Fill in the blanks –

1. The relation between average propensity to consume and average propensity to save can be expressed as…………………
2. If the ratio between MPC and MPS is given 5: 3 then the value of multiplier would be………………….
3. Given MPC is 0.9. The value of investment……………….. needed to increase national income by rupees 5000 crore.
4. The value of gross national product will be greater than Gross Domestic Product, when value of…………….. would be positive.
5. The value of plan consumption is known as……………. consumption.
6. The value of consumption in an economy would be…………….. if national income of economy is rupees 16000 crore and the ratio between APC and APS is 5:3.

Answers

1. APC+APC = 1.
2. K = 2.66.
3. I = 500 crore.
4. NFYA.
5. EX-ANTE.
6. C = 10000 CRORE
7. Determination of income and employment
8. fill in the blanks
9. Q.1 The total demand for final goods and services in an economy in a given period is known as\_\_\_\_\_\_\_\_
10. Q.2\_\_\_\_\_\_ shows functional relationship between consumption and income.
11. Q.3 MPC and \_\_\_\_\_ have the value of equal to 1.
12. Q.4 There is a \_\_\_\_\_\_ relationship between MPC and investment multiplier.
13. Q.5 The excess of aggregate demand over aggregate supply at full employment level is called \_\_\_\_\_\_\_
14. Ans. 1 aggregate demand 2. Consumption function 3. MPS 4. Positive 5. Excess demand
15. Fill in the blanks:
16. 1. An annual statement, that shows item wise estimates of receipts and expenditure during of fiscal year is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(answer Germann budget)
17. 2. Firms are taxed on\_\_\_\_\_\_\_ basis.(answer proportional )
18. 3. The\_\_\_\_\_\_\_\_act as an automatic stabiliser as it makes disposable income and thus consumers speding, less sensitive to fluctuations in GDP.(answer proportional income tax)
19. 4. Gross fiscal deficit=\_\_\_\_\_\_\_\_\_\_ + borrowing from RBI +\_\_\_\_\_\_\_\_\_\_\_.
20. (answer:
21. i borrowing at home
22. ii borrowing from abroad)
23. 5. Policies of surplus budget at the time of inflation is a part of \_\_\_\_\_\_\_\_\_\_ objective of government budget. (Answer economic stability)
24. 6. Borrowing is a capital receipt because it\_\_\_\_\_\_\_\_\_\_\_\_\_.(answer creates a liability)

|  |  |
| --- | --- |
| **Fill in the blanks Questions** | **Typology** |
| Q1. The Value of consumption at a particular level of income is called………………………………….. | R |
| Q2. The value of investment multiplier is …………………………..when marginal propensity to save is zero. | R/U |
| Q3. Equality between aggregate demand and aggregate supply automatically implies equality between ……………………..and…………………………………. | A |
| Q4. The central bank checks depression in the economy by……………………………..in the open market. | E/A |
| Q5. The level of income at which consumption is equal to income is termed as…………………………. | R/U |

Answers:

1. **Average propensity to consume.**
2. **Infinity or Maximum**
3. **Saving and Investment**
4. **Purchase of government securities**
5. **Break even level of income/ break even point**

Completion type questions

1. The minimum level of consumption at zero level of income is called\_\_\_\_\_\_\_\_.

(Remembering)

1. If MPC=0.75 then MPS=\_\_\_\_\_\_\_.

(Evaluation and analysis)

1. In case of deficient demand,RBI\_\_\_\_\_\_\_\_ cash reserve ratio(CRR).

(Applying)

1. If MPC=1, then the value of investment multiplier is\_\_\_\_\_\_\_\_\_.

(Evaluation and analysis)

1. At the break even point,\_\_\_\_\_\_\_ is equal to income.

(Understanding)

Answers:

