"Subscribe" & Press the "Bell Icon"
Q.1) What is the growth rate of India in 2020-21 being projected by the Economic Survey of 2019-20?

[a] 4.5% to 5%
[b] 5% to 5.5%
[c] 5.5% to 6%
[d] 6% to 6.5%
[e] 6.5% to 7%

[d] 6% to 6.5%
Q.2) Which of the below pairs of countries correctly represent ‘the largest export destination of India’ and ‘the largest exporter to India’ respectively for the year 2019-20 (April to November)?

[a] UAE and USA  
[b] Saudi Arabia and China  
[c] USA and China  
[d] USA and Japan  
[e] Saudi Arabia and Japan

[c] USA and China
Q.3) What is the approximate forest and tree cover in India as a percentage of total geographical area of the country?

(a) 15%
(b) 20%
(c) 25%
(d) 30%
(e) 35%

[c] 25%
Q.4) Consider the below statements regarding the agriculture sector of India:
Statement 1: The share of agriculture and allied sectors in the Gross Value Added (GVA) of the country at current prices is 16.5% in 2019-20.
Statement 2: The level of mechanization in Indian agriculture is about 60%.
Statement 3: Agriculture is the largest source of livelihoods in India with about 70 percent of its rural households still depend primarily on agriculture for their livelihood.
Which of the above statements are correct?

[a] 1 and 2
[b] 2 and 3
[c] 1 and 3
[d] Only 1
[e] 1, 2 and 3

[c] 1 and 3
Explanation: Agricultural productivity in India is constrained by lower level of mechanization which is about 40 % in India, much lower than China (59.5 %) and Brazil (75 %).
Q.5) Report of the Task Force on National Infrastructure Pipeline released on 31.12.2019 has projected total infrastructure investment of Rs ______ lakh crore during the period FY 2020 to 2025 in India.

[a] 95  
[b] 100  
[c] 102  
[d] 105  
[e] 120

[c] 102
Q.6) Generally countries shift from agriculture to manufacturing sector and then to services. However, India has bypassed the manufacturing sector and has jumped directly to services sector from agriculture.

Consider the below statements regarding the services sector in India:
Statement 1: Services sector today account for 55% of the total size of the economy.
Statement 2: Services sector account for one-half of total FDI inflows into India.
Statement 3: Business services account for the largest share in total services exports of India.
Which of the above statements are incorrect?
[a] Only 1
[b] Only 2
[c] Only 3
[d] 2 and 3
[e] 1 and 3

[d] 2 and 3
Explanation: Services sector account for two-thirds of total FDI inflows into India.
Software services account for the largest share in total services exports of India.
Q.7) Currently, which of the following demand side components has the highest share in the GDP of India?

[a] Government consumption
[b] Private Consumption
[c] Gross Fixed Capital Formation
[d] Exports
[e] Imports

[b] Private Consumption
Explanation: Private consumption contributes around 60% to India’s GDP.
Q.8) The ‘World Economic Outlook (WEO)’ published by the IMF has projected the world economy to grow by 3.3% in the year 2020. By what percentage is the Indian economy expected to grow in 2020-21 as per WEO?

[a] 5%
[b] 5.4%
[c] 5.8%
[d] 6.2%
[e] 6.5%

[c] 5.8%
Explanation: Both World Bank and IMF (World Economic Outlook) have projected the growth of Indian economy to increase to 5.8 per cent in 2020-21 expecting India to contribute significantly to an eventual pickup in the growth of world output.
Q.9) In recent years, India has resorted to disinvestment of PSUs to fund its expenditures in a big way. The budget estimates (BE) for the year 2019-20 for disinvestment receipts was Rs 1,05,000 crores. But the government has fell short of the target. What is the amount of disinvestment receipts as per the Revised Estimates (RE)?

[a] 50,000 crores  
[b] 65,000 crores  
[c] 75,000 crores  
[d] 80,000 crores  
[e] 90,000 crores

[b] 65,000 crores
Q.10) As per First Advance Estimates, growth in real GDP during 2019-20 is estimated at _______ per cent, as compared to the growth rate of 6.8 per cent in 2018-19.

