

## Competitive Exams Practice questions for Economics Part 9

With reference to Global Initiative for Academic Networks (GIAN), consider the following sentences:

1. It is aimed to address the issue of teacher shortage in centrally recognized Indian institutions.
2. This program will exclusively focus on science technology and engineering studies
3. Both international and national teachers will be part of this initiative

Which of the statements mentioned above is/are correct?

- (a) 1 only
- (b) 1 and 2 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

Answer: A

The Regional Comprehensive Economic Partnership recently in the news, is related to the affairs of:

- (a) ASEAN
- (b) BRICS
- (c) OECD
- (d) SAARC

Answer: A

Consider the following pairs:

New Year Festival State

1. Uganda: Andhra Pradesh
2. Losar Arunanchal Pradesh
3. Gaudi Padma: Maharashtra
4. Vishnu: Manipur

Which of the pairs given above is/are correctly matched?

- (a) 1, 2 and 3 only

Visit examrace.com for free study material, doorsteptutor.com for questions with detailed explanations, and "Examrace" YouTube channel for free videos lectures

- (b) 1 and 3 only
- (c) 2, 3 and 4 only
- (d) 2 and 4 only

Answer: B

Which of the following best describes Tax Expenditure?

- (a) It the expenditure incurred by the government during collection of tax
- (b) It is the revenue forgone by the government on account of exemptions on income and corporate tax
- (c) It is the revenue forgone on account of exemptions on indirect taxes
- (d) It is the expenditure made by the government from the income accrued through taxes

Answer: B

Consider the following statements:

1. Decreasing the reverse-repo rate can be a suggestive monetary policy to combat inflation
2. Purchasing power of money decreases if there is inflation in the market
3. Inflation favors the debtors

Select the correct answer using the code given below

- (a) 1 only
- (b) 1 and 2 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

Answer: C

Which of the following would have inflationary effect on the economy?

1. RBI releasing new bonds in the market
2. RBI decreasing the SLR
3. RBI increasing the Bank Rate
4. Abolition of CRR

Select the correct answer using the code given below

- (a) 1, 2 and 3 only

Visit examrace.com for free study material, doorsteptutor.com for questions with detailed explanations, and "Examrace" YouTube channel for free videos lectures

- (b) 1 and 4 only
- (c) 2 and 4 only
- (d) 3 and 4 only

Answer: C

The Macro –Vulnerability Index (MVI) is used for calculating the Macro –Economic Performance of the Country which of the following factors are used to determine MVI?

1. Current Account Deficit
2. Fiscal Deficit
3. Primary Deficit
- Rate of Inflation
5. Exchange Rate

Select the correct answer from the code given below

- (a) 2, 4 and 5 only
- (b) 3, 4 and 5 only
- (c) 1, 2 and 4 only
- (d) 1, 2, 4 and 5 only

Answer: C

Sterilization by RBI is a/an:

- (a) Open market operation
- (b) Bank rate policy
- (c) Deficit financing operation
- (d) Change in SLR

Answer: A

With reference to Marginal Standing Facility (MSF) consider the following statements:

1. It does not affect the value of rupee in international market as it is used for overnight transactions
2. The purpose of marginal standing facility is to reduce volatility in the overnight lending rates in the inter-bank market
3. Marginal standing facility is generally kept lower than repo rate

Visit examrace.com for free study material, doorsteptutor.com for questions with detailed explanations, and "Examrace" YouTube channel for free videos lectures

Which of the statements given above is/are correct

- (a) 1 and 2 only
- (b) 1 and 3 only
- (c) 2 only
- (d) 1, 2 and 3

Answer: C

Which of the following is/are example of capital expenditure by the government?

1. Loan repayment
2. Interest payment on loan
3. Buying F-16 fighter jet

Select the correct answer using the code given below

- (a) 1 only
- (b) 1 and 3 only
- (c) 2 and 3 only
- (d) 1, 2 and 3 only

Answer: B