

Question Bank (MCQs) for Sem: V

Business Economics.

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Note : The option with bold letters is the correct option in each question.

1. Since 1951 India has been a _____ economy.
A. Socialist **B. Mixed** C. Capitalist D. Feudal
2. Which of the following factors was one of the primary causes of the Balance of Payments crisis in 1991?
A. Low rate of inflation B. Surplus budget
C. High Interest Rate **D. Rising oil prices**
3. One of the measures adopted to control Inflation in 1991 was _____
A. Lowering of CRR and SLR B. Lowering Bank Rate
C. Raising CRR and SLR D. Restricting Import of essential goods.
4. According to the Human Development Report 2019, India's HDI rank is _____ among 189 countries
A. 129 B. 135
C. 150 D. 120
5. Community Health Centres are located at the _____ level of public health Infrastructure
A. Primary **B. Secondary**
C. Teritary D. None of the above
6. Rashtriya Swasthya Bima Yojana provides health insurance coverage to
A. Workers in the unorganized sector B. Workers in the organized sector
C. The entire population D. Only women and children
7. Which of the following is not included in UNDP'S HDI composite?
A. Culture B. Education

D. Health

D. Standard of living

8. Sustainable development includes which of the following?

A. Economic development

B. Commercial development

C. Industrial development

D. Agricultural development

9. _____ is an initiative to make India a manufacturing hub

A. Skill India

B. NIT Aayog

C. Invest India

D. Make in India

10. The government institution that is responsible for formulation of FDI policy in India is

A. Foreign Investment Promotion Board

B. The Department of Industrial policy and promotion

C. The ministry of External Affairs

D. The RBI

11. From which country did India receive the highest FDI equity investment during January

2020 And March 2020

A. USA

B. Singapore

C. Japan

D. UK

12. FDI inflow to India between April 2000 and March 2020 is

A. US \$ 550

B. US \$ 620.45

C. US \$ 730.5

D. US \$ 680.92

13. The objective National Agricultural Policy 2000 is to achieve agricultural growth rate of

A. 3%

B. 4%

C. 5%

D. 7%

14. The average agricultural growth rate since 2000 is-----.

A. Above 4%

B. Less than 4%

C. 4 Percent

D. Above 5%

15. Agricultural prices in India are

A. Very certain

B. Uncertain

- C. Very remunerative D. Keeping farmers happy
16. Agricultural price policy is required to
- A. Provide incentives to farmers** B. To encourage farmers to spend more
C. to increase income inequality D. to reduce income inequalities
17. Issue price is at which government supplies food grains
- A. in the open market B. To the middlemen
C. to ration shops D. to rich people
18. Fair price shops protect the interest of
- A. Poor farmers **B. Poor consumers**
C. Poor traders D. Rich traders
19. Major part of agricultural credit is supplied by
- A. Money lenders **B. Commercial Banks**
C. Co-operative banks D. Land development banks
20. Kisan Credit Card was introduced by
- A. RBI **B. NABARD**
C. Co-operative banks D. Commercial banks
21. Regional Rural Banks were established in the year
- A. 1975** B. 1969 C. 1985 D. 1991
22. Demand for agricultural goods is
- A. Very elastic B. Unit elastic
C. Less elastic D. Stable
23. Regulated markets aim at protecting
- A. Village artisans **B. Farmers**
C. Traders D. Business people
24. AGMARK enables to ensure
- A. Quality of product** B. Better price

- C. Exports D. Imports
25. Market information reduces exploitation of
- A. Farmers** B. Traders
- C. Business people D. Exporters
26. Which of the following is not a part of New Industrial Policy 1991?
- A. Increased investment in public sector enterprises**
- B. Abolition of licensing policy
- C. Encouraging foreign direct investment
- D. Amendment of MRTP Act
27. Currently the base year estimating IIP is
- A. 1993-94 B. 2004-05
- C. 2015-16 **D. 2011-12**
28. Which of the following is not an objective of the Competition Act 2002
- A. Prohibition of anti-competitive agreement
- B. Regulation of combinations
- C. Control of monopolies**
- D. Prohibition of abuse of dominant position
29. Competitive advocacy refers to
- A. Control of monopolies
- B. Restricting investments through licensing
- C. Control of unreasonable profits
- D. Promoting a competition culture**
30. Which of the following is not a problem faced by PSUs in India?
- A. Mounting losses
- B. Underutilisation of capacity
- C. Administrative defects

D. Earning high profits

31. The central government department responsible for disinvestment is

A. Department of Investment and Public Asset Management

B. Department of commerce

C. Department of Industrial Policy and Promotion

D. Department of Revenue

32. Only financial institutions can participate in

A. Initial Public Offering

B. Offer for sale

C. Further Public Offering

D. Institutional Placement Programme

33. In 1999 the investment limit of the Small Scale Unit was determined at

A. Rs 25 lakhs

B. Rs 50 lakhs

B. Rs 1 crore

D. Rs 5 crores

34. The MSME Act was passed in

A. 2005

B. 2002

C. 2008

D. 2006

35. According to the MSME Act, micro manufacturing units are classified as those with investment limit of

A. Rs 25 lakhs

B. Rs 50 lakhs

C. Rs 1 crore

D. Rs 75 lakhs

36. A separate ministry for small scale industries was set up in

A. 1991

B. 1999

C. 2007

D. 2005

37. -----is a SIDBI initiative that provides capital to new SME start ups

A. ISARC

B. Credit Guaranty Fund Trust

C. CLCSS

D. SIDBI Venture Capital Ltd

38. Air pollution is not caused by

A. The release of harmful gases

B. Solid and Liquid particulate materials

C. Smoke emission

D. Water flow

39. In 2019-20 the service sectors contribution to the national income was

A. 45%

B. 50%

C. 24%

D. 55.3%

40. Financial inclusion aims at providing financial services to

A. Industrialists

B. Poor people

C. Indian investors abroad

D. Foreign investors in India

41. In the recent years the number of RRBs has

A. Increased

B. Decreased

C. Remained constant

D. Uncertain

42. Virtual banking aims at rendering banking services through

A. Branch expansion

B. Advancing cheap credit

C. Use of IT services

D. Credit to rural poor

43. Insurance Regulatory and Development Authority was established during the year

A. 1999

B. 2000

C. 2001

D. 2005

44. Which of the following is a part of organised Indian money market?

A. Indigenous bankers

B. Loan companies

C. Call Money Market

D. Money lenders

45. Which of the following is not the main player of Indian money market?

A. Government

B. RBI

C. Commercial banks

D. Over the Counter Exchange of India

46. Capital market is a market for

- A. Short term funds
- B. Long term funds
- C. Medium term funds
- D. Medium and long term funds**

47. Which of the following does not constitute the structure of capital market in India?

- A. Gilt-edged market
- B. Industrial securities market
- C. RBI**
- D. Mutual funds

48. The primary market does not include

- A. Equity issues
- B. GDR issues
- C. Screen based trading**
- D. Debt issues

49. Indian money market is regulated by

- A. RBI**
- B. SBI
- C. SEBI
- D. LIC

50. Which of the following money market instrument is issued by commercial banks?

- A. CPs
- B. Commercial bills
- C. CDs**
- D. Treasury bills

All The Best