

### **IMPORTANT QUESTIONS FOR 1<sup>ST</sup> IA AND ASSIGNMENT**

- 1. The word “economics” is derived from the ancient \_\_\_\_\_ word “oikonomia”.**  
1. Latin 2. Greek 3. English 4. Sanskrit
- 2. Who is considered as the father of modern economics?**  
1. Alfred Marshall 2. Samuelson 3. Adam Smith 4. Paul Samuelson
- 3. Which are the key economic terms?**  
1. Capital, revenue, assets 2. Fixed assets, current assets,  
3. Profit, loss 4. Income, expenditure, savings
- 4. Which of the following is the example for Income?**  
1. Payment of wages, salaries 2. Purchase of land  
3. Pocket money received 4. Housing loan repayment
- 5. Which of the following is the example for Expenditure?**  
1. Payment of wages, salaries 2. Interest received  
3. Sale of land 4. Pocket money received
- 6. Which of the following formula is correct?**  
1. Savings = income – expenditure 2. Savings = expenditure – income  
3. Savings = income + expenditure 4. Savings = expenditure \* income
- 7. Which are the followings being the factors of production?**  
1. Land, Labour, Capital, Entrepreneurship 2. Income, expenditure  
3. Profit, loss 4. Savings, investment
- 8. What do you mean by Entrepreneurship?**  
1. Money 2. Labour efforts 3. Natural resource 4. Individual's ideas
- 9. GDP stands for:**  
1. Goods and Domestic price 2. Goods and Service Tax  
3. Gross Domestic Product 4. Gross Department Price
- 10. GDP measuring the \_\_\_\_\_.**  
1. Growth of an economy 2. Annual income  
3. Indian currency 4. Individual progress
- 11. Which is the correct formula for GDP?**  
1.  $GDP = C + G + I - NX$  2.  $GDP = C * G * I * NX$   
3.  $GDP = C + G + I + NX$  4.  $GDP = C + G + I / NX$
- 12. What do you mean by NX in GDP formula?**  
1. Net Export (export-import) 2. Export  
3. Import 4. Net export (import-export)

**13. What is the compound interest (CI) on Rs. 10000 for 2 years at 10% per annum compounded annually?**

1. 2,100 2. 12,100 3. 2,000 4. 12,000

**14. What is the technique used to calculate the Future Value of the Present cash flow?**

1. Compounding 2. Discounting 3. Budgeting 4. Costing

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1. Discounting 2. Compounding 3. Budgeting 4. Costing

**16. CAGR stands for:**

1. Compounded Annual Gain Rate 2. Compounded Annual Growth Rate  
3. Compounded Actual Growth Rate 4. Counting of Actual Growth Rate

**17. TDS stands for:**

1. Tax Deducted at Source 2. Tax Department Service  
3. Total Deduction at Source 4. Tax Deducted at Service

**18. GST stands for:**

1. General Service Tax 2. Goods and Sales Tax  
3. Goods and Services Tax 4. Gain and Sales Tax

**19. Customs duty comes under which type of tax in India?**

1. Direct Tax 2. Indirect tax 3. Provisional tax 4. None of these

**20. Income tax comes under which type of tax in India?**

1. Direct Tax 2. Indirect Tax 3. Provisional Tax 4. None of these

**21. GST comes under which type of tax in India?**

1. Direct Tax 2. Indirect Tax 3. Provisional Tax 4. None of these

**22. ATM stands for\_\_\_\_\_**

1. A teller machine 2. Automated teller machine  
3. All Time Money 4. Any Time Money

**23. In which year was the RBI Act enacted?**

1. 1934 2. 1947 3. 1950 4. 1881

**24. Current Ratio=\_\_\_\_\_**

1. Current assets/current liabilities 2. Current liabilities/current assets  
3. liquid assets/liquid liabilities 4. Liquid assets/current liabilities

**25. Net worth of a person is the difference between the values of assets and the outstanding loan liabilities. True or False?**

1. True 2. False
26. Banks are regulated under \_\_\_\_\_ Act.
  1. 1949 2. 1947 3. 1950 4. 1934
27. UPI stands for \_\_\_\_\_.
28. RTGS stands for \_\_\_\_\_.
29. NEFT stands for \_\_\_\_\_.
30. IMPS stands for \_\_\_\_\_.
31. In Compounding interest formula R stands for \_\_\_\_\_.
32. . Demographic factors refer to age, language, lifestyle.
  1. True 2. False
33. An Overdraft facility up to Rs. \_\_\_\_\_ is availed to eligible accounts holders of PMJDY
34. ITR stands for \_\_\_\_\_.
35. Which of these not considered as Macro environmental factors.
  1. Demographic 2. Technology 3. Political 4. Customers
36. Shareholders' funds include=-----
37. In India, current accounts carry interest earning for balances maintained in these accounts.
  1. True 2. False.
38. Investment horizon, from a financial goal perspective, can be short-term, medium term or long term.
  1. True 2. False
39. Which of the following is the central banking institution in India responsible for monetary policy and currency issuance?
  1. RBI 2. SBI 3. PNB 4. HDFC
40. Which economic concept refers to the total value of all goods and services produced within a country's borders in a given period?
  1. Gross National Product 2. Net exports 3. Gross Domestic Product 4. Consumer Price Index
41. PMJDY stands for \_\_\_\_\_.
42. SIP stands for \_\_\_\_\_.
43. Imperial Bank of India became \_\_\_\_\_.
  1. SBI 2. BOB 3. PNB 4. RBI

**44. Assets are equal to \_\_\_\_\_**

1. Liabilities + shareholders' equity
2. Liabilities + Current Assets
3. Liabilities + debenture
4. none of these

**45. Bank rate is the rate at which banks can borrow money from RBI without any collateral.**

1. True
2. False

**46. Which of these are scheduled commercial bank/s?**

1. Canara Bank
2. Indian Bank
3. Union Bank of India
4. All of these

**47. RBI was established in the year**

1. 1935
2. 1936
3. 1934
4. None of these

**48. You are requiring Rs.20 lakhs after three years as down payment for a house. What will be the future value of this goal assuming a rate of inflation of 6.5% p.a?**

1. Rs. 24.16 lakhs
2. Rs.20 lakhs
3. Rs.89.84 lakhs
4. Rs.16.55 lakhs

**49. When Current ratio is 2:1 an equal increase in current assets and current liabilities would.**

1. Increase the current ratio
2. Decrease the current ratio
3. Not change the current ratio
4. None of these

**50. Liquid Assets include \_\_\_\_\_**

1. Only Cash
2. Cash and debtors
3. Cash and debtors (except bad debts)
4. Cash, debtors (except bad debts) and marketable securities