



INDIAN SCHOOL AL WADI AL KABIR

DEPARTMENT OF COMMERCE

MCQs: Indian Economy on the Eve of Independence:

1. One of the following statements about the Indian economy is not true. Identify the statement:

- (a) Indian economy was flourishing before the advent of British.
- (b) British developed the railway system in India for their own benefit.
- (c) India had a sound industrial base under the British.
- (d) India's foreign trade throughout the colonial period was marked by a large export surplus.

2. The British introduced the Railways in India in the year _____.

- (a) 1805
- (b) 1855
- (c) 1850
- (d) 1860

3. The second stage of demographic transition began;

- (a) after 1921
- (b) before 1921
- (c) from 1921
- (d) none of the above

4. The public sector during the British rule, remained confined to the following areas of operation:

- (a) railways
- (b) power generation
- (c) both (a) and (b)
- (d) none of the above

5. The stagnation in agriculture was caused mainly due to:

- (a) systems of land settlement
- (b) commercialisation of agriculture
- (c) zamindari system
- (d) all of the above

6. Identify the economist who did not provide any estimate about the national and per Capita income during the colonial period:

- (a) Dadabhai Naoroji
- (b) V.K.R.V. Rao
- (c) Horace Secrist
- (d) Findlay Shirras

7. Indian economy on the eve of Independence displayed the following characteristics:

- (a) colonial
- (b) stagnant
- (c) backward
- (d) all of the above

8. Which year was considered as the year of the great divide?

- (a) 1921
- (b) 1947
- (c) 1951
- (d) 1931

9. The export surplus during the British rule was used to:

- (a) import invisible items
- (b) make payments for expenses incurred by an office setup by the colonial government in Britain.
- (c) meet the expenses on War fought by the British government
- (d) all of the above

10. The first official census was conducted in the year

- (a) 1921
- (b) 1951
- (c) 1881
- (d) 1851

11. Occupational structure refers to:

- (a) the total workforce of a country
- (b) the distribution of working persons across different industries and sectors
- (c) population of a country
- (d) None of the above

12. What was the nature of the Indian economy on the eve of independence?

- (a) Stagnant
- (b) Backward
- (c) Underdeveloped
- (d) All of these

13. In which of the following sectors is manufacturing activity included?

- (a) Primary
- (b) Tertiary
- (c) Secondary
- (d) All of these

14. Which of the following was the major occupation on the eve of independence?

- (a) Industry
- (b) Services
- (c) Agriculture
- (d) None of these

15. What was the life expectancy at birth in India on the eve of Independence?

- (a) 44 years
- (b) 50 years
- (c) 60 years
- (d) All of these

16. Where was the first iron and steel company established?

- (a) Kolkata
- (b) Jamshedpur
- (c) Patna
- (d) Ranchi

17. Read the following statements—Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion: The policies of the colonial government brought a fundamental change in the structure of the Indian economy.

Reason: The economic policies pursued by the colonial government favoured the promotion of their economic interest.

- (a) Assertion and Reason both are correct statements and Reason is correct explanation for Assertion.
- (b) Assertion and Reason both are correct statements but Reason is not correct explanation for Assertion.
- (c) Assertion is true but Reason is false.
- (d) Assertion is false but Reason is true

A: a

18. Read the following statements—Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion: India's foreign trade was restricted only to Great Britain.

Reason: India became an exporter of primary products like jute, Indigo etc.

- (a) Assertion and Reason both are correct statements and Reason is correct explanation for Assertion.
- (b) Assertion and Reason both are correct statements but Reason is not correct explanation for Assertion.
- (c) Assertion is true but Reason is false.
- (d) Assertion is false but Reason is true

A: d

19. Read the following statements—Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion: Development of railways enhanced commercialization of agriculture.

Reason: The British government developed infrastructure in India to serve their own colonial interests.

- (a) Assertion and Reason both are correct statements and Reason is correct explanation for Assertion.
- (b) Assertion and Reason both are correct statements but Reason is not correct explanation for Assertion.
- (c) Assertion is true but Reason is false.
- (d) Assertion is false but Reason is true

A: a

20.. Read the following statements—Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion: GDP and per capita income of the country were very low during the British rule

Reason: Progress in social infrastructure and not economic infrastructure contributed greatly towards it.

- (a) Assertion and Reason both are correct statements and Reason is correct explanation for Assertion.
- (b) Assertion and Reason both are correct statements but Reason is not correct explanation for Assertion.
- (c) Assertion is true but Reason is false.
- (d) Assertion is false but Reason is true

A: c

21. Read the para given below and answer the questions that follow:

The details of the demographic condition regarding the population of British India were primarily obtained through a Census in 1881. Though suffering from several conditions, it unveiled the unevenness in the growth of Indian population. Consequently, in every ten years, such census procedures were conducted. Prior to 1921, India was in the initial step of demographic transition. The second step of transition started after 1921. At the time of independence, neither the total population nor its growth rate was very high. Despite this, the social development indicators were not very promising. The overall literacy level was less than 16% out of which the female literacy level was negligible at about 7%. Life expectancy was quite low at about 44 years as compared to the present 69 years. There was a lack of public health facilities which led to widespread water and air borne diseases.

(i) ---- refers to an average number of years that a person can expect to live.

- (a) infant mortality rate
- (b) life expectancy
- (c) death rate
- (d) birth rate

Ans. (b)

(ii) The purpose of the British rule in India was to:

- (a) develop the Indian economy
- (b) develop the world economy
- (c) promote British interest
- (d) accelerate the process of industrialization in India

Ans. (c)

(iv) The infant mortality rate at the time of Independence was ----- per thousand in contrast to the present infant mortality rate of _____ per thousand

- (a) 218, 60

- (b) 381, 63
(c) 218, 63
(d) 381, 60
Ans. (c) 218, 63

22. ----- infrastructure includes educational, health and housing facilities. (Economic/
Social)

23. During the colonial rule, India was a ----- of finished products from/to Britain. (net
exporter / net importer)

24.
At the time of independence, secondary and _____ sectors were in their infant
stage of growth. (primary/tertiary)

25.
Occupational structure refers to the distribution of _____ across primary,
secondary and tertiary sectors of the economy. (population/working population)
_____ as a production activity, belongs to primary sector of the economy.
(Animal husbandry/Storage)

26. Cotton textile mills were mainly located in:

- a. South
- b. North
- c. Western
- d. Eastern

27. On the eve of Independence, Indian economy was a ----- (feudal economy / semi
feudal economy)

28.

State whether the following statements are True or False:

1. Landholdings on the eve of independence were fragmented.
2. It was owing to the discriminatory tariff policy of the colonial government that handicraft industry in India got destroyed.
3. Per capita income refers to the income per head of the total work force of the country.

29. Industrial sector creates infrastructure which helps in growth of:

- a. Primary
- b. Tertiary
- c. Secondary
- d. All of these

30. According to the Discriminatory Tariff Policy, heavy duty was imposed on:

- a) Import of British goods
- b) Export of Indian handicrafts
- c) Export of Indian raw material
- d) None of the above