

CHAPTER-2-INDIAN ECONOMY 1950-1990

MULTIPLE CHOICE QUESTIONS

1 In which of the following type of economy are resources owned privately and the main objective behind economic activities is profit-making?

- (A) Capitalist
- (B) Socialist
- (C) Mixed
- (D) Global

2 Which of the following is the main objective of carrying out various economic activities?

- (A) Profit
- (B) Public welfare
- (C) Competition
- (D) Equality

3 Which of the following had been responsible for the heavy burden of the deal and its interest?

- (A) BOP deficit
- (B) BOP surplus
- (C) Equilibrium
- (D) None of these

4 Agriculture sector contributed _____ percent to the GDP in 1990-91.

- (A) 24.6

(B) 34.9

(C) 40.5

(D) 59.0

5 What is needed to provide protection against natural calamities like floods, drought, locusts, thunderstorms, etc.?

(A) Multiple cropping

(B) Green revolution

(C) Crop insurance

(D) HYV

6 How many industries have been reserved for the public sector under Industrial Policy Resolution, 1956?

(A) 17

(B) 21

(C) 15

(D) 2

7 Which of the following land reforms measures have been implemented in India? (Choose the correct option)

i. Abolition of intermediaries.

ii. Ceiling on land holdings.

iii. Regulation of rent.

(A) Only i

(B) Only i and ii

(C) Only ii and iii

(D) All of the above

8 Mention one of the achievements of Green Revolution.

(A) Partial removal of poverty.

(B) Increase in productivity.

(C) Rise in unemployment.

(D) Ecological degradation.

9 Which among the following are the features of Industrial Policy-1956?

1. Classification of industries

2. All the industries were handed over to the private sectors

3. Stress on the role of cottage and small scale industries.

(A) Only 1 and 2 are correct

(B) Only 1 and 3 are correct

(C) Only 2 and 3 are correct

(D) All are correct

10 Which of the following is the correct meaning of a Perspective Plan?

(A) An economic plan in which objectives are targeted to be achieved within one year.

(B) An economic plan in which objectives are targeted to be achieved within five years.

(C) An economic plan in which objectives are targeted to be achieved within ten years.

(D)An economic plan in which objectives are targeted to be achieved with in twenty years

11 Which of the following is not one of the goals of five year plan in India?

- (A)Modernization
- (B)Growth
- (C)Inequality
- (D)Self-reliance

12 Which one of the following is a feature of modern farming?

- (A) Low productivity
- (B)Use of HYV seeds.
- (C)Application of wooden plough
- (D)Dependence on monsoon

13 Match the following:

Column -A	Column –B
a- 1950	1- 2 nd industrial policy
b- 1952	2- Planning commission
c- 1956	3- National development council

- (A) a-1, b-2,c-3
- (B) a-2, b-3, c-1
- (C) a-3, b-1, c-2

(D) a-1, b-3, c-2

14 Match the following:

Column -A	Column –B
a- High Yeilding Varity of seeds	1- Zamindari system
b- Inter-mediaries	2- Ceiling on land holding
c- Maximum amount of land	3- Consolidation of land holding
d- Scattered land	4- Green Revolution

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

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

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

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

15 Match the following:

Column -A	Column –B
a- Gross Domestic product	1- Chairperson of the planning commission

b- Land Reforms	2- The monetary assistance given by government for production activities
c- Prime Minister	3- Improvements in the field of agriculture
d- Subsidy	4- The money value of all the final goods and services produced within the economy in one year

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

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

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

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

16 Directive of planning is persuaded under.

- a) capitalist economy
- b) socialist economy
- c) mixed economy
- d) None of these

