Economics

1. Who issues the currency notes in India?
   (a) Currency notes are issued by the Finance Commission.
   (b) All the nationalized banks can issue the currency notes.
   (c) **Only Reserve Bank of India can issue currency notes**.
   (d) Any individual or organization can issue currency notes with the permission of the government

2. Double coincidence of wants means _____.
   (a) **What a person desires to sell is exactly what the other person wishes to buy**.
   (b) What a person desires to sell is exactly what the other person also wishes to sell.
   (c) What a person desires to buy is exactly what the other person also wishes to buy.
   (d) None of the above.

3. Banks in India these days hold about _____ of their deposits as cash.
   (a) 25 per cent   b) 20 per cent   **c) 15 per cent**   d) 5 per cent

4. An agreement in which the lender supplies the borrower with money, goods or services in return for the promise of future payment refers to
   (a) Debt   (b) Deposit   **(c) Credit**   (d) Collateral

5. Which body (authority) supervises the functioning of formal sources of loans?
   (a) Finance Ministry   (b) Head Office of each Bank
   (c) **Reserve Bank**   (d) Cooperative Societies

6. Which among the following options will be the cheapest source of credit in rural areas?
   (a) Bank   (b**) Cooperative Society**
   (c) Money-lender   (d) Finance Company

7. Why is currency accepted as a medium of exchange?
   (a) **Because the currency is authorized by the government of the country**.
   (b) Because it is liked by the people who use it.
   (c) Because the use of currency has its origin in ancient times. (d) Because the currency is authorized by the World Bank.

8. Which of the following is an example of collateral?
   (a) Livestock   b) Land
   c) Deposits with banks   d) **All of the above**

9. What does come under the terms of credit?
   (a) Interest rate   b) Documentation requirements
   c) Collateral   d) **all of these**

10. Name the system in which double coincidence of wants is an essential feature
    (a) **Barter System**   b) Money Economy   c) Global Economy   d) None of these

Globalization and The Indian Economy

1. Which of the following organizations does not handle the globalization process?
   A. World Bank   B. IMF   C. WTO   **D. WHO**

2. **Globalization has caused _____.**
   A. Easy movement of goods, capital and services
   B. Increasing the international trade
   C. Companies easily operating in various countries   **D. All of the above**

3. Where was the first plant of Ford Motors set up in India?
   A. Mumbai   B. Kolkata   C. Delhi   **D. Chennai**

4.	When did the Indian Government decide to waive foreign investments and trade restrictions (Liberalization)?
	A. 1990	**B. 1991**	C. 1993	D. 1992

5.	What is the reason why MNCs set up new factories and offices across various nations?
	A. **Production cost is low, and they can earn great profit**
	B. Production cost is high, and they can earn a high profit
	C. MNCs can create a significant presence across
	D. The production cost is low, and MNCs can face a loss

6.	Which of the following option can be a restriction for foreign trade? Or is an Example of trade barrier
	A. Sales Tax	**B. Import Taxes**	C. Local Trade Taxes	D. Quality Control

7.	What is another name referred to the World Bank?
	A. IDA	**B. IBRD**	C. IFC	D. All of the above

8.	Which of the following international organization deals with the trade rules among different nations?
	A. OPEC	**B. WTO**	C. UNESCO	D. UNITED NATION

9.	In which year the World Trade Organization was formed?
	A. 1970	B. 1990	**C. 1995**	D. 2000

10.	After the introduction of Globalization, which Indian company was acquired by an American MNC called Cargill Foods?
	A. Fun Foods Ltd.	**B. Parakh Foods**	C. Amul	D. Agro Tech Foods Ltd.

SECTORS OF INDIAN ECONOMY

1.	Which of the following examples does not fall under unorganized sector?
	(a) A farmer irrigating his field.
	(b) A daily wage laborer working for a contractor.
	(c) A doctor in a hospital treating a patient.
	(d) A handloom weaver working on a loom in her house.

2.	NREGA (National Rural Employment Guarantee Act of 2005) provide employment for
	(a) 200 days	**(b) 100 days**	(c) 30 days	(d) 60 days

3.	Underemployment occurs —
	(a) when people don't have any work.
(b) when people are working slowly.
	(c) **when people are working less than what they are capable of doing.**
	(d) when people are not paid for their jobs.

