

PLANNING, ECONOMIC DEVELOPMENT & FIVE YEAR PLANS BASED INDIAN ECONOMY MCQ PRACTICE QUESTIONS AND ANSWERS PDF WITH EXPLANATION

For All Competitive SSC, Bank, IBPS, UPSC, Railway, IT & Other Govt. Exams

Created By [Careericons](#) Team

Q1. Planning Commission has been replaced by which of the given institutions?

- a) NITI Aayog
 - b) Investment Commission of India
 - c) Finance Commission of India
 - d) None of these
-

Q2. Which of the following can aid in furthering the Government's objective of inclusive growth?

- promoting self-help group
- promoting micro, small and medium Enterprises
- Implementing the Right to Education Act

Select the **correct** answer using the codes given below :

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

Q3. Consider the following statements regarding Indian planning.

- The Second Five Year plan emphasized the establishment of heavy industries.
- The Third Five Year Plan aimed to achieve self-sufficiency in food grains and increase agricultural production to meet the requirements of industry and exports.

Which of the statements given above is/are **correct**?

- a) 2 only
- b) 1 and 2 both
- c) 1 only

d) None

Q4. The Finance Commission is primarily concerned with recommending to the President about

- a) the principle government grants-in-aid to be given to the states
- b) distributing the net proceeds of the taxes between the centre and the states
- c) Both (A) and (B)
- d) Neither (A) nor (B)

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Q5. Human Poverty Index (HPI) measures the deprivation as a composite index of:

- a) knowledge, basic needs and standard of living
- b) longevity, nutrition and knowledge
- c) longevity, knowledge, and standard of living
- d) longevity, standard of living and sanitation

Q6. The slogan of 'poverty abolition' was given in which Five Year Plan?

- a) Fourth plan
- b) Fifth plan
- c) Second plan
- d) Sixth plan

Q7. Consider the following statements :

- The state sets broad parameters and goals for the economy.
- The targets to be achieved are broadly set by the state.

- The plan is made for a specific time period of about 15 years.

Which of the statements given above is/are **correct** about the Indicative planning?

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

Q8. Consider the following statements

- Absolute Poverty: It refers to the total number of people living below the Poverty line. As per this measure, around 30% of India's population is below the poverty line.
- Relative Poverty: It refers to the Poverty of people, in comparison to other people, regions in the nation.

Which among the following statement is/ are **incorrect**?

- a) 1 only
 - b) Neither 1 nor 2
 - c) 2 only
 - d) Both 1 and 2
-

Q9. The Planned Development Model was adopted in India from

- a) 1st May, 1965
 - b) 1st April, 1951
 - c) 26th January, 1950
 - d) 15th August, 1947
-

Q10. Consider the following economic processes taking place in Indian Economy :

- Import of western culture through the mass media and telecommunication system in India.
- Establishment of factory limits of MNCs in India.
- Acquisition of branded foreign companies by Indian business tycoons.

Which of the economic processes given above is/ are encompassed under globalization?

- a) 1 and 3
- b) 2 and 3

c) 1, 2 and 3

d) only 2

Q11. Consider the following statements:

- The state sets broad parameters and goals for the economy.
- The targets to be achieved are broadly set by the state.
- The plan is made for a specific time period of about 15 years.

Which of the statements given above is/are **correct** about the Indicative planning?

a) 1 and 2

b) 1 and 3

c) 1, 2 and 3

d) only 1

Q12. Match the following:

List I	List II
(Year of starting)	(Name of the programme)
I. 1971-72	a. Pilot Intensive Rural Employment
II. 1972-73	b. Crash Scheme for Rural Employment
III. 1973-74	c. Food for work Programme
IV. 1977-78	d. Drought Prove Areas Programme

Codes: I II III IV

a) I-a, II-b, III-c, III-d

b) I-d, II-c, III-b, IV-a

c) I-b, II-a, III-d, IV-c

d) I-a, II-d, III-a, IV-b

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Q13. The core concept of the Eleventh Five Year Plan was

- a) Faster and more inclusive growth
 - b) Human Resource Development
 - c) Human well being
 - d) Growth with social justice and equality
-

Q14. Which one of the following is **correct** about the Twelfth Five Year Plan recently approved by the Indian Government?