1)autonomous consumption

2)0.25

3)reduces

4)infinite,1

5)consumption

|  |  |
| --- | --- |
|  |  |
| 1. | For equilibrium in balance of payments, sum total of \_\_\_\_\_ account and \_\_\_\_\_\_\_ account should be zero. |
| 2. | When price of foreign currency decreases, it is known as \_\_\_\_\_\_\_\_ of domestic currency. |
| 3 | When India is exporting goods more as compared to imports, we will \_\_\_\_\_\_ more of foreign currency. |
| 4. | If government decides exchange rate of foreign currency, it is called \_\_\_\_\_ exchange rate system. |
| 5. | Balance of \_\_\_\_\_\_ is narrow concept as compared to balance of payment. |
| 6 | Withdrawal from official reserve will be recorded in \_\_\_\_\_\_\_\_ account on \_\_\_\_\_\_side. |
| 7 | \_\_\_\_\_\_\_ is the difference between the money value of exports and imports of goods. |
| 8 | Those transactions which are undertaken to cover the deficit or surplus in balance of payments are called \_\_\_\_\_. |
| 9 | \_\_\_\_\_\_\_ account records are inflows and outflows of foreign exchange. |
| 10 | International trade in services, is called \_\_\_\_\_\_\_ trade. |
| **11** | \_\_\_\_\_\_\_\_\_\_ investment refers to purchase of assets in abroad along with the power to control them. |
| 12 | \_\_\_\_\_\_\_\_\_ account of a country refers to an account which records exports and imports of goods and services and unilateral transfers during a given period of time. |
| 13 | Current account records all payments to rest of the world as \_\_\_\_\_ and all receipts from rest of the world as \_\_\_\_\_\_\_. |
| 14 | Current account balance is equal to \_\_\_\_\_\_ plus invisibles balance. |
| 15 | Two principal components of capital account are borrowing and\_\_\_\_\_\_\_\_\_\_ |
| 16 | Walmart stores in India is an example of\_\_\_\_\_\_\_\_\_\_\_\_ |
| 17 | Bop equilibrium is struck when current account balance +capital account balance +errors and omissions=\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 18 | Unilateral transfers are \_\_\_\_\_\_\_\_\_\_\_ |
| 19 | Official reserves account is shown as a part of the\_\_\_\_account BOP,rather than a separate account. |
| 20 | Foreign institutional investment is also known as \_\_\_\_\_\_\_\_ |
| 21 | International trade in services is called.\_\_\_\_\_\_\_\_\_\_\_\_\_\_trade |
| **22** | Incomes are classified into \_\_\_\_\_\_\_\_\_\_\_\_income and compensation of employees |
| 23 | All types of physical goods exported and imported are called\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 24 | If a country imports more goods than it exports. It has an \_\_\_\_\_\_\_\_\_\_\_\_\_\_in the BOT. |
| 25 | All transactions in the BOP can be grouped into two main accounts\_\_\_\_\_\_\_\_\_\_\_\_and\_\_\_\_\_\_ |
| 26 | Balance of trade is the difference between the money value of\_\_\_\_\_\_\_\_\_\_\_\_\_\_and \_\_\_\_\_\_\_\_\_\_ of goods. |
| 27 | When value of credit items are more than debit items it indicates \_\_\_\_\_\_\_\_\_in current account. |

Fill in the blanks

Q1. The New Economic policy was annouced in India in the year ..................... (Ans 1991)

Q2. Increasing the role of private sector in the economy is called ....................( ans Privatisation)

Q3. Globalisation means opening the Indian Economy to foreign investors and allow indian investors to invest abroad ...................(Ans Globalisation)

Q4. To meet the foreign exchgange crisis, the Indian government ............the Indian rupee in 1991. (Ans devaluaed )

Q5. ........................ is a document, issued by the government , giving permission to engage in a specified activity. (Ans Licence)

Q6. Privatisation of the public sector undertaking by selling of part of equity of PSU,s to public is known as .....................(Ans Disinvestment)

Q7. Always poor are those who are usually poor are group together...................(Ans cronic poor)

Q8. Workers who own and operates an enterprise to earn their livelihood are known as ................

(Ans Self Employed)

Q9. NSSO define .......................... as a situation in which all those who owing to lack of work, are not working but are seeking for work. (Ans Unemployment)

Q10. FII,s were allowed to invest in India under .......................(Ans .financial )sector reform .

Q11. Process of selling of part or complete equity of PSU's is called ........(Ans Privatisation)

Q12. Abolition of Industrial licencing under new industrial policy enabled industries to increase .........( Ans Production)

Q13. As foreign exchange reforms in India, exchange rate is now determined by the free forces of ...............................(Ans demand and supply)

Q14. Reduction in tax rate in India under fiscal reforms was aimed at reducing possibility of tax................(Ans Evasion)

Q15. Corporation tax is a tax impossed on ......................of business enterprises . (Ans profit)

Q16. WTO was founded in the year ..................(Ans 1995)

Q17. At present there are only ................... number of industries for which licencing is compulsory. (Ans Six)

Q18. When payments of a country is more than its recipts from reset of the world , its known as ............... in BOP. (Ans Deficit).