4.	When we produce a good by exploiting natural resources it is called……...?
	A. Tertiary sector	**B. Primary sector**	C. Service sector	D. Public sector

5.	……………gradually became the most important in total production and employment?
	A. Secondary sector	B. **Tertiary sector**	C. Public sector	D. Primary sector

6.	Not every good (or service) that is produced and sold needs to be counted. It makes sense only to include the ………… to get the total production?
	A. values of goods and services in production	B. **final goods and services**
	C. adding up the actual numbers of goods	D. goods and services in the three sectors

7.	The secondary sector is also called……...?
	A. Organized sector	B. Service sector	**C. Industrial sector**	D. Public sector

8.	Underemployment is hidden in contrast to someone who does not have a job and is clearly visible as unemployed. It is also called ………………

A. Hidden employment   **B. Disguised unemployment.** C. Unstable employment D. Less employment

9.   The value of final goods and service produced in a year is called

A. **GDP (Gross Domestic Product)**   B) GNP (Gross Nation Product)

C) NATIONAL PRODUCT   D)PRODUCT OF NATION

10.   Match the following:

Problems faced by farming sector	Some possible measures
1. Unirrigated land	(a) Setting up agro-based mills
2. Low prices for crops	(b) Cooperative marketing societies
3. Debt burden	(c) Procurement of food grains by government
4. No job in the off season	(d) Construction of canals by the government
5. Compelled to sell their grains to the local traders soon after harvest	(e) Banks to provide credit with low interest

Answer:

Problems faced by farming sector	Some possible measures
1. Unirrigated land	(d) Construction of canals by the government
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4. No job in the off season	(a) Setting up agro-based mills
5. Compelled to sell their grains to the local traders soon after harvest	(b) Cooperative marketing societies

DEVELOPMENT

1.   For development, people look at a mix of _____.
   a) goals   b) responsibilities   c) accountability   d) none of the above
2.   To compare the development of countries, their _____ is considered to be one of the most important attributes.
   a) income   b) population   c) demographics   d) none of the above
3.   For comparison between countries, total income is not such a useful measure. State whether true or false.
   a) true b) false
4.   Since countries have different _____, comparing total income will not tell us what an average person is likely to earn.
   a) economic policies   b) reserves   c) resources   **d) populations**
5.   In World Development Reports, brought out by the_____, per capita income criterion is used in classifying countries.
   a) UNICEF   **b) World Bank**
   c) World Economic Forum.   d) United Nations
6.   Countries with per capita income of US$ 12616 per annum and above in 2012 are called _____.

a) underdeveloped countries   b) developing countries

c) poor countries   **d) rich countries**

7. India comes in the category of _____ countries because its per capita income in 2012 was just US$ 1530 per annum.

    a) low middle income   b) middle income

    c) high middle income   d) none of the above

8. Among the following states, _____ has the highest per capita income as per 2012-13 figures.

    a) Maharashtra   b) Bihar   c) Kerala   d) Jharkhand

9. Infant Mortality Rate (IMR) indicates the number of children that die before the age of _____ as a proportion of 100 live children born in that particular year.

    a) four years   **b) one year**   c) two years   d) three years

10. Literacy rate measures the proportion of the literate population in the _____ age group.

    a) 10 and above   b) 21 and above   **c) 7 and above**   d) 18 and above

11. Net Attendance Ratio is the total number of children of the age group _____ attending school as a percentage of the total number of children in the same age group.

    a) 17 and 18 years   b) 9 and 10 years   c) 12 and 13 years   **d) 14 and 15 years**

12. As per the 2011 census, which among the following states has the highest literacy rate?

    a) Kerala   b) Maharashtra   c) Bihar   d) Odisha

13. As per the 2011 census, which among the following states has the highest infant mortality rate per 1000 live births?

    a) Kerala   **b) Bihar**   c) Maharashtra   d) All of the above

14. From the given table in the chapter, which state has the highest net attendance ratio?

    a) Gujarat   b) Maharashtra   **c) Kerala**   d) Bihar

15. Which of the following statements about money are true?

    a) Money cannot buy you a pollution-free environment.

    b) Money cannot ensure that you get unadulterated medicines.

    c) Money may also not be able to protect you from infectious diseases.

    d) All of the above.

16. If the Body Mass Index (BMI) is _____, then the adult person would be considered undernourished.

    a) less than 18.5   b) less than 10.5   c) less than 25.5   d) less than 28.5

17. If the Body Mass Index (BMI) is _____, then the adult person would be considered overweight.

    a) more than 18   b) more than 30   c) more than 45   **d) more than 25**

18. Human Development Report published by UNDP compares countries based on _____.

    a) health status   b) per capita income

    c) educational levels of the people   **d) all of the above**

19. As per the 2013 report, _____ had the HDI rank of 135 in the world.

    a) Sri Lanka   b) Pakistan   **c) India**   d) Bangladesh

20. Among the following South Asian countries, _____ had the highest life expectancy at birth.

    a) Myanmar   **b) Sri Lanka**   c) Nepal   d) India