Panel on Climate change
  - d) It is a Conference of the member countries of the convention on Biological Diversity.
- 4. India is a member of which among the following.**
- 1. Asia-Pacific Economic Cooperation
  - 2. Association of South-East Asian Nations
  - 3. East Asia Summit

**Select the correct answer using the code given below:**

- a) 1 and 2 only
- b) 3 only**
- c) 1, 2 and 3
- d) India is a member of none of them

**5. In the Mekong-Ganga Cooperation, an initiative of six countries, which of the following is/are not a participant/participant?**

1. Bangladesh
2. Cambodia
3. China
4. Myanmar
5. Thailand

**Select the correct answer using the code given below:**

- a) 1 only
- b) 2, 3 and 4
- c) **1 and 3**
- d) 1, 2 and 5

**6. With reference to 'Indian Ocean Rim Association for Regional Cooperation (IOR-ARC)', consider the following statements:**

1. It was established very recently in response to incidents of piracy and accidents of oil spills.
2. It is an alliance meant for maritime security only.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) **Neither 1 nor 2**

**7. Which of the following is/are the indicator/indicators used by IFPRI to compute the Global Hunger Index Report?**

1. Undernourishment
2. Child stunting
3. Child mortality

**Select the correct answer using the code given below:**

- a) 1 only
- b) 2 and 3 only
- c) **1, 2 and 3**
- d) 1 and 3 only

**8. With reference to the International Monetary and Financial Committee (IMFC), consider the following statements: (2016)**

1. IMFC discusses matters of concern affecting the global economy and advises the International Monetary Fund (IMF) on the direction of its work.
2. The World Bank participates as observer in IMFC's meetings.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) **Both 1 and 2**
- d) Neither 1 nor 2

**9. The FAO accords the status of 'Globally Important Agricultural Heritage System (GIAHS)' to traditional agricultural systems. What is the overall goal of this initiative? (2016)**

1. To provide modern technology, training in modern farming methods and financial support to local communities of identified GIAHS so as to greatly enhance their agricultural productivity.
2. To identify and safeguard eco-friendly traditional farm practices and their associated landscapes, agricultural biodiversity and knowledge systems of the local communities.
3. To provide Geographical Indication status to all the varieties of agricultural produce in such identified GIAHS.

**Select the correct answer using the code given below:**

- a) 1 and 3 only
- b) **2 only**
- c) 2 and 3 only
- d) 1, 2 and 3

**10. 'Doctors without Borders (Medecins Sans Frontieres)', often in the news, is (2016)**

- a) A division of World Health Organization
- b) **A non-governmental international organization**
- c) An Inter-governmental agency sponsored by European Union
- d) A specialized agency of the United Nations

**11. Consider the following statements: (2016)**

1. New Development Bank has been set up by APEC.
2. The headquarters of New Development Bank is in Shanghai.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) **2 only**
- c) Both 1 and 2
- d) Neither 1 nor 2

**12. Which of the following is not a member of ‘Gulf Cooperation Council’? (2016)**

- a) **Iran**
- b) Saudi Arabia
- c) Oman
- d) Kuwait

**13. ‘Belt and Road Initiative’ is sometimes mentioned in the news in the context of the affairs of (2016)**

- a) African Union
- b) Brazil
- c) European Union
- d) **China**

**14. The term ‘Regional Comprehensive Economic Partnership’ often appears in the news in the context of the affairs of a group of countries known as (2016)**

- a) G20
- b) **ASEAN**
- c) SCO
- d) SAARC

**16. Which of the following gives ‘Global Gender Gap Index’ ranking to the countries of the world? (2017)**

- a) **World Economic Forum**
- b) UN Human Rights Council
- c) UN Women
- d) World Health Organization

**17. With reference to ‘Asia Pacific Ministerial Conference on Housing and Urban Development (APMCHUD)’, consider the following statements: (2017)**

1. The first APMCHUD was held in India in 2006 on the theme ‘Emerging Urban Forms – Policy Responses and Governance Structure’.
2. India hosts all the Annual Ministerial Conferences in partnership with ADB, APEC and ASEAN.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) **Neither 1 nor 2**

**18. With reference to the role of UN-Habitat in the United Nations programme working towards a better urban future, which of the statements is/are correct? (2017)**

1. UN-Habitat has been mandated by the United Nations General Assembly to promote socially and environmentally sustainable towns and cities to provide adequate shelter for all.
2. Its partners are either governments or local urban authorities only.
3. UN-Habitat contributes to the overall objective of the United Nations system to reduce poverty and to promote access to safe drinking water and basic sanitation.