Q19. When a country brings down the value of its currency, in terms of foriegn currency by a government order, it is called ...........................of currency. (Ans Devaluation)

Q20 Borrowing by the government going to the excess of its expenditure over receipts during the year is defined as ...............(Ans Fiscal Deficit )

Q21. Fiscal reforms relate to.............. and............. of government . (Ans revenue, expenditure)

Q22. In India financial sector is regulated and controlled by the..................(Ans RBI)

Q23. Devaluation of the domestic currency makes ........... cheaper. (Ans export)

Q24. Imports become more ............... due to devaluation of currency. (Ans expensive)

Q25. A ..................... company is one which conducts business in more than one country.

(ans Multinational)

Chapter- determination of income and emloyment ( group 8)

Completion type questions

1. The gap by which actual aggregate demand exceeds the aggregate demand required to establish full employment equilibrium is known as………..

(Applying)

1. During excess demand,central bank ………. the margin requirement.

(Evaluation and analysis)

1. ………. refers to actual savings in an economy during a year.

(R/U)

1. If MPC=0, the value of multiplier is……….

(Applying)

1. ………… refers to a situation when AD is equal to AS beyond the full employment equilibrium.

(remembering)

Answers:

1. Inflationary gap

2)increases

3) ex post savings

4) one

5) over full employment equilibrium

***UNIT - DEVELOPMENT EXPERIENCE OF INDIA***

REMEMBERING

Q.1 First five year plan of .................... commenced in the year 1956.**(Pakistan)**

Q.2 First five year plan of .................... commenced in the year 1951.**(India)**

Q.3 The great leap forward programme was initiated by China to develop their .................... sector. **(Industrial)**

Q.4 .............. refers to ratio of literate adult population to the total adult population in a country. **(Adult Literacy rate)**

**Q.5** China resorted to\_\_\_\_\_\_\_\_\_\_\_\_ system of production under which people cultivated lands collectively.**(Commune)**

Q.6 ............... initiated GLF in 1958 aiming to industrialising the economy on a massive scale. **(China)**

Q.7 Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and ........... are members of SAARC. **(Sri Lanka)**

UNDERSTANDING

Q.1 Fixing the price of same commodity in two ways refers to .............. **(Dual Pricing)**

Q.2 To attract ........... China set up Special Economic Zones. **(foreign investors)**

Q.3 GLF started by China encouraged communes to set up ............ production plants. **(backyard)**

Q.4 Under centrally planned economic system entire national product is controlled and distributed by \_\_\_\_\_\_\_\_\_\_\_\_\_\_**(The Govt).**

Q.5 Manufacturing sector of the economy is considered as the driver of \_\_\_\_\_\_\_\_\_ growth.**(China)**

Q.6 India, Pakistan and China were primarily ............. economies. **(Agrarian)**

APPLYING

Q.1 In order to attract foreign investors ................. were set in China & India. **(SEZs)**

Q.2 Economic transformation of different countries is taking place due to process of ................. **(Globalisation)**

Q.3 The maximum contribution to GDP of China is due to ............... sector.   
 **(Manufacturing)**

Q.4 The maximum contribution to GDP of Pakistan is due to ............... sector. **(Service)**

**Q.5** Liberty indicator is a measure of domestic participation in ......... & ............ decision making. **(social, political)**

Q.6 System adopted by china where farmers and industrial units were to buy and sell fixed quantity of raw material and products on the basis of price fixed by the government is known as ............... **(dual pricing)**

ANALYSIS AND EVALUATING

Q.1 To develop agricultural sector, china developed ................ system. **(Commune)**

Q.2 On the basis of occupational structure, India can be termed as ............... country. **(Developing)**

Q.3 One child policy in China has contributed to ........... maternal mortality rate. **(Low)**

**Q.4** Maternal mortality Rate is higher in \_\_\_\_\_\_\_\_,followed by \_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_.**(India China and Pakistan)**

Q.5 Among India ,Pakistan and China, \_\_\_\_\_\_\_\_has the highest urbanization.**(China)**

Q.6 HDI measures knowledge by \_\_\_\_\_\_\_\_\_\_\_\_\_ rate.**(adult-literacy)**

