

## 50 GK Questions on: INDIAN ECONOMY ON THE EVE OF INDEPENDENCE- Economics GK Part-1

### Multiple-Choice Questions

1. **What was the state of the Indian economy on the eve of independence?**
  - a) Fully industrialized
  - b) Backward and agrarian**
  - c) Highly urbanized
  - d) Technologically advanced
2. **During the British rule, what was the primary occupation of the Indian population?**
  - a) Manufacturing
  - b) Agriculture**
  - c) Trade
  - d) Mining
3. **What percentage of the Indian workforce was engaged in agriculture on the eve of independence?**
  - a) 50%
  - b) 70-75%**
  - c) 85%
  - d) 90%
4. **Which sector experienced a decline due to British policies?**
  - a) Agriculture
  - b) Handicrafts and cottage industries**
  - c) Trade
  - d) Banking
5. **The decline of Indian handicrafts was primarily due to:**
  - a) Lack of raw materials
  - b) Competition from British machine-made goods**
  - c) Lack of skilled labor
  - d) Government support
6. **Which policy of the British led to the de-industrialization of India?**
  - a) Free trade policy
  - b) Discriminatory tariff policy**
  - c) Export promotion
  - d) Industrial subsidies
7. **What was the main export of India during the British period?**
  - a) Machinery
  - b) Raw materials like cotton and jute**
  - c) Finished goods
  - d) Steel
8. **The drain of wealth from India to Britain was estimated by Dadabhai Naoroji to be about:**
  - a) 1% of GDP
  - b) 6-7% of national income**

- c) 10% of GDP
- d) 15% of national income
- 9. **Which infrastructure was developed by the British primarily for their own convenience?**
  - a) Education system
  - b) Railways**
  - c) Irrigation canals
  - d) Public health
- 10. **What was the condition of the Indian railway network on the eve of independence?**
  - a) Well-integrated and modern
  - b) Developed for British economic interests**
  - c) Focused on rural connectivity
  - d) Largely unused
- 11. **The commercialization of agriculture led to:**
  - a) Increased food production
  - b) Dependence on cash crops**
  - c) Self-sufficiency in food
  - d) Industrial growth
- 12. **Which crop was heavily commercialized during British rule?**
  - a) Wheat
  - b) Indigo**
  - c) Rice
  - d) Pulses
- 13. **What was the impact of the partition of Bengal (1905) on the economy?**
  - a) Boosted industrial growth
  - b) Disrupted trade and agriculture**
  - c) Increased employment
  - d) Improved infrastructure
- 14. **The land revenue system that caused widespread peasant indebtedness was:**
  - a) Ryotwari System
  - b) Permanent Settlement**
  - c) Mahalwari System
  - d) Zamindari System
- 15. **What was the literacy rate in India on the eve of independence?**
  - a) 50%
  - b) 16%**
  - c) 70%
  - d) 30%
- 16. **Which sector received the least attention from the British government?**
  - a) Railways
  - b) Public health**
  - c) Irrigation
  - d) Defense
- 17. **The process of de-industrialization in India began around:**
  - a) 1750s
  - b) 1810s-1830s**

- c) 1850s
- d) 1900s
- 18. **Which industry suffered the most due to the decline of handicrafts?**
  - a) Steel industry
  - b) Textile industry**
  - c) Jute industry
  - d) Mining
- 19. **The British exported Indian raw materials to:**
  - a) Asian countries
  - b) Britain and Europe**
  - c) Africa
  - d) Australia
- 20. **What was the main purpose of the British economic policies in India?**
  - a) Development of Indian industries
  - b) Exploitation of Indian resources**
  - c) Promotion of education
  - d) Rural development
- 21. **The economic drain theory was propounded by:**
  - a) R.C. Dutt
  - b) Dadabhai Naoroji**
  - c) Gopal Krishna Gokhale
  - d) B.G. Tilak
- 22. **Which of the following was a feature of the Indian economy on the eve of independence?**
  - a) High urbanization
  - b) Low per capita income**
  - c) Industrial surplus
  - d) Export-led growth
- 23. **The British introduced the railway system in India in:**
  - a) 1830
  - b) 1850**
  - c) 1870
  - d) 1900
- 24. **Which system of land revenue was introduced in parts of Madras and Bombay Presidencies?**
  - a) Permanent Settlement
  - b) Ryotwari System**
  - c) Mahalwari System
  - d) Zamindari System
- 25. **The Permanent Settlement was introduced by the British in:**
  - a) 1793
  - b) 1793**
  - c) 1800
  - d) 1810
- 26. **What was the impact of the Permanent Settlement on peasants?**
  - a) Increased land ownership