17 Which was the last five year plan in India.

- a) Eleventh plan
- b) Twelfth plan
- c) Tenth plan
- d) Fourteenth plan

18 Planning commission the central planning authority in India has been replaced by a)

- Niti aayog
- b) finance commission

- c) Central statistical commission
 - d) Central statistical organisation
- 19 Which of the following is not a long period objective of planning in India. a)
- GDP growth
 - b) Full employment
 - c) Better quality of life
 - d) Equitable distribution
- 20 Agrarian reforms refers to.
- a) Technical reforms in agriculture
 - b) Land records in agriculture
 - c) Both a and b
 - d) Neither a nor b
- 21 Consolidation of holdings refers to.
- a) Conversion of scattered land into unified holding
 - b) Takeover of small holdings by the government
 - c) Provision of inputs for higher output
 - d) All of these
- 22 Which of the following is a technical reform under the new agricultural strategy in agriculture in India?
- a) Regulation of rent
 - b) Consolidation of holdings
 - c) Ceiling on land holdings
 - d) Use of chemical fertilizers
- 23 Which of the following is the limitation of green revolution in India.
- a) Uneven spread
 - b) Change in farmers out look
 - c) Self sufficiency in food grains production
 - d) Mechanisation of agriculture
- 24 Green revolution is also known as

- (a) Technical reforms
- (b) Institutional reforms
- (c) New agricultural strategy
- (a) Both (a) and (c)

25 Which of the following is/are failures of the planning period?

- (a) Leading role to public sector
- (b) Permit license raj
- (c) Policy of import substitution
- d) All of the above

26 Which of the following was not the loophole of Land Ceiling Act?

- (a) Register land to the name of close relative
- (b) Shown land as grazing land
- (c) No uniformity in legislation
- (d) None of the above

27 Which of the following is possible risk of green revolution" ?

- (a) Disparities between rich and poor
- (b) Prone to attack by pest
- (c) Both (a) and (b)
- (d) None of the above

28 Which of the following is the defect of providing subsidies on agriculture?

- (a) It was benefitting fertilizer industry
- (b) It was benefitting rich section.
- (c) Subsidies do not allow prices to indicate the supply of a good.
- (d) All of the above

29 Permit license raj is characterised by which of the following limitations?

- (a) Big industrial houses take license to prevent competition
- (b) Unnecessarily time wasted to obtain a license
- (c) Both (a) and (b)
- (d) None of the above

30are primarily refer to change in ownership of land holdings (a)

- Tax reforms
- (b) Institutional reforms

(e) Technical reforms

(d) None of these

31 In which of the following type of economy are resources owned privately and the main objective behind economic activities is profit-making?

(A) Capitalist

(B) Socialist

(C) Mixed

(D) None of these

32 How many industries have been reserved for the public sector under Industrial Policy Resolution, 1956?

(A) 17

(B) 21

(C) 15

(D) 2

33 Which of the states got success in Land Reform?

a) Kerala and West Bengal

b) Punjab and Haryana

c) Rajasthan and Assam

d) None of these.

34 What do you mean by tariffs?

a) Tax imposed on imported goods

b) Tax imposed on exported goods

c) Tax imposed on starting an Industry

d) All of these

35 What do you mean by Quotas?

a) The quantity of goods which can be exported.

b) The quantity of goods which can be imported.

c) Both (a) and (b)

d) None of these

36 Green revolution resulting from:

- a) Modern Irrigation facilities
- b) Use of fertilizers & pesticides
- c) HYV seeds
- d) All of these.

37 Green Revolution is most successful in:-

- a) Wheat and Rice
- b) Wheat and Vegetables
- c) Rice and Pulses
- d) Tea and Coffee

38 Areas where the economic planning in India has failed: a)

- Failure to reduce inequalities of income and wealth.
- b) Inadequate growth in production sector.
- c) Failure to eradicate poverty
- d) All of these

39 Main features of IPR 1956 are:

- a) Protection to cottage and small scale industries.
- b) Specific and all important role assigned to public sector.
- c) Cautious approach towards foreign capital
- d) All of these

40 The maximum size of which no individual farmer can hold any land: a)

- Tenancy reforms
- b) Land consolidation
- c) Abolition of Intermediaries
- d) Land Ceiling

41 The strategy to earn foreign exchange by promoting domestic exports and making domestic industry competitive in the international market is called:

- a) export promotion
- b) import substitution

- c) export liberalization
- d) import restriction

42 Which of the following sectors contribute highest to India's National Income?

- a) Service Sector
- b) Agriculture Sector
- c) Secondary Sector
- d) None of these

43 What is needed to provide protection against natural calamities like floods, drought, locusts, thunderstorms, etc.? (A)

- Multiple cropping
- (B) Green revolution
- (C) Crop insurance
- (D) HYV

44 Which of the following steps promoted the growth of the economy as a whole by stimulating the development of industrial and tertiary sectors?