Q.7 ............... sector is the largest contributor in India's GDP and national income. **(Service)**

FILL IN THE BLANKS  
  
1.\_\_\_\_\_\_\_\_\_\_\_\_\_goods are the goods which can increase satisfaction of one person without compromising the satisfaction of others.  
Ans. Public goods.  
          Understanding  
  
2.\_\_\_\_\_\_\_\_\_\_\_\_\_\_is the difference between government total expenditure and its total receipts excluding borrowings.  
Ans.Fiscal deficit.  
         Application  
  
3.\_\_\_\_\_\_\_\_\_\_\_\_\_\_is tax which is imposed on the property and income of persons and paid directly by the consumer to the government.  
      Ans.Direct Tax.  
                Understanding  
  
4.\_\_\_\_\_\_\_\_\_\_\_\_\_\_refers to those which neither creates liability or reduces assets.  
Ans.Revenue Receipts.  
           Remembering  
  
5. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_is the deficit which is sum total of primary deficit and interest payments.  
Ans. Fiscal Deficit.  
           Evaluation and Analysis.

1. An annual statement, that shows item wise estimates of receipts and expenditure during of fiscal year is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(answer Germann budget)

2. Firms are taxed on\_\_\_\_\_\_\_ basis.(answer proportional )

3. The\_\_\_\_\_\_\_\_act as an automatic stabiliser as it makes disposable income and thus consumers speding, less sensitive to fluctuations in GDP.(answer proportional income tax)

4. Gross fiscal deficit=\_\_\_\_\_\_\_\_\_\_ + borrowing from RBI +\_\_\_\_\_\_\_\_\_\_\_.

(answer:

i borrowing at home

ii borrowing from abroad)

5. Policies of surplus budget at the time of inflation is a part of \_\_\_\_\_\_\_\_\_\_ objective of government budget. (Answer economic stability)

6. Borrowing is a capital receipt because it\_\_\_\_\_\_\_\_\_\_\_\_\_.(answer creates a liability)

 FILLS IN THE BLANKS

1.indirect tax aur generally ....... In nature.  
              Regressive/progressive

2. Capital expenditure creates....... For the government.  
           Assets/ liabilities 

3. If primary deficit is rs 3500 and interest payment is 500, than fiscal deficit is......                   4000/2900

4. The difference between fiscal deficit and interest payment is called.....  
                Primary deficit/capital deficit  
5. Capital expenditure is that estimated expenditure of the government by which.........  
        Assets are increased/liabilities is increased

FILL IN THE BLANKS  
  
1. Government budget is an itemized statement of government **receipts** and government **expenditure** in a financial year.  
  
2. Government through **public sector undertakings** try to generate employment opportunities.  
  
3. Income tax in India is **direct** tax as well as **progressive** tax.  
  
4. Revenue deficit is the excess of revenue **expenditure** over revenue **receipts**.  
  
5. **Disinvestment** is a non-debt creating capital receipt.

FILL IN THE BLANKS

Q1)- Component of government budget are.......And..........     ( Revenue budget and capital budget)

Q2)- value addedtax is an ..............Tax.   ( Direct taxes)

Q3)- Borrowing from the public, increase the .............Of the government, thus it is a capital receipt.   ( Liability)

Q4)- Interest on loans received is categorised as a revenue receipt, because this receipt neither creates a liability nor leadsto any reduction in.............    (Assets)

Q5)- Fiscal deficit is equal to the total ............. And other............Of the government.         ( Borrowing, liabilities)

**Fill in the blanks**

**Remembering**

1. Disguised unemployment is also known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Hidden unemployment

2. The maximum size of land an individual could have is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Land ceiling

3. Long term plan is also termed as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Perspective planning/ Objective planning

4. Short term plans is also termed as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Objective of plan

5. Green revolution is also known as \_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Wheat revolution

6. Chairman of planning commission of India \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Prime Minister

7. Large increase in production of food grains resulting from the use of HYV seeds is called \_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Green Revolution

**Understanding**

1. When imports exceed exports in value, it is termed as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Trade deficit

2. Short period objective and plans are for the period of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Five years

3. Directive planning is a system where planning is introduced to direct the forces of \_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Ans.**Demand and supply

4. Comprehensive planning is pursued under \_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_ economy.

**Ans.** Socialistic and mixed

5. HYV seeds is known as \_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Miracle Seeds

6. When a farmer produces just for his self-consumption and not for commercial purpose is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Subsistence farming

7. The system under which a set of targets is defined by the central authority of the government is called \_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Economic Planning

**Analysis**

1. Import substitution policy includes \_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_ barriers.

**Ans.** Tariff and Non – Tariff

2. The portion of agricultural produce which is sold by the farmers in the market after meeting their own requirement is called \_\_\_\_\_\_\_\_\_\_.

