

Reserve Bank Of India

Grade 'B' Officers Exam, December 2011

Question Paper (Fully Solved)

GENERAL AWARENESS

1. Some time we see a reference of "Least Developed Country" in the economic journals/papers etc. Which among the following is one of the parameters on the basis of which a country in economic parlance, is labelled "Least Developed" ?

- (1) Frequent changes in monetary/fiscal policies
- (2) No change in the Government in last ten years as general elections did not take place
- (3) Low Per Capita income of a specified level and instability in agricultural/industrial production
- (4) Huge losses due to natural disasters resulting in displacement of people in majority
- (5) Scarcity of trained/skilled manpower in the country

2. Which of the following statements about the Indian Economy in the last decade is not correct ?

- (1) The economy of India is the fourth largest in the world with GDP of about 4 trillion US \$ at Purchasing Power Parity (PPP)
- (2) Agriculture which was a major concern for the growth of the economy is now growing at an average of 7% per annum
- (3) A strong Balance Of Payment (BOP) position in recent years has resulted in a comfortable stock of the foreign exchange reserves
- (4) India has emerged as a global leader in software and business process outsourcing
- (5) Indian economy has shown a remarkable average GDP growth of 6.8% during last ten years

3. Who among the following is very closely associated with the day-to-day functioning of the Reserve Bank of India ?

- (1) Dr. Subir Gokarn
- (2) Mr. U. K. Sinha
- (3) Dr. Kaushik Basu
- (4) Mr. Narendra Jadhav
- (5) None of these

4. Census in India was conducted recently (2011). In the eyes of the economists and policy makers, India's demographics are very much favourable to growth. Which of the following statements is not in conformity with the

traditional demographic characteristics of India and its relation with growth ?

- (1) India is a young country with low dependency ratio
- (2) More and more Indian youth under the age of 30 are getting better health care and access to quality technical education
- (3) The so called Middle class of India is happy as they have better housing and earning facilities
- (4) More employment opportunities and resultant financial freedom have made young women folk to pursue single life and delay marriage
- (5) Indian youth are now biggest consumers of luxurious goods, they spend discretionary income and enjoy the associated status

5. Some policy makers and thinkers are of the opinion that the notorious Satyam Scandal of 2009 has proved a blessing in disguise for India, as it intensified the call in the country for

- (1) Stronger police force
- (2) Faster legal proceedings and effective judiciary
- (3) Greater Accounting Transparency and Corporate Governance
- (4) Better employer-employee relationship and active participation of employees in managerial functions
- (5) All of these

6. Frequent changes in the cost of which of the following commodities at international levels, push inflation upwards ?

- (1) Vegetables
- (2) Foodgrains
- (3) Petroleum Products
- (4) Milk
- (5) All of these

7. Indian Parliament in the year 2005 passed Special Economic Zones Bill which gave birth to hundreds of SEZs in the country. How do these SEZs help in the growth of the Indian Economy ?

- (1) SEZs attract significant foreign direct investment from overseas and MNCs
- (2) SEZs give a far better price for land to the farmers and others who sell their land for the same

(3) Production in SEZs is done for local consumption only and is supposed to tame inflation in the country

(4) Banks in India are allowed to give loans to SEZs liberally as the interest rate on such loans is decided to be 5% higher than the normal interest rates

(5) All of these

8. In economic terms, the total market value of all final goods and services produced in a country in a given year is known as

- (1) GNI
- (2) GDP
- (3) Inflation
- (4) PPP
- (5) Wealth of a nation

9. Which of the following is one of the indicators of Human Development Index (HDI) ?

- (1) Life expectancy at birth
- (2) Total cost of the agricultural land with a family
- (3) Total area of the agricultural land with a family
- (4) Availability of perennial source of water for irrigation
- (5) Nature of employment, casual/permanent or semi-permanent

10. Which of the following is one of the measures of economic growth of a country ?

- (1) Volume of Direct Investment made by Foreign countries
- (2) Number of companies listed on the Stock Exchanges
- (3) Gross Domestic product of the nation
- (4) Number of Foreign nationals working in a country
- (5) All of these

11. What is the contribution of Agricultural sector in total GDP of India ? About

- (1) 10%
- (2) 24%
- (3) 38%
- (4) 40%
- (5) 60%

12. What is the contribution of Service Sector in total GDP of India ?

- (1) 10%
- (2) 14%
- (3) 18%
- (4) 26%
- (5) None of these