- a) 12th Five Year Plan aims to grow GDP at the rate of 10%.
 - b) 12th Five Year Plan aims to sustain the inclusive growth which started in 11th plan.
 - c) 12th Five Year Plan of Indian Economy is from 2011 to 2016.
 - d) Both (b) and (c) are correct about the 12th Five Year Plan.
-

Q15. Who among the following constitute the National Development Councils?

- The Prime Minister of India
- The Leader of Opposition
- Minister of Union Cabinet
- Chief Minister of the States

Select the **correct** answer using the given code below.

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

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Answers to the above questions :

Q1. Answer: (a)

Planning Commission has been replaced by an institution named NITI Aayog. In 2014, the Central Government led by Prime Minister Narendra Modi decided to wind down up the Planning Commission.

It was proposed to replace it with a more dynamic organisation that is more popular and connected to the times.

Q2. Answer: (d)

The Government's objective of inclusive growth can be furthered by promoting self-help groups, promoting micro, small and medium enterprises and implementing the right to education.

This will improve employment opportunities, increase GDP etc.

Q3. Answer: (b)

The Second Five Year Plan heralded in a true sense the Socialist Project of the then Prime Minister, Jawaharlal Nehru.

The economic policies of Nehru were heavily influenced by the erstwhile Union of Soviet Socialist Republics (USSR) which had followed the path of speedy industrialisation to expand the manufacturing base of its economy.

The Second Five Year Plan focused mainly on heavy industry as against the first plan which was essentially an agricultural plan. This was done to boost domestic production and manufacturing of goods.

The third Plan aimed to achieve self-sufficiency in food grains and increase agricultural production to meet the requirements of industry and exports.

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MONEY SUPPLY, BANKING AND FINANCIAL INSTITUTIONS
TAXES TYPES, METHODS & BUDGETING PROCESS
BANKING, SECURITY MARKET & INSURANCE

Q4. Answer: (c)

Q5. Answer: (c)

Q6. Answer: (b)

The slogan of 'poverty abolition' was given by Indira Gandhi in 1971 and it was implemented during the Fifth Five Year Plan 1974–79.

Gandhi promised to reduce poverty by targeting the consumption levels of the poor and enact wide-ranging social and economic reforms.

- 2nd plan - 'Socialist pattern & life'
- 4th plan - 'Garibi Hatao'
- 6th plan - "Rolling plan" taken from Japan coined by Gunnar Myrdal.

Q7. Answer: (c)

Indicative planning is a form of economic planning implemented by a state in an effort to solve the problem of imperfect information in the market and mixed economies in order to increase economic performance.

Regarding indicative planning, the state sets broad parameters and goals for the economy and the targets to be achieved are broadly set by the state.

Q8. Answer: (b)

Absolute Poverty: It refers to the total number of people living below the Poverty line. As per this measure, around 30% of India's population is below the poverty line.

Relative Poverty: It refers to the Poverty of people, in comparison to other people, regions in the nation.

Q9. Answer: (b)

Q10. Answer: (c)

Under Globalisation, all the following are covered – Import of western culture through the mass media and telecommunication system, establishment of factory limits of MNCs and acquisition of branded foreign companies by business tycoons.

Q11. Answer: (a)

Indicative planning is a form of economic planning implemented by a state in an effort to solve the problem of imperfect information in the market and mixed economies in order to increase economic performance.

Regarding indicative planning, the state sets broad parameters and goals for the economy and the targets to be achieved are broadly set by the state.

Q12. Answer: (c)

Q13. Answer: (d)

Q14. Answer: (b)

The Twelfth Five Year Plan approved by the government aims to sustain inclusive growth which started in the 11th plan.

12th Five Year Plan is from 2012 to 2017 and it aims to grow GDP at the rate of 9%.

Q15. Answer: (b)

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