

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

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**Q1.** The Employment Assurance Scheme envisages financial assistance to rural areas for guaranteeing employment to at least

- a) 50 per cent of the men seeking jobs in the rural areas
  - b) 50 per cent of the men and women seeking jobs in rural areas
  - c) one person in a rural landless house hold living below the poverty line
  - d) one man and one women in a rural family living below the poverty line
- 

**Q2.** In India, the concept of minimum needs and directed anti-poverty programmes were the innovation of :

- a) Fifth Five Year Plan
  - b) Sixth Five Year Plan
  - c) Fourth Five Year Plan
  - d) Seventh Five Year Plan
- 

**Q3.** Which of the following five year plans had the objectives of rapid industrialization, increase in the national income, expansion of the opportunities for employment and reduction in the inequalities with respect to income and wealth?

- a) 5 th five year plan
  - b) 4 th five year plan
  - c) 2 nd five year plan
  - d) 7 th five year plan
- 

**Q4.** Which of the following is **not** one of the International Development Targets of the Millennium Development Goals?

- a) Universal primary education by 2015
- b) Reducing the number of persons living in extreme poverty by one half of 2015
- c) Reducing the total population by 1/3rd
- d) Reduction of infant and child mortality by 2/3rd by 2015

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**Q5.** The concept of sustainable development relates to

- a) Intergenerational equity
- b) Exhaustible resources
- c) Consumption levels
- d) Social Equity

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**Q6.** The government introduced an agricultural strategy which gave rise to green revolution in India under the plan

- a) Fourth Five Year Plan
- b) Third Five Year Plan
- c) Sixth Five Year Plan
- d) Fifth Five Year Plan

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**Q7.** Structural Planning refers to:

- a) centralised planning
  - b) laying down broad goals and strategies
  - c) changing existing institutions or creating new ones
  - d) fixing flexible targets
-

**Q8.** The Team-9 initiative is a techno economic cooperation venture between India and eight countries of

- a) East Africa
  - b) North Africa
  - c) West Africa
  - d) Central Africa
- 

**Q9.** First Five Year Plan of India was based on the

- a) Mahalanobis Model
  - b) Dadabhai Naoroji Model
  - c) Harrod Domar Model
  - d) J.L. Nehru Model
- 

**Q10.** 'Bharat Nirman' plan is associated with development of

- a) Information technology
  - b) Rural infrastructure
  - c) Urban infrastructure
  - d) Bridges and roads
- 

**Q11.** Consider the following statements:

- In the 11th five-year plan, the growth rate of the export was always positive.
- In the middle of the 11th five-year plan, the import growth was negative due to external factors.

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

- a) 2 only
  - b) 1 and 2
  - c) 1 only
  - d) None
-

**Q12.** Which plans and features are wrongly matched?

- First Plan - Community development projects
- Second - Heavy industries
- Third - Green Revolution
- Fourth Plan

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

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**Q13.** The Planning Commission was set up in accordance with the directive principles in:

- a) Article 39  
b) Article 38  
c) 5 A  
d) Article 42

**Q14.** Which of the following is true?

- a) Physical planning is more important than financial planning.  
b) Physical and financial planning are equally important.  
c) Financial planning is more important than physical planning.  
d) Physical and financial planning are complementary.

**Q15.** Consider the following statements:

- Bulk of employment in India is in rural areas.
- The disguised unemployment in agricultural sector is perennial.

- Industrialization has rendered several people jobless in India.

Which of the statement(s) given above is/ are **correct**?

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

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### Answers to the above questions :

**Q1. Answer: (d)**

**Q2. Answer: (a)**

In the fifth five year plan, the concept of 'minimum needs' and directed anti-poverty programmes were innovated.

The Minimum needs Programme aimed to establish a network of basic services to raise living standards and in reducing the regional disparities in development.

The basic needs of the people identified for this programme are Elementary Education, Adult Education, Rural Health, Rural Roads, Rural Electrification, Rural Housing. Moreover, it was during the plan, the slogan of 'Garibi hatao' was given to remove poverty.

**Q3. Answer: (c)**

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**Q4. Answer: (c)**

**Q5. Answer: (a)**

Sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Sustainable development is a case of intergenerational equity in respect of the use of natural resources.

**Q6. Answer: (b)**

Under the third five year plan, the government introduced an agricultural strategy which gave rise to the green revolution in India. Under the third plan, the goal was to establish self-reliance and a self-generating economy.

But the earlier plans had shown that agricultural production was the limiting factor so agriculture was given top priority.

**Q7. Answer: (c)**

**Q8. Answer: (c)**

In a bid to expand its economic reach, India launched an initiative in 2004 called TechnoEconomic Approach for Africa–India Movement (TEAM–9), together with eight energy and resource-rich West African countries viz. Burkina Faso, Chad, Cote D'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, Senegal, and India.

The initiative was part of a broader policy to engage the underdeveloped, yet resource-wealthy countries of West Africa, which required both low-cost technology and investment to develop their infrastructure.

In particular, India increasingly wants to play an important role in helping Ivory Coast and other West African countries channel their energy resources more efficiently.

**Q9. Answer: (c)**

The First Five-year Plan was launched in 1951 which mainly focused in development of the primary sector, and was based on the Harrod– Domar model with few modifications.

**Q10. Answer: (b)**

Bharat Nirman plan is associated with the development of rural infrastructure like roads, irrigation, housing, water supply, telecommunication and electrification.

**Q11. Answer: (a)**

Regarding to the 11th five-year plan, in the middle of the plan, the import growth was negative due to external factors and the growth rate of the export was negative during certain period.

**Q12. Answer: (c)**

**Q13. Answer: (a)**

**Q14. Answer: (d)**

Physical planning refers to the allocation of resources in terms of men, materials and machinery. In physical planning, an overall assessment is made of the available real resources such as raw materials, manpower, etc., and how they have to be obtained so that bottlenecks may be eliminated during the plan.

Physical planning requires the fixation of physical targets with regard to agricultural and industrial production, socio-cultural and transportation services, consumption levels and in respect of employment, income and investment levels of the economy.

Physical planning has to be viewed as overall long-term planning rather than short-term piecemeal planning. Financial planning refers to the technique of planning in which resources are allocated in terms of money.

Financial planning is essential in order to remove maladjustments between supplies and demand and for calculating the costs and benefits of the various projects. Thus, Financial planning is thought to secure a balance between demands and supplies, avoid inflation and bring about economic stability.

**Q15. Answer: (a)**

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