- (A) Independence
- (B) Planning
- (C) Colonial rule
- (D) Green revolution

45 Agriculture sector contributed _____ percent to the GDP in 1990-91.

- (A) 24.6
- (B) 34.9
- (C) 40.5
- (D) 59.0

46 When was the planning commission set up in India?

- (a) 1950
- (b) 1964
- (c) 1975
- (d) 1952

47 In which type of economy goods that can be sold in the domestic or foreign market for profit motive? (a)

- capitalist economy
- (b) socialist economy
- (C) mixed economy

(d) none of the above

48 Who was the chair person of the Planning Commission of India?

(a) President of India

(b) Finance Minister of India

(c) Prime Minister of India

(d) Governor of RBI

49 Which one of the following is not a goal of the planning commission?

(a) Economic growth

(b) Equity

(c) resource conservation

(d) self-reliance

50 In the language of economics which one of the following is a good indicator of economic growth? (a)

GDP

(b) NDP

(c) GNP

(d) NNP

51 What is the term used for the policy which promotes setting up of an upper limit of the land that could be owned by a land owner

(a) land fragmentation

(b) land ceiling

(c) land cultivation

(d) land tiling

52 Name the two states in which land Reform was successful. (a)

Maharashtra and Tamil Nadu

(b) Karnataka and West Bengal

(c) Uttar Pradesh and Bihar

(d) West Bengal and Kerala

53 For the growth of ----- use of the HYV seeds were beneficial? (a) Rice

(b) Barley

(c) wheat

(d) pulses

54 What percentage of population was employed in agricultural by late nineties? (a)

65

(b)75

(c)60

(d)55

55 Which sector was given the main emphasis in second five year plan

a)Agriculture

b)trade

c)industry

d)transport

56 In which year industrial policy Resolution was adopted

(a)1956

(b)1950

(c) 1965

(d)1953

57 Name the committee formed for the village and small scale industry in 1955. (a)

Narsimha committee

(b) Bansal committee

(c) Rangarajan committee

(d)karve committee

58 What is the trade strategy which India adopted in the first seven five year plans?

(a)Partially inward looking trade strategy

(b)(partially outward looking trade strategy

(c) inward looking trade strategy

(d)outward looking trade strategy

59 In which year the new economic policy was introduced in India?

(a) 1992

(b)1993

(c)1996

(d)1991

60 In 1952 1951 gross area under cultivation was ----- crore acres which how was shut up to ----- crore acres?

(a)15 ,17

(b)13 ,19

(c) 10, 20

(d) none of the above

61 The first Industrial Policy Resolution in Independent India was introduced in the year ----- (A)

1948

(B) 1950

(C) 1954

(D) 1956

62 Planning Commission in India has been replaced by:

(A) Finance Commission

(B) NITI AAYOG

(C) Central Statistical Organisation

(D) National Development Council

63 An Economic in which means of production are used in a manner such that profits are maximised is called:

(A) mixed economy

(B) capitalist economy

(C) socialist economy

(D) none of these

64 Green revolution started happening in India in the year:

(A) 1961-62

(B) 1967-68

(C) 1980-81

(D) 1991-92

65 Marketable Surplus of Wheat =

(A) Output of Wheat – Wheat meant for next cropping season

(B) Output Wheat + On-farm consumption of Wheat

(C) Output of Wheat – On-farm consumption of Wheat

(D) Output of Wheat into price of Wheat

66 In 1955 Karvey Committee was constituted for aiming the:

(A) development of cottage industries

(B) development of small-scale industries

(C) development of large-scale industries

(D) development of all the above industries

67 Export promotion is a strategy:

(A) to earn foreign exchange by promoting domestic exports and making domestic industry competitive in the international market