[a] 4.5 %
[b] 4.8 %
[c] 5 %
[d] 5.3 %
[e] 5.5 %

[c] 5 %
Q.11) Consider the below statements:
Statement 1: An increase in net remittances worsens the BOP position.
Statement 2: As per the October 2019 report of World Bank, India remained the top remittance recipient country in 2018.
Statement 3: An increase in net FPI provides a more stable source of funding the Current Account Deficit.
Which of the above statements are incorrect?

[a] Only 1  
[b] Only 3  
[c] Only 2  
[d] 1 and 3  
[e] 1 and 2

[d] 1 and 3
Explanation:
An increase in net remittances improves the BOP position.
An increase in net FDI provides a more stable source of funding the Current Account Deficit.
FPI is not a stable source of funding CAD.
Q.12) Consider the below statements:
Statement 1: India’s external debt remains low as compared to the average external debt to GDP ratio of all developing countries according to World Bank’s International Debt Statistics, 2020.
Statement 2: An increase in net External Commercial Borrowings (ECBs) worsens the BoP position.
Statement 3: Net remittances from Indians employed overseas has been constantly increasing year after year.
Which of the above statements are correct?
[a] Only 3
[b] 1 and 2
[c] 2 and 3
[d] 1 and 3
[e] 1, 2 and 3

[d] 1 and 3
Explanation: An increase in net External Commercial Borrowings (ECBs) improves the BoP position.
I.13) In India, inflation has been witnessing moderation since 2014. Headline inflation based on CPI-C has been sliding on a downward path since 2014. The average CPI-C headline inflation, which was 5.9 per cent in 2014-15, has fallen continuously to around 3.4 per cent in 2018-19. This has been led by a drastic fall in food inflation. However, recently inflation has shown an uptick. Food inflation has been the major driver of inflation during the current financial year, 2019-20. Some commodities such as onion, tomato and pulses have shown high inflation since August 2019.

Q.13) Headline Consumer Price Index-Combined (CPI-C) inflation increased to ______ per cent in 2019-20 (April to December, 2019) as compared to 3.7 per cent in 2018-19 (April to December, 2018).

[a] 3.9 %  
[b] 4.1 %  
[c] 4.5 %  
[d] 4.8 %  
[e] 5.1 %

[b] 4.1 %
Q.14) Consider the below statements:
Statement 1: India’s score in the composite SDG index, released by NITI Aayog, has declined from 57 in 2018 to 50 in 2019.
Statement 2: India is the second largest Emerging Green Bond Market after China.
Statement 3: India is one of the 17 mega diverse countries in the world.
Which of the above statements are correct?
[a] 1, 2 and 3
[b] 1 and 2
[c] 1 and 3
[d] 2 and 3
[e] Only 3

[d] 2 and 3
Explanation: India’s score in the composite SDG index, released by NITI Aayog, has improved from 57 in 2018 to 60 in 2019.
Q.15) Which of the following constitute the largest share in the total service imports by India?

[a] Travel
[b] Transportation
[c] Software Services
[d] Financial Services
[e] Business Services

[e] Business Services
Q.16) India’s rank in the Human Development Index (HDI) improved to 129 in 2018 from 130 in 2017, out of a total of 189 countries. The value of HDI for India reached to 0.647 in 2018. What was the average annual HDI growth rate of India (in percentage) during 2010-2018?

[a] Between 1.0 and 1.1
[b] Between 1.1 and 1.2
[c] Between 1.2 and 1.3
[d] Between 1.3 and 1.4
[e] Between 1.4 and 1.5

[d] Between 1.3 and 1.4

Explanation: With 1.34 per cent average annual HDI growth, India is among the fastest improving countries, and ahead of China (0.95), South Africa (0.78), Russian Federation (0.69) and Brazil (0.59)
Q.17) Consider the below statements:

Statement 1: Gender disparity in India’s labour market has reduced due to increase in female labour force participation between 2011-12 to 2017-18.