**Ans.** Marketable surplus

3. Import substitution has replaced imports with the \_\_\_\_\_\_\_\_\_\_ produced goods.

**Ans.** Domestically

4. Maximum limit on import of commodity is known as\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Quotas

5. \_\_\_\_\_\_\_\_\_\_\_\_\_refers to fixing the maximum limit on the import of a commodity by a domestic producer.

**Ans.**Quotas .

6. Maximum size of land did a person can owned\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** land ceiling

7. Inward looking trade strategy is also known as the policy of \_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Import substitution.

**Application**

1. Import substitution refers to a policy of substitution of imports by \_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Domestic

2. Primary sector is the main source of raw material for \_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Industrial sector

3. MSP stands for\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Minimum support price.

4. Agrarian reforms covers\_\_\_\_\_\_\_\_\_\_\_ and\_\_\_\_\_\_\_\_\_\_\_ reforms in agriculture.

**Ans.** Technical and land.

5. IPR-1956 laid emphasis on the role of \_\_\_\_\_\_\_\_\_\_\_sector.

**Ans.** Public

6. Long period objectives are known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Ans.** Perspective planning

7. When more persons are engaged in farming than what is required to get the maximum output is a situation of \_\_\_\_\_\_\_\_\_\_\_\_

**Ans.** Disguised Unemployment

**Evaluation**

1. \_\_\_\_\_\_\_\_\_\_\_ ensures the availability of food grains at cheap and subsidized rates to the consumers.

**Ans.** Public distribution system

2. A program which focused on enhancing agricultural productivity is \_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Green Revolution

3. Taxes imposed on imported goods are known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Tariffs

4. Small Scale industry is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ intensive.

**Ans.**Labour

5. Trade surplus is a situation when \_\_\_\_\_\_\_\_\_\_\_\_\_ exceeds \_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Exports and imports

6. Schedule A consists of Industries \_\_\_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Exclusive owned by state

7. Availability of imports at lower prices than the market price is known as \_\_\_\_\_\_\_\_\_\_\_.

**Ans.** Subsidy

**FILL THE BLANKS QUESTIONS**

REMBERING

1. The sources of energy which have come in to use ONLY recently is known as \_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. – non-conventional sources.
2. Power generated from water is called \_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. – hydroelectric power.
3. \_\_\_\_\_\_\_\_\_\_\_ is the first person who provides primary health care in rural areas.  
   Ans. - auxiliary nursing midwife(ANM)
4. The full form of CFL is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - compact fluorescent lamps.
5. The value of foregone alternative choice or action is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - Opportunity cost.
6. Resources which get exhausted with extraction and use are known as \_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - non-renewable resources.
7. Concept of poverty line was first discussed by \_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - dada bhainaoroji.
8. Poverty line has been defined at MPCE of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ for rural areas.  
   Ans. - Rs. 816.
9. The widening gap between the growth of GDP & employment is known as \_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - jobless growth
10. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_unemployment refers to a state in which more people are engaged in work than are really needed.  
    Ans. - disguised.

**UNDERSTANDING**

1. A form of training that takes place during the working is called \_\_\_\_\_\_\_\_\_\_\_\_ training.  
   Ans. - on-the-job.
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ energy is generated from radio-active elements.  
   Ans. - atomic.
3. The gradual increase in the average temperature of the earth’s lower atmosphere as a result of the increase in greenhouse gases is called\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - global warming.
4. The first programme aims at creating self employment opportunities in urban areas\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - swarnajayantishahrirozgaryojana.
5. Supply of labour is measured in terms of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - mandays of work.
6. The process of movement from self-employment& regular salaried employment to casual wage works is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - casualization of workforce.