- b) **Heavy taxation and poverty**
  - c) Improved irrigation
  - d) Industrial employment
27. **The Mahalwari System was implemented in:**
- a) Bengal
  - b) **North-Western Provinces**
  - c) Madras
  - d) Bombay
28. **Which of the following was a result of British economic policies?**
- a) Growth of small-scale industries
  - b) **Stagnation of the agricultural sector**
  - c) Increase in literacy
  - d) Development of technology
29. **The jute industry in India was concentrated in:**
- a) Maharashtra
  - b) **Bengal**
  - c) Punjab
  - d) Gujarat
30. **The first cotton textile mill in India was established in:**
- a) Bombay
  - b) **Bombay**
  - c) Calcutta
  - d) Madras
31. **What was the condition of the Indian currency system on the eve of independence?**
- a) Fully modernized
  - b) **Based on the British sterling**
  - c) Independent and stable
  - d) Decentralized
32. **The economic exploitation of India by Britain was facilitated by:**
- a) Free education
  - b) **Unfair trade practices**
  - c) Local governance
  - d) Industrial investment
33. **Which of the following was NOT a feature of the Indian economy on the eve of independence?**
- a) Low life expectancy
  - b) **High industrial output**
  - c) Poverty
  - d) Unemployment
34. **The British policy of "Home Charges" referred to:**
- a) Investment in Indian infrastructure
  - b) **Payments made to Britain for administrative costs**
  - c) Subsidies for Indian farmers
  - d) Development funds
35. **The contribution of the industrial sector to national income was about:**
- a) 50%

- b) 7-8%
  - c) 20%
  - d) 30%
36. Which of the following was a positive contribution of British rule?
- a) Industrial revolution
  - b) **Introduction of railways**
  - c) Universal education
  - d) Agricultural modernization
37. The famine of 1943 occurred in which region?
- a) Punjab
  - b) **Bengal**
  - c) Madras
  - d) Bombay
38. What was the primary cause of the Bengal Famine of 1943?
- a) Drought
  - b) **War-time policies and hoarding**
  - c) Floods
  - d) Lack of irrigation
39. The per capita income in India on the eve of independence was:
- a) High and growing
  - b) **Stagnant and low**
  - c) Rapidly increasing
  - d) Equal to Britain's
40. Which of the following was a feature of the occupational structure on the eve of independence?
- a) Diversified economy
  - b) **Overwhelming dependence on agriculture**
  - c) Industrial dominance
  - d) Service sector growth
41. The British exported finished goods to India to:
- a) Promote local industries
  - b) **Destroy Indian handicrafts**
  - c) Encourage trade balance
  - d) Support agriculture
42. The first jute mill in India was established in:
- a) 1850
  - b) **1855**
  - c) 1860
  - d) 1870
43. Which of the following was a negative impact of British economic policies?
- a) Development of ports
  - b) **Rural indebtedness**
  - c) Expansion of railways
  - d) Growth of trade
44. The Indian economy on the eve of independence was characterized by:
- a) High savings rate

- b) **Low level of economic development**
  - c) Industrial surplus
  - d) Export-led growth
45. **The British policy of "Laissez-faire" in India meant:**
- a) Government control over industries
  - b) **Minimal government interference in trade**
  - c) Heavy taxation on exports
  - d) Subsidies for farmers
46. **Which industry saw some growth despite British policies?**
- a) Handicrafts
  - b) **Jute industry**
  - c) Cotton weaving
  - d) Silk production
47. **The economic drain included payments for:**
- a) Indian military expenses
  - b) **British administrative costs**
  - c) Local infrastructure
  - d) Education subsidies
48. **The Zamindari System was abolished after independence due to:**
- a) British support
  - b) **Exploitation of peasants**
  - c) Industrial needs
  - d) Urbanization
49. **The British invested in which sector to extract raw materials?**
- a) Education
  - b) **Mining**
  - c) Health
  - d) Agriculture
50. **The overall impact of British rule on the Indian economy was:**
- a) Progressive and developmental
  - b) **Exploitative and regressive**
  - c) Neutral
  - d) Industrial-focused

### Answer Key

- 1. b) **Backward and agrarian**
- 2. b) **Agriculture**
- 3. b) **70-75%**
- 4. b) **Handicrafts and cottage industries**
- 5. b) **Competition from British machine-made goods**
- 6. b) **Discriminatory tariff policy**
- 7. b) **Raw materials like cotton and jute**
- 8. b) **6-7% of national income**

9. **b) Railways**
10. **b) Developed for British economic interests**
11. **b) Dependence on cash crops**
12. **b) Indigo**
13. **b) Disrupted trade and agriculture**
14. **b) Permanent Settlement**
15. **b) 16%**
16. **b) Public health**
17. **b) 1810s-1830s**
18. **b) Textile industry**
19. **b) Britain and Europe**
20. **b) Exploitation of Indian resources**
21. **b) Dadabhai Naoroji**
22. **b) Low per capita income**
23. **b) 1850**
24. **b) Ryotwari System**
25. **b) 1793**
26. **b) Heavy taxation and poverty**
27. **b) North-Western Provinces**
28. **b) Stagnation of the agricultural sector**
29. **b) Bengal**
30. **b) Bombay**
31. **b) Based on the British sterling**
32. **b) Unfair trade practices**
33. **b) High industrial output**
34. **b) Payments made to Britain for administrative costs**
35. **b) 7-8%**
36. **b) Introduction of railways**
37. **b) Bengal**
38. **b) War-time policies and hoarding**
39. **b) Stagnant and low**
40. **b) Overwhelming dependence on agriculture**
41. **b) Destroy Indian handicrafts**
42. **b) 1855**
43. **b) Rural indebtedness**
44. **b) Low level of economic development**
45. **b) Minimal government interference in trade**
46. **b) Jute industry**
47. **b) British administrative costs**
48. **b) Exploitation of peasants**
49. **b) Mining**
50. **b) Exploitative and regressive**