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CHAPTER 1

Overview of Macro Economic Trends

1. Which of the following is an important indicator used to measure the growth of the state's economy?

- A. National Domestic Product
- B. State Domestic Product
- C. International GDP
- D. Local Employment Rate

Answer: B

2. Gross State Domestic Product (GSDP) is a measure of:

- A. The population growth of a state
- B. The total goods and services produced in a state
- C. The state's employment rates
- D. The tax revenue collected by the state

Answer: B

3. What was Rajasthan's Gross State Domestic Product (GSDP) at current prices for the year 2023-24?

- A. ₹13.58 lakh crore
- B. ₹15.28 lakh crore
- C. ₹12.77 lakh crore
- D. ₹14.28 lakh crore

Answer: B

4. What was the growth rate of Rajasthan's GSDP at current prices in 2023-24?

- A. 13.63%
- B. 9.6%
- C. 12.56%
- D. 11.49%

Answer: C

5. How much did Rajasthan's GSDP contribute to India's GDP in 2023-24?

- A. 3.5%
- B. 5.17%
- C. 4.25%
- D. 6.35%

Answer: B

6. Which sector had the highest contribution to Rajasthan's Gross State Value Added (GSVA) in 2023-24?

- A. Agriculture
- B. Industry
- C. Service
- D. Construction

Answer: C

7. What was the estimated Per Capita Income of Rajasthan at current prices for the year 2023-24?

- A. ₹1,67,964
- B. ₹1,50,653
- C. ₹1,34,060
- D. ₹1,84,205

Answer: A

8. The difference between Gross State Domestic Product (GSDP) and Net State Domestic Product (NSDP) is:

- A. Tax collected
- B. Consumption of Fixed Capital (CFC)
- C. Population change
- D. Export-Import balance

Answer: B

9. What is the growth rate of Rajasthan's Per Capita Income at constant prices for 2023-24?

- A. 12.38%
- B. 6.94%

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- C. 7.81%
- D. 8.03%

Answer: B

10. Which organization is responsible for preparing the Consumer Price Index for Industrial Workers (CPI-IW)?

- A. Directorate of Economics and Statistics
- B. National Statistical Office (NSO)
- C. Labour Bureau, Chandigarh
- D. Reserve Bank of India

Answer: C

11. The Gross State Value Added (GSVA) at current prices for Rajasthan in 2023-24 was estimated at:

- A. ₹13.58 lakh crore
- B. ₹14.28 lakh crore
- C. ₹12.77 lakh crore
- D. ₹15.28 lakh crore

Answer: B

12. What is the projected growth rate of the Industry sector in Rajasthan for 2023-24?

- A. 9.64%
- B. 11.26%
- C. 15.06%
- D. 12.56%

Answer: C

13. Which sector contributed the least to Rajasthan's GSVA in 2023-24?

- A. Agriculture
- B. Industry
- C. Service
- D. Construction

Answer: A

14. At constant (2011-12) prices, the GSDP for Rajasthan in 2023-24 is estimated at:

- A. ₹8.45 lakh crore
- B. ₹7.82 lakh crore
- C. ₹9.64 lakh crore
- D. ₹7.30 lakh crore

Answer: A

15. The growth rate of Rajasthan's GSDP at constant prices in 2023-24 is:

- A. 7.81%
- B. 8.03%
- C. 6.94%
- D. 12.56%

Answer: B

16. What was Rajasthan's share in India's GDP at constant prices for the year 2023-24?

- A. 5.17%
- B. 4.86%
- C. 6.35%
- D. 3.9%

Answer: B

17. As per the estimates, the contribution of the agriculture sector to the GSVA in 2023-24 is:

- A. 43.95%
- B. 29.84%
- C. 26.21%
- D. 38.75%

Answer: C

18. The Consumer Price Index (CPI) is designed to measure:

- A. Changes in wholesale prices
- B. Changes in retail prices for households
- C. Changes in industrial production
- D. Changes in the agricultural sector

Answer: B

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19. The base year for the Consumer Price Index for Industrial Workers (CPI-IW) released from September 2020 is:

- A. 2001
- B. 2011
- C. 2016
- D. 2020

Answer: C

20. The Consumer Price Index for Agricultural Labourers (CPI-AL) uses which base year?

- A. 2011-12
- B. 2012-13
- C. 1986-87
- D. 1999-2000

Answer: C

21. In 2023-24, what is the estimated growth rate of the Services sector at constant (2011-12) prices?

- A. 7.35%
- B. 6.92%
- C. 6.37%
- D. 5.57%

Answer: C

22. What was the Wholesale Price Index (WPI) for Rajasthan in 2023?

- A. 385.83
- B. 387.90
- C. 416.65
- D. 420.67

Answer: B

23. Which sector showed the highest growth in Gross Fixed Capital Formation (GFCF) in Rajasthan for 2022-23?

- A. Agriculture
- B. Construction
- C. Manufacturing (Registered)
- D. Electricity, Gas, and Water Supply

Answer: B

24. The nominal Gross Fixed Capital Formation (GFCF) in 2022-23 accounted for what percentage of Rajasthan's GSDP?

- A. 21.46%
- B. 29.43%
- C. 16.25%
- D. 12.78%

Answer: B

25. What is the purpose of the Wholesale Price Index (WPI)?

- A. To measure changes in industrial output
- B. To monitor price changes at the wholesale level
- C. To evaluate public sector growth
- D. To track population growth

Answer: B

26. In the Consumer Price Index (CPI) for Industrial Workers (CPI-IW), which city in Rajasthan was included in the new series (base year 2016=100)?

- A. Ajmer
- B. Bhilwara
- C. Jaipur
- D. Alwar

Answer: D

27. What is the estimated growth rate of India's GDP at constant (2011-12) prices in 2023-24?

- A. 7.0%
- B. 9.7%
- C. 8.2%
- D. 6.3%

Answer: C

28. As per the provisional estimates, the Per Capita Income of Rajasthan at constant prices for 2023-24 is:

AS' SAARTHI IAS

- A. ₹1,50,653
- B. ₹1,67,964
- C. ₹90,831
- D. ₹84,935

Answer: C

29. Which index is used to determine Dearness Allowance (DA) for employees in the public and private sectors?

- A. Wholesale Price Index (WPI)
- B. Consumer Price Index for Industrial Workers (CPI-IW)
- C. Consumer Price Index for Agricultural Labourers (CPI-AL)
- D. Net State Domestic Product (NSDP)

Answer: B

30. What is the growth rate of Rajasthan's Gross Fixed Capital Formation (GFCF) in 2022-23?

- A. 12.70%
- B. 12.78%
- C. 16.25%
- D. 18.02%

Answer: B

31. Why is Gross State Domestic Product (GSDP) at current prices not a perfect indicator of economic growth?

- A. It does not account for population changes
- B. It only considers agricultural outputs
- C. It reflects both changes in volume and prices of goods and services
- D. It only measures industrial production

Answer: C

Explanation: GSDP at current prices reflects both changes in the volume of goods and services produced and changes in their prices, which makes it insufficient to gauge pure economic growth.

32. What might be a reason for the slower growth rate of Rajasthan's GSDP at

constant prices compared to current prices?

- A. Inflation adjustment in constant prices
- B. Higher industrial production
- C. Population growth
- D. Decrease in service sector growth

Answer: A

Explanation: Constant prices eliminate the effect of inflation, making the growth rate appear slower compared to current prices, which include price increases.

33. If Rajasthan's Service sector contributes 45.07% to the GSVA in 2023-24, what inference can be made about the structure of its economy?

- A. Rajasthan's economy is heavily dependent on agriculture
- B. Industry is the dominant sector
- C. The economy is service-driven
- D. The government sector is the main contributor to the economy

Answer: C

Explanation: The large share of the Service sector in GSVA indicates that Rajasthan's economy is predominantly service-driven.

34. Given that the Agriculture sector's contribution to the GSVA is 26.72% in 2023-24, what could be a possible impact of poor monsoon on Rajasthan's economy?

- A. A decline in industrial growth
- B. A significant decline in GSVA growth
- C. No major impact as agriculture is not the largest sector
- D. Increased output in the service sector

Answer: B

Explanation: Since agriculture still contributes a significant portion to the GSVA, a poor monsoon could adversely affect overall economic growth.

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35. Why might the industry sector's growth rate of 15.06% in 2023-24 lead to long-term economic benefits for Rajasthan?