**Select the correct answer using the code given below:**

- a) 1, 2 and 3
- b) 1 and 3 only**
- c) 2 and 3 only
- d) 1 only

**19. 'Broad-based Trade and Investment Agreement (BTIA)' is sometimes seen in the context of negotiations held between India and (2017)**

- a) European union**
- b) Gulf Cooperation Council
- c) Organization for Economic Cooperation and Development
- d) Shanghai Cooperation Organization

**20. What is/are the consequence/consequences of a country becoming the member of the 'Nuclear Suppliers Group'? (2018)**

1. It will have access to the latest and most efficient nuclear technologies.
2. It automatically becomes a member of 'The Treaty on the Non-Proliferation of Nuclear Weapons (NPT)'.

**Which of the statements given above is/are correct?**

- a) 1 only**
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**21. "Rule of Law Index" is released by which of the following? (2018)**

- a) Amnesty International
- b) International Court of Justice
- c) The Office of UN Commissioner for Human Rights
- d) World Justice Report**

**22. Consider the following countries: (2018)**

1. Australia
2. Canada
3. China
4. India
5. Japan
6. USA

**Which of the above are among the ‘free-trade partners’ of ASEAN?**

- a) 1, 2, 4 and 5
- b) 3, 4, 5 and 6
- c) 1, 3, 4 and 5**
- d) 2, 3, 4 and 6

**23. The Partnership for Action on Green Economy (PAGE), a UN mechanism to assist countries transition towards greener and more inclusive economies, emerged at (2018)**

- a) The Earth Summit on Sustainable Development 2002, Johannesburg.
- b) The United Nations Conference on Sustainable Development 2012, Rio de Janeiro**
- c) The United Nations Framework Convention on Climate Change 2015, Paris  
The World Sustainable Development Summit 2016, New Delhi

**24. “Momentum for Change: Climate Neutral Now” is an initiative launched by (2018)**

- a) The Intergovernmental Panel on Climate Change
- b) The UNEP Secretariat
- c) The UNFCCC Secretariat**
- d) The World Meteorological Organization

**25. With reference to Asian Infrastructure Investment Bank (AIIB), consider the following statements: (2019)**

1. AIIB has more than 80 member nations
2. India is the largest shareholder in AIIB
3. AIIB does not have any members from outside Asia

**Which of the statements given above is/are correct?**

- a) 1 only**
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**26. Which of the following adopted a law on data protection and privacy for its citizens known as ‘General Data Protection Regulation’ in April 2016 and started implementation of it from 25<sup>th</sup> May 2018? (2019)**

- a) Australia
- b) Canada
- c) **The European Union**
- d) The United States of America

**27. Consider the following statements: (2019)**

1. The United Nations Convention against Corruption (UNCAC) has a ‘Protocol against the Smuggling of Migrants by Land, Sea and Air’
2. The UNCAC is the ever-first legally binding global anti-corruption instrument
3. A highlight of the United Nations Convention against Transnational Organized Crime (UNTOC) is the inclusion of a specific chapter aimed at returning assets to their rightful owners from whom they had been taken illicitly
4. The United Nations Office on Drugs and Crime (UNODC) is mandated by its member states to assist in the implementation of both UNCAC and UNTOC

**Which of the statements given above are correct?**

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

**28. The Global Competitiveness Report is published by the (2019)**

- a) International Monetary Fund
- b) United Nations Conference on Trade and Development
- c) **World Economic Forum**
- d) World Bank

**29. The term ‘West Texas Intermediate’ sometimes found in news, refers to a grade of (2020)**

- (a) **Crude oil**
- (b) Bullion
- (c) Rare earth elements
- (d) Uranium

**30. In India, why are some nuclear reactors kept “IAEA Safeguards” while others are not? (2020)**

- (a) Some use uranium and others use thorium
- (b) **Some use imported uranium and others use domestic supplies**
- (c) Some are operated by foreign enterprises and others are operated by domestic Enterprises
- (e) Some are State-owned and others are privately-owned

**31. In which one of the following groups are all the four countries members of G20? (2020)**

- (a) Argentina, Mexico, South Africa and Turkey
- (b) Australia, Canada, Malaysia and New Zealand
- (c) Brazil, Iran, Saudi Arabia and Vietnam
- (d) Indonesia, Japan, Singapore and South Korea**

**32. With reference to 'WaterCredit', consider the following statements: (2021)**

1. It puts microfinance tools to work in the water and sanitation sector
2. It is a global initiative launched under the aegis of the World Health Organization and the World Bank.
3. It aims to enable the poor people to meet their water needs without depending on subsidies.

**Which of the statements given above are correct?**

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

**33. With reference to the "G20 Common Framework", consider the following statements: (2022)**

1. It is an initiative endorsed by the G20 together with the Paris Club.
2. It is an initiative to support Low Income Countries with unsustainable debt.

