

Kerala PSC - Village Field Assistant (VFA)

Indian Economy Practice Set: 30 MCQs with Answer Key

- 1. The Reserve Bank of India (RBI) was established in**
 - (A) 1925
 - (B) 1935
 - (C) 1947
 - (D) 1949
- 2. The first Governor of the RBI was**
 - (A) C.D. Deshmukh
 - (B) Osborne Smith
 - (C) Benegal Rama Rau
 - (D) I.G. Patel
- 3. The first Indian Governor of the RBI was**
 - (A) C.D. Deshmukh
 - (B) Osborne Smith
 - (C) Manmohan Singh
 - (D) Raghuram Rajan
- 4. The RBI was nationalised in**
 - (A) 1947
 - (B) 1949
 - (C) 1955
 - (D) 1969
- 5. NITI Aayog replaced the Planning Commission in**
 - (A) 2010
 - (B) 2014
 - (C) 2015
 - (D) 2017
- 6. The Planning Commission of India was set up in**
 - (A) 1947
 - (B) 1950
 - (C) 1951
 - (D) 1956
- 7. The First Five Year Plan (1951-56) was based on the**
 - (A) Harrod-Domar model
 - (B) Mahalanobis model
 - (C) Gandhian model
 - (D) Rolling plan
- 8. The Second Five Year Plan, which stressed heavy industry, followed the model of**
 - (A) Harrod-Domar
 - (B) P.C. Mahalanobis
 - (C) Dadabhai Naoroji
 - (D) J.M. Keynes
- 9. The 'Father of the Green Revolution' in India is**
 - (A) M.S. Swaminathan
 - (B) Verghese Kurien
 - (C) Norman Borlaug
 - (D) C. Subramaniam

- 10. The 'Father of the White Revolution' (Operation Flood) is**
(A) M.S. Swaminathan
(B) Verghese Kurien
(C) Amul founder Tribhuvandas
(D) Jawaharlal Nehru
- 11. The first major nationalisation of 14 commercial banks took place in**
(A) 1949
(B) 1955
(C) 1969
(D) 1980
- 12. The economic reforms of 1991 were introduced under Prime Minister**
(A) Rajiv Gandhi
(B) P.V. Narasimha Rao
(C) Indira Gandhi
(D) V.P. Singh
- 13. The Goods and Services Tax (GST) was introduced in India on 1 July**
(A) 2015
(B) 2016
(C) 2017
(D) 2018
- 14. SEBI, the securities market regulator, is headquartered at**
(A) Delhi
(B) Mumbai
(C) Kolkata
(D) Chennai
- 15. One-rupee notes in India are signed by the**
(A) RBI Governor
(B) Finance Secretary
(C) Prime Minister
(D) President
- 16. The Indian financial year runs from**
(A) 1 January to 31 December
(B) 1 April to 31 March
(C) 1 July to 30 June
(D) 1 October to 30 September
- 17. The Annual Financial Statement (Budget) is mentioned in Article**
(A) 110
(B) 112
(C) 280
(D) 360
- 18. The Finance Commission is appointed under Article**
(A) 112
(B) 148
(C) 280
(D) 324
- 19. The first Finance Commission (1951) was chaired by**
(A) K.C. Neogy
(B) C.D. Deshmukh
(C) A.M. Khusro
(D) Y.V. Reddy

20. The rate at which the RBI lends to commercial banks is called the

- (A) Repo rate
- (B) Reverse repo rate
- (C) Bank deposit rate
- (D) Prime rate

21. Which sector contributes the most to India's GDP?

- (A) Primary sector
- (B) Secondary sector
- (C) Services sector
- (D) Agriculture

22. The 'Drain of Wealth' theory was put forward by

- (A) Dadabhai Naoroji
- (B) Mahatma Gandhi
- (C) Jawaharlal Nehru
- (D) B.R. Ambedkar

23. The Pradhan Mantri Jan Dhan Yojana was launched in

- (A) 2010
- (B) 2012
- (C) 2014
- (D) 2016

24. Demonetisation of Rs 500 and Rs 1000 notes took place in

- (A) 2014
- (B) 2016
- (C) 2017
- (D) 2019

25. NABARD was established in

- (A) 1969
- (B) 1975
- (C) 1982
- (D) 1991

26. The headquarters of the International Monetary Fund (IMF) is in

- (A) Geneva
- (B) New York
- (C) Washington DC
- (D) London

27. The Indian rupee symbol was designed by

- (A) D. Udaya Kumar
- (B) Raghuram Rajan
- (C) Amartya Sen
- (D) Nandan Nilekani

28. The Sensex is the stock market index of the

- (A) NSE
- (B) BSE
- (C) MCX
- (D) SEBI

29. The Cash Reserve Ratio (CRR) is the share of deposits that banks must keep with the

- (A) Finance Ministry
- (B) RBI
- (C) SEBI
- (D) NABARD

30. Who presented the first Union Budget of independent India (1947)?

- (A) R.K. Shanmukham Chetty
- (B) John Mathai
- (C) C.D. Deshmukh
- (D) Morarji Desai

Answer Key

Q	Ans	Q	Ans	Q	Ans
1	(B) 1935	11	(C) 1969	21	(C) Services sector
2	(B) Osborne Smith	12	(B) P.V. Narasimha Rao	22	(A) Dadabhai Naoroji
3	(A) C.D. Deshmukh	13	(C) 2017	23	(C) 2014
4	(B) 1949	14	(B) Mumbai	24	(B) 2016
5	(C) 2015	15	(B) Finance Secretary	25	(C) 1982
6	(B) 1950	16	(B) 1 April to 31 March	26	(C) Washington DC
7	(A) Harrod-Domar model	17	(B) 112	27	(A) D. Udaya Kumar
8	(B) P.C. Mahalanobis	18	(C) 280	28	(B) BSE
9	(A) M.S. Swaminathan	19	(A) K.C. Neogy	29	(B) RBI
10	(B) Verghese Kurien	20	(A) Repo rate	30	(A) R.K. Shanmukham Chetty