



Economics Question Bank-SET 2

Q1. In India, National Income is estimated by

- A. Planning Commission
- B. Central Statistical Organisation
- C. Indian Statistical Institute
- D. National Sample Survey Organisation

ANSWER: B

Q2. Bharat Nirman Scheme of the UPA Government does not include

- A. Rural Water Supply Project
- B. Irrigation Benefit Programme
- C. Rural Electrification
- D. Sarva Shiksha Abhiyan

ANSWER: D

Bharat Nirman (launched by the UPA government in 2005) focused on **infrastructure development in rural areas**, including: Rural housing, Rural roads, Rural water supply, Rural electrification and Irrigation benefits and **Sarva Shiksha Abhiyan**, on the other hand, is an **education initiative** and **not part of Bharat Nirman**.

Q3. Which one of the following Committees recommended the abolition of reservation of items

- A. Abid Hussain Committee
- B. Narsimhan Committee
- C. Nayak Committee
- D. Rakesh Mohan Committee

ANSWER: A

Q4. In the last one decade which one among the following sectors has attracted the highest Foreign Direct Investment in flows into India?

- A. Chemicals other than fertilizers
- B. Services sector
- C. Food processing
- D. Telecommunication

ANSWER: B

Q5. Who formulates the monetary policy in India?

- A. SEBI
- B. RBI
- C. Finance Ministry
- D. Planning Commission

ANSWER: B

Q6. How many navratna companies in India.

- A. 26
- B. 28
- C. 30
- D. 32

ANSWER: A

Q7. Invisible export means export of

- A. Services
- B. Prohibited goods
- C. Unrecorded goods



D. Goods through smuggling

ANSWER: A

Invisible export refers to the export of **services or non-physical goods** rather than tangible goods.

Q8. The slogan of 'Poverty abolition' was given in which Five Year Plan?

- A. Second Plan
- B. Fourth Plan
- C. Fifth Plan
- D. Sixth Plan

ANSWER: C

The **5th Five-Year Plan of India** was implemented from **1974 to 1979**. **Objectives:** Achieve **growth with stability**, **Increase food production** and attain **self-sufficiency** in food grains, Promote **social justice** and reduce inequalities, Develop **agriculture, energy, and industry**, Emphasis on **poverty alleviation**

Q9. Government of India, for the first time nationalized 14 large Commercial Banks in the year

- A. 1956
- B. 1959
- C. 1969
- D. 1971

ANSWER: C

This was done under **Prime Minister Indira Gandhi's** government

Q10. The distribution of finances between Centre and States is done on the recommendation of

A. Finance Minister

B. Finance Commission

C. Reserve Bank of India

D. NABARD

ANSWER: B

Q11. The question of full capital account convertibility of Indian was examined by the Committee known as

- A. Vaghul Committee
- B. Rangrajan Committee
- C. Tarapore Committee
- D. Hashim Committee

ANSWER: C

Q12. The 1st Measure of India's National Income was made by

- A. William Digby
- B. Dadabhai Nauroji
- C. M.G. Ranade
- D. V.K.R.V. Rao

ANSWER: B

Q13. The importance of agriculture in Indian economy is indicated by its contribution to which of the following?

- A. National income and employment
- B. Industrial development and international trade
- C. Supply of food – grains



D. All the above

ANSWER: D

Q14. Special Economic Zone Act was passed on

A. May 2005

B. February 2005

C. May 2006

D. February 2006

ANSWER: A

Q15. IRDA regulates

A. Banking Companies

B. Insurance Companies

C. Retail Trade

D. None of the above

ANSWER: B

Q16. In India planned economy is based on

A. Gandhian System

B. Socialist System

C. Capitalist System

D. Mixed Economy System

ANSWER: D

Q17. Among the services sector, which has the highest share in India's GDP in 2024?

A. Trade, Hotels, Transport and Communication

B. Finance, Insurance, Real estate and Business Services

C. Community, Social, and personal Services

D. Construction of buildings

ANSWER: A

As per recent data, among the sub-sectors of services, "**Financial, Real Estate & Professional Services**" has the largest share in India's GDP (GVA) — around **22.9%**

Q18. In which of the following years, food grain production had a negative growth rate?

A. 2001 – 02

B. 2002 – 03

C. 2004 – 05

D. 2005 – 06

ANSWER: C

Q19. Which one of the following four foreign Banks operating in India, has the largest number of branches in the country in 2025?