**APPLYING**

1. Education which aims at providing skills for particular occupation is known as \_\_\_\_\_\_\_\_\_ education.  
   Ans. - vocational.
2. The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ scheme aim to replace very bright bulbs with LED.  
   Ans. - Ujala.
3. The ability of the environment to absorb degradation is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - absorptive capacity.
4. When the number of poor is estimated as the proportion of people below the poverty it is known as \_\_\_\_\_\_\_\_\_\_.  
   Ans. - head count ratio.
5. All those workers working in public sector establishment & private sectors establishments which employ 10 hired workers or more are treated as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - formal workers.

EVALUATION & ANALYSIS

1. Human capital flight to another country for better salary is known as \_\_\_\_\_\_\_\_\_\_\_\_.  
   Ans. - brain-drain.
2. \_\_\_\_\_\_\_\_\_\_\_ infrastructure improves human productivity through education, health & housing.  
   Ans. - Social.
3. The use of chlorofluorocarbon compounds as well as other Ozone depleting chemicals was banned after the adoption of \_\_\_\_\_\_\_\_\_ protocol.  
   Ans. - montreal.
4. The educated unemployed from low low income families can get financial help to set up any kind of enterprise that generates employment under \_\_\_\_\_\_\_\_\_\_.  
   Ans. - PMRY

|  |  |  |
| --- | --- | --- |
| SR | Completion Type Questions Of The Chapter CURRENT CHALLENGES FACING INDIAN ECONOMY With Solution By \_\_\_\_\_\_\_\_\_\_\_\_\_ From \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Category of question with reason |
| 1  2  3  4  5 | The ratio of total deposits that a commercial bank has to keep with reserve bank of India is called CASH RESERVE RATIO.  Medium of exchange, function of money has separated the act of SALE and PURCHASE.  CURRENCY and DEMAND DEPOSITS are the components of money supply.  Money created by the commercial banks in the form of demand deposits is called SECONDARY DEPOSITS.  Credit creation by commercial banks is INVERSELY related to legal reserve ratio. |  |

|  |  |  |
| --- | --- | --- |
| SR | Completion Type Questions Of The Chapter CURRENT CHALLENGES FACING INDIAN ECONOMY With Solution By \_\_\_\_\_\_\_\_\_\_\_\_\_ From \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Category of question with reason |
| 1  2  3  4  5  . | Commercial banks create money in the form of DEMAND DEPOSITS.  To decrease money supply in the economy reverse repo rate should be INCREASED  QUANTITATIVE instruments of monetary policy affect the volume of money supply in the economy.  QUALITATIVE instruments of monetary policy affect the direction of money supply in the economy.  Commercial bank contributes towards the MONEY SUPPLY in the economy by way of credit creation |  |

|  |  |  |
| --- | --- | --- |
| SR | Completion Type Questions Of The Chapter CURRENT CHALLENGES FACING INDIAN ECONOMY With Solution By \_\_\_\_\_\_\_\_\_\_\_\_\_ From \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Category of question with reason |
| 1  2  3  4  5 | Central bank controls the supply of money in the economy through its MONETARY instruments.  One rupee note and all coins are issued by the GOVERNMENT.  Central bank can issue currency only under the MINIMUM RESERVE system.  Cash deposits with the commercial banks are PRIMARY DEPOSITS.  Those financial institutions which accept deposits and ADVANCING LOANS are commercial banks. |  |

|  |  |  |
| --- | --- | --- |
| SR | Completion Type Questions Of The Chapter CURRENT CHALLENGES FACING INDIAN ECONOMY With Solution By \_\_\_\_\_\_\_\_\_\_\_\_\_ From \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Category of question with reason |
| 1.  2  3  4  5 | Reverse repo rate increases to decrease the MONEY SUPPLY.  Repo rate relates to SHORT TERM borrowings by the commercial banks.  Reverse repo rate is the rate of interest at which commercial banks can park their SURPLUS FUNDS with the central bank.  Components of Legal reserve ratio are SLR and CRR.  To reduce money supply in the economy, SECURITIES are sold by the central bank. |  |

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| 1.  2.  3.  4.  5. | The difference between the market value of the security offered for the loan and the amount of loan offered by commercial banks is known as MARGIN REQUIREMENT.  The central bank act as BANKER to the government both central and state government.  During EXCESS demand central bank increases the bank rate.  Credit control means EXTENSION and CONTRACTION of money supply.  The ratio of deposits that commercial banks keep with themselves is known as STATUTORY LIQUIDITY RATIO. |  |