**Which of the statements given above is/are correct?**

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2**
- (d) Neither 1 nor 2

**34. Consider the following: (2022)**

1. Asian Infrastructure Investment Bank
2. Missile Technology Control Regime
3. Shanghai Cooperation Organisation

**India is a member of which of the above ?**

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



**35. With reference to the “United Nations Credentials Committee”, consider the following statements: (2022)**

1. It is a committee set up by the UN Security Council and works under its supervision.
2. It traditionally meets in March, June and September every year.
3. It assesses the credentials of all UN members before submitting a report to the General Assembly for approval.

**Which of the statements given above is/are correct?**

- (a) 3 only
- (b) 1 and 3
- (c) 2 and 3
- (d) 1 and 2

**36. Which one of the following statements best describes the ‘Polar Code’? (2022)**

- a) It is the international code of safety for ships operating in polar waters.
- b) It is the agreement of the countries around the North Pole regarding the demarcation of their territories in the polar region.
- c) It is a set of norms to be followed by the countries whose scientists undertake research studies in the North Pole and South Pole.
- d) It is a trade and security agreement of the member countries of the Arctic Council.

**37. With reference to the United Nations General Assembly, consider the following statements: (2022)**

1. The UN General Assembly can grant observer status to the non-member States.
2. Inter-governmental organisations can seek observer status in the UN General Assembly.
3. Permanent Observers in the UN General Assembly can maintain missions at the UN headquarters.

**Which of the statements given above are correct ?**

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

**38. Consider the following countries (2022)**

1. Armenia
2. Azerbaijan
3. Croatia
4. Romania
5. Uzbekistan

**Which of the above are members of the Organization of Turkic States?**

- (a) 1, 2 and 4
- (b) 1 and 3
- (c) 2 and 5
- (d) 3, 4 and 5

## **Poverty, Employment and Unemployment**

- 1. With reference to casual workers employed in India, consider the following statements: (2021)**
2. All casual workers are entitled for Employees Provident Fund coverage.
3. All casual workers are entitled for regular working hours and overtime payment.
4. The government can by a notification specify that an establishment or industry shall pay wages only through its bank account.

**Which of the above statements are correct?**

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only**
- d) 1, 2 and 3

**2. In India, which one of the following compiles information on industrial disputes, closures, entrenchments and lay-offs in factories employing worker? (2022)**

- (a) Central Statistics Office
- (b) Department for Promotion of Industry and Internal Trade
- (c) Labour Bureau
- (d) National Technical Manpower Information System

**Disguised unemployment generally means (2013)**

- a) Large number of people remain unemployed
- b) Alternative employment is not available
- c) Marginal productivity of labour is zero**
- d) Productivity of workers is low

**The Multi-dimensional Poverty Index developed by Oxford Poverty and Human Development Initiative with UNDP support covers which of the following? (2012)**

1. Deprivation of education, health, assets and services as household level
2. Purchasing power parity at national level
3. Extent of budget deficit and GDP growth rate at national level

**Select the correct answer using the codes given below:**

- a) 1 only**
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**4. In a given year in India, official poverty lines are higher in some states than in others because (2019)**

- a) poverty rates vary from State to State
- b) price levels vary from State to State**
- c) Gross State Product varies from State to State
- d) quality of public distribution varies from State to State

### **Economic Crisis**

**1. Which one of the following statements appropriately describes the “fiscal stimulus”? (2011)**

- a) It is a massive investment by the Government in manufacturing sector to ensure the supply of goods to meet the demand surge caused by rapid economic growth.
- b) It is an intense affirmative action of the Government to boost economic activity in the country.**
- c) It is government’s intensive action on financial institutions to ensure disbursement of loans to agriculture and allied sectors to promote greater food production and contain food inflation
- d) It is an extreme affirmative action by the Government to pursue its policy of financial inclusion

**2. Consider the following actions which the Government can take: (2011)**

- 1. Devaluing the domestic currency.
- 2. Reduction in the export subsidy
- 3. Adopting suitable policies which attract greater FDI and more funds from FIIs.