Statement 2: The National Health Policy, 2017 recommended to spend at least two third of Government’s health expenditure on primary healthcare.

Statement 3: A 10-year Rural Sanitation Strategy (2019-2029) has been launched by Ministry of Jal Shakti which focus on sustaining the sanitation behaviour change and increasing access to solid and liquid waste management.

Which of the above statements are incorrect?

[a] Only 1
[b] Only 2
[c] Only 3
[d] 1 and 2
[e] 1 and 3

[a] Only 1

Explanation: Gender disparity in India’s labour market has widened due to decline in female labour force participation between 2011-12 to 2017-18. Female labour force participation declined by 7.8 percentage points from 33.1 per cent in 2011-12 to 25.3 per cent in 2017-18.
Q.18) The economic Survey 2019-20 suggests that the economy should promote ‘pro-business policy’ and wean away from ‘pro-crony policy’. Crony firms leverage their political connections to extract a larger share of existing wealth instead of expanding the available wealth. What is this phenomenon called?
[a] Free rider problem  
[b] Moral hazard  
[c] Rent-seeking behaviour  
[d] Adverse Selection  
[e] Negative externality

[c] Rent-seeking behaviour
Q.19) Consider the following statements regarding wilful default:

Statement 1: Wilful default redistributes wealth from the rich to the poor.
Statement 2: If unchecked, it can increase the cost of borrowing for everyone else.
Statement 3: It can lead to the ‘free-rider’ problem as it may force genuine borrowers to exit the market.

Which of the above statements are correct?

[a] Only 1  
[b] Only 2  
[c] 1 and 2  
[d] 1 and 3  
[e] 2 and 3

[b] Only 2

Explanation: Wilful default redistributes wealth from the poor to the rich. It can lead to the problem of ‘adverse selection’ as it may force genuine borrowers to exit the market.
Q.20) Consider the below statements regarding ‘Pro-business’ policy:
Statement 1: Some incumbent firms may receive preferential treatment
Statement 2: Resource allocation in the economy is efficient
Statement 3: Citizens' welfare is maximized
Which of the above is not a feature of ‘Pro-business’ policy?
[a] Only 1
[b] Only 2
[c] Only 3
[d] 1 and 2
[e] 1 and 3

[a] Only 1
Explanation: In a ‘pro-business policy’, firms compete on a level playing field.
However, in a ‘pro-crony policy’, some incumbent firms may receive preferential treatment.
Q.21) The Economic Survey 2019-20 talks about reducing needless government interventions in the market. The Indian economy is replete with examples where Government intervenes even if there is no risk of market failure. While there is a case for Government intervention when markets do not function properly, excessive intervention, especially when markets can do the job of enhancing citizens’ welfare perfectly well, stifles economic freedom.

Which of the given below options is not what the markets can do?
[a] Use resources efficiently
[b] Encourage innovation
[c] Increase consumer choice
[d] Provide public goods
[e] Create wealth

[d] Provide public goods
Q.22) What was the major reason behind the recent liquidity crunch being faced by the NBFC sector?
[a] over-dependence on long-term wholesale funding
[b] Over-dependence on short-term wholesale funding
[c] over-dependence on long-term retail funding
[d] over-dependence on short-term retail funding
[e] Both b and c

[b] Over-dependence on short-term wholesale funding
Q.23) Consider the below statements:
Statement 1: India became the fifth largest economy in the world in 2019.
Statement 2: India aspires to become a $10 trillion economy by 2024.
Statement 3: India aspires to become the third largest economy by 2025.

Which of the above statements are correct?
[a] Only 1
[b] Only 3
[c] 1 and 2
[d] 2 and 3
[e] 1 and 3

[e] 1 and 3
Explanation: India aspires to become a $5 trillion economy by 2024.
Q.24) As per the World Bank’s data on Entrepreneurship and Economic Survey 2019-20, India ranks _____ in the number of new firms created.