- A. Industry is less vulnerable to climate conditions
- B. It will reduce the state's dependence on agriculture
- C. It contributes to rapid urbanization and infrastructure development
- D. All of the above

Answer: D

Explanation: Growth in the industry sector often leads to infrastructure development, reduced reliance on agriculture, and economic diversification, which contributes to long-term stability.

36. How can the increase in the Gross Fixed Capital Formation (GFCF) by 12.78% in 2022-23 be interpreted in terms of Rajasthan's economic outlook?

- A. The state is investing heavily in fixed assets, which will lead to future growth
- B. The agriculture sector is expanding rapidly
- C. Public sector investments are declining
- D. It indicates stagnation in private sector investments

Answer: A

Explanation: An increase in GFCF signals higher investment in fixed assets like infrastructure, which is likely to boost future economic productivity.

37. If Rajasthan's share in India's GDP at current prices is 5.17% in 2023-24, what reasoning can be drawn about its contribution to the national economy?

- A. Rajasthan is a minor contributor to the national economy
- B. Rajasthan is a significant player in India's economic landscape
- C. Rajasthan's economy is shrinking in

comparison to other states

D. The state is overly reliant on central funding

Answer: B

Explanation: A 5.17% contribution to India's GDP suggests that Rajasthan is a significant contributor to the national economy, particularly among other states.

38. Given the difference between Rajasthan's nominal GSDP growth (12.56%) and India's GDP growth (9.6%) at current prices in 2023-24, what could be the potential reason for Rajasthan's higher growth rate?

- A. Rapid industrial expansion in Rajasthan
- B. Higher population growth in Rajasthan
- C. Decrease in inflation at the national level
- D. Better agricultural productivity in Rajasthan

Answer: A

Explanation: Rajasthan's higher growth rate could be attributed to rapid industrial expansion or sectoral contributions that are outpacing the national average.

39. What might be the reason for the decrease in the contribution of the Industry sector from 32.69% in 2011-12 to 29.84% in 2023-24?

- A. A slowdown in mining and manufacturing activities
- B. Increased reliance on the service sector
- C. A shift in investment towards agriculture
- D. Government regulations on industrial output

Answer: B

Explanation: The growing dominance of the service sector may explain the relative decrease in the industry's contribution to the GSVA.

40. With an estimated growth rate of 8.03% in real GSDP for Rajasthan in 2023-24, what reasoning can be used to suggest future economic stability?

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- A. The agriculture sector is shrinking
- B. Consistent growth in real GSDP indicates steady economic conditions
- C. The service sector is underperforming
- D. Inflation is increasing, reducing economic stability

Answer: B

Explanation: A consistent growth rate in real GSDP, adjusted for inflation, indicates steady economic conditions and likely future stability.

41. Why might the Consumer Price Index (CPI) be more important for government policy than the Wholesale Price Index (WPI)?

- A. CPI reflects retail price changes that affect consumers directly
- B. WPI only captures agricultural prices
- C. CPI focuses on export-import prices
- D. WPI includes prices of goods not used by consumers

Answer: A

Explanation: CPI is more closely linked to consumers' purchasing power and inflation, making it more relevant for policies affecting the general population.

42. Given the nominal growth rate of Per Capita Income at current prices is 11.49% in 2023-24, how might this affect the standard of living in Rajasthan?

- A. It will likely increase the standard of living
- B. It will reduce employment opportunities
- C. It will lead to a decrease in inflation
- D. The growth rate is too small to impact living standards

Answer: A

Explanation: A significant growth in per capita income generally translates to improved living standards, assuming inflation is controlled.

43. How can Rajasthan's growth rate of the Per Capita Income at constant prices

(6.94% in 2023-24) be interpreted in the context of economic well-being?

- A. It shows real improvement in purchasing power
- B. It indicates stagnation in economic well-being
- C. It suggests a shrinking economy
- D. It reflects an increase in the cost of living

Answer: A

Explanation: Growth in per capita income at constant prices reflects real improvements in purchasing power, adjusting for inflation.

44. The rise in Rajasthan's Wholesale Price Index (WPI) from 385.83 in 2022 to 387.90 in 2023 suggests:

- A. Rising inflation in the economy
- B. A decrease in the cost of raw materials
- C. Stability in price levels
- D. A decline in agricultural production

Answer: A

Explanation: The rise in WPI indicates increasing wholesale prices, which could be a sign of inflationary pressure in the economy.