**Which of the above/ actions can help in reducing the current account deficit?**

- a) 1 and 2
- b) 2 and 3
- c) 3 only
- d) 1 and 3**

**3. If another global financial crisis happens in the near future, which of the following actions/policies are most likely to give some immunity to India? (2020)**

- (1) Not depending on short-term foreign borrowings
- (2) Opening up to more foreign banks
- (3) Maintaining full capital account convertibility

**Select the correct answer using the code given below:**

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

## **Industries of India**

**5. In India, in the overall Index of Industrial Production, the Indices of Eight Core Industries have a combined weight of 37.90%. Which of the following are among those Eight Core Industries? (2012)**

1. Cement
2. Fertilizers
3. Natural gas
4. Refinery products
5. Textiles

**Select the correct answer using the codes given below:**

- a) 1 and 5 only
  - b) 2, 3 and 4 only
  - c) **1, 2, 3 and 4 only**
  - d) 1, 2, 3, 4 and 5
- 6. Which one among the following industries is the maximum consumer of water in India? (2013)**
- a) Engineering
  - b) Paper and pulp
  - c) Textiles
  - d) **Thermal power**
- 7. With reference to 'Stand Up India Scheme', which of the following statements is/are correct? (2016)**
1. Its purpose is to promote entrepreneurship among SC/ST and women entrepreneurs.
  2. It provides for refinance through SIDBI.

**Select the correct answer using the code given below:**

- a) 1 only
  - b) 2 only
  - c) **Both 1 and 2**
  - d) Neither 1 nor 2
- 8. Which one of the following is a purpose of 'UDAY', a scheme of the Government? (2016)**
- a) Providing technical and financial assistance to start-up entrepreneurs in the field of renewable sources of energy.
  - b) Providing electricity to every household in the country by 2018
  - c) Replacing the coal-based power plants with natural gas, nuclear, solar, wind and tidal power plants over a period of time.

**d) Providing for financial turnaround and revival of power distribution companies.**

**9. In India, what is the role of the Coal Controller's Organization (CCO)? (2022)**

1. CCO is the major source of Coal Statistics in Government of India.
2. It monitors progress of development of Captive Coal/Lignite blocks.
3. It hears any objection to the Government's notification relating to acquisition of coal-bearing areas.
4. It ensures that coal mining companies deliver the coal to end users in the prescribed time.

**Select the correct answer using the code given below:**

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

**With reference to the "Tea Board" in India, consider the following statements: (2022)**

1. The Tea Board is a statutory body.
2. It is a regulatory body attached to the Ministry of Agriculture and Farmers Welfare.
3. The Tea Board's Head Office is situated in Bengaluru.
4. The Board has overseas offices at Dubai and Moscow.

**Which of the statements given above are correct?**

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

## **Miscellaneous**

**1) With reference to consumers' rights/privileges under the provisions of law in India, which of the following statements is/are correct? (2012)**

1. Consumers are empowered to take samples for food testing.
2. When a consumer files a complaint in any consumer forum, no fee is required to be paid.
3. In case of death of a consumer, his/her legal heir can file a complaint in the consumer forum on his/her behalf.

**Select the correct answer using the codes given below:**

- a) 1 only
- b) 2 and 3 only
- c) 1 and 3 only**
- d) 1, 2 and 3

**2) Consider the following statements: (2017)**

1. The Standard Mark of Bureau of Indian Standards (BIS) is mandatory for automotive tyres and tubes.
2. AGMARK is a quality Certification Mark issued by the Food and Agriculture Organization (FAO).

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**3) Consider the following statements: (2017)**

1. Tax revenue as a percent of GDP of India has steadily increased in the last decade.
2. Fiscal deficit as a percent of GDP of India has steadily increased in the last decade.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

**4) In India, under cyber insurance for individuals, which of the following benefits are generally covered, in addition to payment for the loss of funds and other benefits?**

1. Cost of restoration of the computer system in case of malware disrupting access to one's computer
2. Cost of a new computer if some miscreant willfully damages it, if proved so
3. Cost of hiring a specialized consultant to minimize the loss in case of cyber extortion
4. Cost of defence in the Court of Law if any third-party files a suit

**Select the correct answer using the code given below:**

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

**5) With reference to foreign-owned e-commerce firms operating in India, which of the following statements is/are correct? (2022)**

1. They can sell their own goods in addition to offering their platforms as market-places.
2. The degree to which they can own big sellers on their platforms is limited.

**Select the correct answer using the code given below:**

- (a) 1 only
- (b) 2 only**
- (c) Both 1 and 2
- (d) Neither 1 nor 2

**6) With reference to Non-Fungible Tokens (NFTs), consider the following statements : (2022)**

1. They enable the digital representation of physical assets.
2. They are unique cryptographic tokens that exist on a blockchain.
3. They can be traded or exchanged at equivalency and therefore can be used as a medium of commercial transactions.

**Which of the statements given above are correct?**

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

**7) Which one of the following best describes the term “greenwashing”? (2022)**

- (a) Conveying a false impression that a company’s products are eco-friendly and environmentally sound
- (b) Non-inclusion of ecological/environmental costs in the Annual Financial Statements of a country
- (c) Ignoring the disastrous ecological consequences while undertaking infrastructure development
- (d) Making mandatory provisions for environmental costs in a government project/programme