A. City Bank

B. BNP Paribas Sen

C. Standard Chartered Bank

D. HSBC

ANSWER: C

Q20. Saving ratio in India at present (2024 – 25) stands at

A. Between 20 to 25 percent of GDP

B. Between 25 to 30 percent of GDP

C. Between 30 to 32 percent of GDP

D. Ab of GDP



ANSWER: C

The approximate "saving ratio" (gross domestic savings as a percentage of GDP) in India around 2024–25 is **about 30.7 %**

Q21. Capital Market means

- A. Share market
- B. Commodity market
- C. Money market
- D. All the above

ANSWER: A

Q22. The concept of "Navratna" is associated with

- A. Selected categories of technical manpower
- B. Selected export – oriented units
- C. Selected food – processing industries
- D. Selected Public Sector Enterprises

ANSWER: D

Q23. The word "Actuaries" is related to

- A. Banking
- B. Insurance
- C. Share – market
- D. None of the above

ANSWER: B

Q24. Which one of the following is not problem of Small Scale Industries (SSIs)?

- A. Air missile
- B. Aircrafts
- C. Space missiles
- D. War missiles

ANSWER: D

Small Scale Industries (SSIs) in India **cannot produce complex and high-technology defense equipment.**

Q25. Which one of the following States had the lowest per capita income at current prices in the year 2024 – 25?

- A. Assam
- B. Bihar
- C. Orissa
- D. Uttar Pradesh

ANSWER: B

Q26. HAL is related to manufacturing of

- A. Telecommunication equipments
- B. Aircrafts
- C. Space missiles
- D. War missiles

ANSWER: B

Q27. According to the Approach Paper of the 11th Five Year Plan, with the achievement of targeted growth rate of population growing at 1.5 per cent per annum, the real income of the average Indian would double in

- A. 5 years



B. 10 years

C. 15 years

D. 20 years

ANSWER: B

Q28. National Rural Employment Guarantee Scheme (NREGS) was launched initially in 200 districts. In the budget for 2024-25, it was proposed to extend to

A. 280 districts

B. 300 districts

C. 740 districts

D. 330 districts

ANSWER: C

Q29. Name the Governor of Reserve Bank of India who also became Finance Minister

A. H.M. Patel

B. C.D. Deshmukh

C. C. Subramaniam

D. Sachin Chaudhari

ANSWER: B

Manmohan Singh

Q30. Market in gilt – edged is related of trade in

A. Metals

B. Debentures

C. Government Securities

D. Arms

ANSWER: C

Q31. Non – performing assets in commercial banks means

A. Bank deposits which are not invested

B. Capital assets not in use

C. Loans in which interest or principal amount is not recovered

D. Low – interest rate loans

ANSWER: C

Q32. Base year for estimation of Gross Domestic product at constant prices in India, at present, is

A. 2011– 2012

B. 2000 – 2001

C. 2002 – 2003

D. 2006 – 2007

ANSWER: A

Q33. Which one of the following parts of Mentha possesses maximum all percentage?

A. Root

B. Stem

C. Leaf

D. Flower

ANSWER: C

In **Mentha (mint plant)**, the **leaves** contain the **maximum essential oil content**, which is the main commercially valuable component.



Q34. Now, packaging has assumed importance because

- A. It provides protection to products
- B. It makes product attractive
- C. It increases credibility of the product
- D. It provides all the above

ANSWER: D

Q35. The Bank rate is the rate at which

- A. A bank lends to the public
- B. The RBI lends to the public
- C. The RBI gives credit to the commercial banks
- D. The Government of India lends to other countries

ANSWER: C

Q36. Balance of Payment Includes

- A. Visible Trade
- B. Invisible Trade
- C. Debts
- D. All the above

ANSWER: D

Balance of Payments (BoP) is a comprehensive record of **all economic transactions between the residents of a country and the rest of the world during a specific period**, usually a year.

Q37. The National Agriculture Innovation project is being implemented by ICAR with credit assistance from World Bank. It has got how many components?

- A. Only one component
- B. Two components
- C. Three components
- D. Four components

ANSWER: D

National Agricultural Innovation Project (NAIP), implemented by Indian Council of Agricultural Research (ICAR) with credit assistance from World Bank, has **four** components.

Q38. SEZ Act was passed by the Parliament in the year

- A. 2004
- B. 2005
- C. 2006
- D. None of the above

ANSWER: B

Q39. Poverty level in India is established on the basis of

- A. Per capita income in different States
- B. House – hold average income
- C. House – hold consumer expenditure
- D. Slum population in the country

ANSWER: C

The **poverty level in India** is established on the basis of **income or consumption expenditure**.

Q40. The largest item of public expenditure in the Union Budget in recent years has been

- A. Defence expenditure
- B. Interest payments
- C. Major subsidies
- D. Capital expenditure

ANSWER: B





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