(B) to save foreign exchange by encouraging domestic production of such goods which the country has been importing from the rest of the world

(C) of protecting domestic industry from international competition in the domestic market

(D) none of these

68 Use of HYV technology in India has led to:

(A) Golden Revolution

(B) Green Revolution

(C) White Revolution

(D) None of these

69 Fixing the maximum land holding for an individual is known as:

(A) ceiling of land holdings

(B) consolidation of land holdings

(C) regulation of rent

(D) security of tenure

70 Industrial Policy Resolution, 1956 proposed a _____ classification of industries in India

(A) two-fold

(B) three-fold

(C) four-fold

(D) none of these

71 Which of the following is correct in the context of small-scale industry?

(A) Small-scale industry is labour-intensive

(B) Small-scale industry needs much smaller investment, compared to large-scale industry (C) Small-scale industry shows locational flexibility

(D) All of these

72 Licensing policy of the government was to promote:

(A) profit

(B) to promote regional income

(C) regional equality

(D) resource saving

73 Small-scale industry investment is:

(A) < Rs. 1crore

(B) < Rs. 5crore

(C) < Rs. 10crore

(D) < Rs. 20crore

74 In India, Mahalanobis made significant contribution in the field of: (A)

Statistics

(B) Mathematics

(C) Econometrics

(D) Macro Economics

75 _____ refers to the updating and adaption of modern technology in the process of growth. (A)

Modernisation

(B) Economic development

(C) Self-sufficiency

(D) None of these

ANSWERS

Multiple Choice question	
Q.No	Answer
1	(A) Capitalist
2	(B) Public welfare
3	(A) BOP deficit
4	(B) 34.9
5	(C) Crop insurance
6	(A) 17

7	(D)All of the above
8	(B)Increase in productivity.
9	(B)Only 1 and 3 are correct
10	(D)An economic plan in which objectives are targeted to be achieved with in twenty years.

11	(C)Inequality
12	(B)Use of HYV seeds.
13	(B) a-2, b-3, c-1
14	(D)- a-4, b-1, c-2, d-3
15	(C)- a-4, b-3, c-1, d-2
16	a) capitalist economy
17	b)Twelfth plan
18	a)Niti Aayog
19	c)Better quality of life

20	c)Both a and b
21	a)Conversion of scattered land into unified holding
22	d)Use of chemical fertilizers
23	a)Uneven spread
24	d)Both (a) and (c)
25	d)all of the above
26	d)None of the above
27	c) Both (a) and (b)
28	d)All of the above
29	c)Both (a) and (b)
30	b)Institutional reforms

31	a)Capitalist
32	a)17
33	a)Kerala & West Bengal

34	a)Tax imposed on import goods
35	c) Both (a) and (b)
36	d) All of these
37	a)Wheat & Rice
38	d)All of these
39	d) All of these
40	a)Land ceiling
41	a)Export Promotion
42	a)Service Sector
43	c)Crop Insurance
44	b)Planning
45	b)34.9
46	a)1950
47	(a) capitalist economy

48	c)Prime Minister of India
49	c)resource conservation
50	a)GDP

51	b)land ceiling
52	d)West Bengal and Kerala
53	c) wheat
54	a)65
55	c)industry
56	a)1956
57	b)Bansal committee
58	(c) inward looking trade strategy
59	(d)1991
60	(b)13 ,19

61	(a) 1948
62	(b) NITI Aayog
63	(b) Capitalist economy
64	(b) 1967-68
65	(c) Output of Wheat – On-farm consumption of Wheat
66	(b) Development of small-scale industries
67	(a) To earn foreign exchange by promoting domestic exports and making domestic industry competitive in the international market
68	(b) Green Revolution
69	(a) Ceiling of land holdings
70	(b) Three-fold

71	(b) Small-scale industry needs much smaller investment, compared to large-scale industry
72	(c) Regional equality
73	(b) < Rs. 5crore

74	(a) Statistics
75	(a) Modernisation