45. What could be a possible reason for the Service sector's substantial contribution to Rajasthan's GSVA, reaching 45.07% in 2023-24?

- A. High growth in real estate and financial services
- B. Low growth in the agriculture and industry sectors
- C. Significant investment in public administration and transportation
- D. All of the above

Answer: D

Explanation: The Service sector, including real estate, financial services, and public administration, has seen significant growth, leading to its large contribution to GSVA.

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6. The contribution of Private sector and Public sector to Gross Fixed Capital Formation (GFCF) in 2022-23 was 78.54% and 21.46% respectively. What does this indicate about Rajasthan's investment pattern?

- A. The economy is driven primarily by government spending
- B. The private sector plays a dominant role in capital investment
- C. The public sector is shrinking
- D. The state is overly reliant on foreign investment

Answer: B

Explanation: The large share of private sector investment in GFCF suggests that private enterprises play a key role in driving capital formation in Rajasthan.

47. What reasoning could explain the relatively low growth rate in the agriculture sector's GSVA contribution (2.13%) in 2023-24?

- A. The agricultural sector is facing productivity challenges
- B. The industrial sector is outperforming agriculture
- C. Service sector activities are absorbing more resources
- D. All of the above

Answer: A

Explanation: A low growth rate in agriculture might indicate underlying productivity challenges or resource constraints in the sector.

48. What can be inferred from the fact that the Per Capita Income of Rajasthan at constant prices for 2023-24 is ₹90,831 while at current prices, it is ₹1,67,964?

- A. Inflation has significantly impacted the real value of income
- B. The population growth has outpaced income growth
- C. The difference between constant and current

prices is minimal

D. There has been no real growth in Per Capita Income

Answer: A

Explanation: The large difference between per capita income at constant and current prices suggests that inflation has eroded some of the income's real purchasing power.

49. Why is the calculation of GSDP at constant prices crucial for measuring the economic health of a state?

- A. It eliminates the effects of inflation, providing a clearer picture of real growth
- B. It includes price changes, reflecting current economic conditions
- C. It accounts for population growth
- D. It focuses solely on industrial output

Answer: A

Explanation: GSDP at constant prices removes the effects of inflation, allowing for an accurate assessment of real economic growth.

50. What might be a consequence of the decreasing contribution of the Industry sector to GSVA from 32.69% in 2011-12 to 29.84% in 2023-24?

- A. Decline in industrial output and employment
- B. Increased reliance on agricultural production
- C. Shifting of resources towards the Service sector
- D. Growth in foreign direct investment in agriculture

Answer: C

Explanation: The decreasing contribution of the Industry sector suggests a shift in focus or resources towards the growing Service sector, which may also contribute to economic diversification.

51. What reasoning can be given for the relatively modest growth in Rajasthan's

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Wholesale Price Index (WPI) from 385.83 in 2022 to 387.90 in 2023?

- A. Stable commodity prices
- B. Rapid inflation in food prices
- C. Significant fluctuations in fuel and power costs
- D. A decrease in industrial productivity

Answer: A

Explanation: The modest increase in the WPI suggests relatively stable commodity prices with only minor inflationary pressure in the wholesale market.

52. How might the growing importance of the Service sector, contributing 45.07% to GSVA in 2023-24, affect job creation in Rajasthan?

- A. Increased job opportunities in sectors like trade, hotels, and real estate
- B. Reduced employment in the agricultural sector
- C. Decrease in low-skilled job opportunities
- D. Greater reliance on government employment schemes

Answer: A

Explanation: The expansion of the Service sector is likely to create job opportunities in industries such as trade, hospitality, and real estate, which are labor-intensive.

53. What can be deduced from the Consumer Price Index for Industrial Workers (CPI-IW) rising by 1.03% in Alwar and 3.86% in Bhilwara in 2023?

- A. Alwar experienced less inflation than Bhilwara
- B. Bhilwara's economy is underperforming
- C. Alwar's cost of living increased more than Bhilwara's
- D. Both regions saw deflation in 2023

Answer: A

Explanation: The data shows that inflation, as measured by CPI-IW, was higher in Bhilwara than in Alwar, suggesting a relatively faster rise in prices in Bhilwara.

54. Considering that the Per Capita Income at constant prices grew by 6.94% in 2023-24, what could this suggest about the standard of living in Rajasthan?