[a] 1\textsuperscript{st}
[b] 2\textsuperscript{nd}
[c] 3\textsuperscript{rd}
[d] 4\textsuperscript{th}
[e] 5\textsuperscript{th}

[c] 3\textsuperscript{rd}
Q.25) As per the economic survey 2019-20, entrepreneurship at the bottom of the administrative pyramid – a district – has a significant impact on wealth creation at the grassroots level.

A 10% increase in registration of new firms in a district yields how much percentage increase in Gross Domestic District Product (GDDP)?

[a] 0.8%
[b] 1.8%
[c] 2.8%
[d] 3.8%
[e] 4.8%
[f] 5.8%
Q.26) As per the Economic Survey 2019-20, expenditure on social services (health, education and others) by Centre and States as a proportion of GDP has increased from 6.2 % in 2014-15 to _____ % in 2019-20 (BE).

[a] 7.2
[b] 7.5
[c] 7.7
[d] 8.2
[e] 8.5

[c] 7.7
Q.27) The share of regular wage/salaried employees has increased from 18 % in 2011-12 to ________ in 2017-18 as per the Economic Survey 2019-20?

[a] 20 %
[b] 23 %
[c] 25 %
[d] 27 %
[e] 30 %

[b] 23 %
Q.28) The Economic Survey 2019-20 advocates India focussing on export of ‘network products’. China’s remarkable export performance vis-à-vis India is driven primarily by deliberate specialization at large scale in labour-intensive activities, especially “network products”, where production occurs across Global Value Chains (GVCs) operated by multi-national corporations. By integrating “Assemble in India for the world” into Make in India, India can raise its export market share to about _____ per cent by 2025 and 6 per cent by 2030.
[a] 2.5
[b] 3
[c] 3.5%
[d] 4
[e] 4.5
[c] 3.5%
Q.29) As per the Economic Survey 2019-20, what percentage of working age females were outside labour market attending to domestic duties only in the productive age group of 15-59 years?

[a] 30 %
[b] 40 %
[c] 50 %
[d] 60 %
[e] 70 %
Q.30) As per recent NSO survey on Drinking Water, Sanitation, Hygiene and Housing Condition in India 2018, about 76.7 per cent of the households in the rural and about ______ per cent in the urban areas had the house of pucca structure.

[a] 90
[b] 92
[c] 94
[d] 96
[e] 98

[d] 96
Q.31) Economic Survey 2019-20 has discussed financial fragility of the NBFC sector. Consider the below list:

- Asset Liability Management (ALM) Risk
- Interconnectedness Risk
- Financial and Operating Resilience of an NBFC
- Over-dependence on short-term wholesale funding

Which of the above-mentioned points are the key drivers of Rollover Risk in the NBFC sector?

[a] 1, 2 and 3
[b] 2, 3 and 4
[c] 1, 2 and 4
[d] 1 and 4
[e] 1, 2, 3 and 4

[e] 1, 2, 3 and 4
Q.32) What is the market share of Public sector Banks (PSBs) in the Indian banking sector as mentioned in the Economic Survey of 2019-20?

[a] 60 %
[b] 65 %
[c] 70 %
[d] 75 %
[e] 80 %

[c] 70 %
Q.33) India has only one bank ranked in the Global top 100 banks. Which is this bank?
[a] HDFC bank  
[b] ICICI bank  
[c] Punjab National Bank  
[d] State Bank of India  
[e] Yes Bank

[d] State Bank of India
Q.34) Gross Non-Performing Advances ratio has remain unchanged for the Scheduled Commercial Banks between March and September 2019 as mentioned in the Economic Survey. What is this percentage of Gross NPAs?

[a] 9 %  
[b] 9.3 %  
[c] 9.5 %  
[d] 9.8 %  
[e] 10.2 %
Q.35) Capital to Risk-weighted Asset ratio of Scheduled Commercial Banks increased from 14.3 per cent to ______ per cent between March 2019 and September 2019, largely due to improvement in CRAR of PSBs.

[a] 14.8 %
[b] 15.1 %
[c] 15.7 %
[d] 16.1 %
[e] 17.1 %

[b] 15.1 %
Q.36) Despite a decrease in policy rates, the credit growth in the economy has been declining since the beginning of this year. Bank Credit growth (YoY) moderated from 12.9 per cent in April 2019 to _____ per cent as on December 20, 2019.

