

TEST – 18 (Textbook)
(INSTA Prelims Test Series 2021)

9. Consider the following statements about the Index of Industrial Production (IIP).

1. It excludes the mining sector, but includes electricity and manufacturing.
2. It is published on a quarterly basis by the Office of the Economic Adviser, Ministry of Finance.
3. It aims to measure the short-term changes in the volume of production of a basket of industrial products during a given period with respect to that in a chosen base period.

Which of the above is/are correct?

- A. 1 only B. 2 and 3 only C. 1, 2 and 3 D. 3 only

10. Consider the following statements.

1. Willingdon Islands is the largest artificial island in India.
2. Willingdon Islands forms part of the city of Vishakhapatnam.

Which of the above is/are correct?

- A. 1 only B. 2 only C. Both 1 and 2 D. None

11. Consider the following statements about some Indian schools of art.

1. Mathura school carved only male figures.
2. Gandhara School carved sculptures of Gandharvas and rakshashas.
3. Sakas and Kushanas patronized Gandhara school.
4. Both the Mathura and Gandhara school started from the region of Peshawar in Northwestern India.

Which of the above is/are correct?

- A. 1 and 4 only B. 3 only C. 1, 2 and 3 only D. 2 and 4 only

12. If two nations are at a Purchasing power parity (PPP) it means that

1. the GDP of these countries may be the same when measured in a common currency taking relative prices into account
2. they have equal economic growth rates
3. the natural resource base stock is largely the same in both nations

Which of the above is/are correct?

- A. 1 only B. 2 only C. 1 and 3 only D. None of the above

13. Financial Action Task Force (FATF) is an inter - governmental policy making body with the mandate to combat

1. Money laundering and terrorist financing
2. Economic slowdown in advanced economies
3. Failures of banking and financial institutions in advanced countries
4. Transfer Pricing and tax evasion

Which of the above is/are correct?

- A. 1 and 3 only B. 1 only C. 1, 2, 3 and 4 D. 2 and 4 only

14. Fiscal deficit may cause inflation when

1. It increases aggregate demand without adding to the supply
2. It promotes subsidies which boost consumption spending

Which of the above is/are correct?

- A. 1 only B. 2 only C. Both 1 and 2 D. None

15. Which of the following best characterizes the Young Bengal Movement?

1. Spirit of free thought and rationalism
2. Atheism and revolt against some of the existing social and religious structures
3. Discussion on all social, moral and religious subjects

Which of the above is/are correct?

- A. 1 only B. 2 and 3 only C. 1, 2 and 3 D. 1 and 3 only

16. Which of the following is NOT an item of capital receipt of the government?

- A. Receipts from import and export duties
- B. Receipts from PSUs Disinvestment
- C. Market borrowings of the government from the public
- D. Recoveries of loans granted by the central government