[a] 6.1 %  
[b] 7.1 %  
[c] 8.1 %  
[d] 9.1 %  
[e] 10.1 %

[b] 7.1 %
I.37) Cobweb theory is the idea that price fluctuations can lead to fluctuations in supply which cause a cycle of rising and falling prices. The cobweb cycle is characteristic of industries in which a large amount of time passes between the decision to produce something and its arrival on the market. It occurs most commonly in agriculture, because the decision of what to produce in the coming year is often based on the results of the previous year.

Q.37) The term ‘Cob-web phenomenon’ is used by the Economic Survey of 2019-20 for which of the following crops?
[a] Onion
[b] Wheat
[c] Rice
[d] Pulses
[e] Potato

[d] Pulses
Q.38) What has been the Compounded annual growth rate (CAGR) of the livestock sector of India during the last five years?
[a] 5.9 %
[b] 6.9 %
[c] 7.9 %
[d] 8.9 %
[e] 9.9 %

[c] 7.9 %
Q.39) There is a skewed pattern of regional distribution of agricultural credit in India as credit is not distributed equally. Specifically, the disbursement of credit is very low in the ‘Hilly, Eastern and North-Eastern' states of India. It is less than

[a] 1 % of total agricultural credit disbursement
[b] 2 % of total agricultural credit disbursement
[c] 3 % of total agricultural credit disbursement
[d] 4 % of total agricultural credit disbursement
[e] 5 % of total agricultural credit disbursement

[a] 1 % of total agricultural credit disbursement
Q.40) The word ‘Thalinomics’ has been introduced in the Economic Survey 2019-20 to talk about how food is getting cheaper for people across the country. Earlier, the word ‘Dosanomics’ was coined by our former RBI governor Dr Raghuram Rajan. As per the Survey, affordability of vegetarian Thalis has improved over the time period from 2006-07 to 2019-20 by ________ per cent and that for non-vegetarian Thalis by 18 per cent.

[a] 9 %
[b] 15 %
[c] 24 %
[d] 29 %
[e] 39 %

[d] 29 %
Q.41) The Economic survey 2019-20 advocates that India must focus on a group of industries, referred to as __________, where production processes are globally fragmented and controlled by leading Multi-National Enterprises (MNEs) within their “producer driven” global production networks.

[a] Technology Products
[b] Network products
[c] Knowledge products
[d] Information Technology Products
[e] Innovative products

[e] Kerala
Q.42) The Economic Survey 2019-20 has analysed impact of India’s trade agreements on overall trade balance between 1993 and 2018. As per the Survey, India has gained from trade agreements. There has been a _______ per cent increase per year in trade surplus with partner countries for manufactured products and 2.3 per cent per year for total merchandise.

[a] 0.7
[b] 1.7
[c] 2.7
[d] 3.7
[e] 4.7

[a] 0.7
Q.43) Ease of doing business is key to entrepreneurship, innovation and wealth creation. Despite a jump of 79 positions to 63 in 2019 from 142 in 2014 in World Bank’s Doing Business rankings, India still trails in certain parameters. Which of the below is not the parameter in which India lags?

[a] Ease of stating business
[b] Registering Property
[c] Paying taxes
[d] Enforcing contracts
[e] Dealing with construction permits

[e] Dealing with construction permits
Q.44) The economic Survey 2019-20 discusses the low efficiency of Public Sector Banks in India and suggests measures for improvement. Estimate of return on equity in 2019 highlights that every rupee of taxpayer money invested in PSBs as equity by the Government loses 23 paise. In contrast, every rupee of investor money invested in “New Private Banks” (NPBs) on average gained 9.6 paise. What is the meaning of “New Private Banks” here?
[a] Payment banks
[b] Small finance banks
[c] Banks licensed after India’s 1991 liberalization
[d] Regional Rural Banks
[e] None of these

[c] Banks licensed after India’s 1991 liberalization
"Subscribe" & Press the "Bell Icon"