- A. Real incomes have increased, leading to a potential rise in living standards
- B. The standard of living is declining due to inflation
- C. There has been no change in living standards
- D. The cost of living has significantly outpaced income growth

Answer: A

Explanation: An increase in Per Capita Income at constant prices implies that real income has grown, likely improving the standard of living, assuming other factors remain stable.

55. What might be the impact of a 12.43% growth in the Industry sector's GSVA in 2023-24 on Rajasthan's overall economic structure?

- A. Increased industrialization and diversification of the economy
- B. Reduced dependence on the Service sector
- C. Decline in agricultural output
- D. Stagnation of industrial development

Answer: A

Explanation: A high growth rate in the Industry sector indicates increased industrial activity, which could lead to greater economic diversification and a more balanced economy.

56. Why is the Consumer Price Index (CPI) considered more critical for understanding household welfare compared to the Wholesale Price Index (WPI)?

- A. CPI reflects the direct impact of price changes on consumers' cost of living

AS' SAARTHI IAS

- B. WPI only captures wholesale level price changes, which do not affect consumers
- C. CPI includes both retail and wholesale prices
- D. WPI measures agricultural output exclusively

Answer: A

Explanation: CPI measures changes in retail prices that directly affect consumers' purchasing power and cost of living, making it more relevant for assessing household welfare.

57. How does the rise in Gross Fixed Capital Formation (GFCF) by 12.78% in 2022-23 reflect Rajasthan's future economic prospects?

- A. Increased investment in infrastructure and long-term assets
- B. Higher consumer spending leading to economic growth
- C. Reduction in industrial capacity
- D. Decrease in foreign investment

Answer: A

Explanation: A rise in GFCF reflects higher investments in fixed assets like infrastructure, indicating stronger long-term economic growth prospects.

58. If the Service sector's contribution to GSVA grows further in the coming years, what could be a potential outcome for Rajasthan's economy?

- A. Greater diversification and less reliance on agriculture
- B. Decline in industrial output
- C. Reduced need for agricultural investments
- D. Decrease in foreign direct investment

Answer: A

Explanation: Growth in the Service sector would lead to greater economic diversification, reducing the state's reliance on agriculture and improving its economic resilience.

59. Given that the agriculture sector's GSVA growth in 2023-24 is 2.13%, what

might be the cause of this relatively slow growth?

- A. Dependency on monsoons and other environmental factors
- B. Decrease in government subsidies for agriculture
- C. High competition from industrial sectors
- D. Reduced demand for agricultural exports

Answer: A

Explanation: The slow growth in the agriculture sector can often be attributed to dependency on favorable weather conditions, which makes it more vulnerable to environmental fluctuations.

60. What does the increasing role of private sector investment in Rajasthan's GFCF (78.54% in 2022-23) suggest about the state's economic dynamics?

- A. The private sector is driving economic growth through investment
- B. Public sector investment is shrinking, leading to economic instability
- C. The economy is overly dependent on foreign aid
- D. The state government is reducing its spending on infrastructure

Answer: A

Explanation: The high contribution of the private sector to GFCF suggests that private enterprises are taking the lead in capital investment, which can drive economic growth and innovation.

61. Why is it important to evaluate GSDP at both current and constant prices?

- A. To measure inflation and population growth
- B. To compare real economic growth versus nominal growth
- C. To calculate the agricultural output accurately
- D. To assess employment levels

Answer: B

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Explanation: Evaluating GSDP at both current and constant prices helps differentiate between nominal growth (which includes inflation) and real growth, which reflects actual increases in production.

62. What could be a potential challenge for Rajasthan if the Agriculture sector's GSVA continues to grow at a slower rate compared to Industry and Services?

- A. Increased migration to urban areas
- B. Over-reliance on food imports
- C. Reduced agricultural productivity
- D. All of the above

Answer: D

Explanation: If the Agriculture sector grows slowly compared to other sectors, it could lead to urban migration, dependence on imports, and productivity issues, affecting the rural economy.

63. Given that the Service sector contributed 45.07% to Rajasthan's GSVA in 2023-24, what policy recommendation could be made to ensure balanced economic growth?

- A. Increase investments in agriculture and industry to diversify the economy
- B. Focus solely on developing the Service sector
- C. Reduce funding for industrial development
- D. Limit service sector growth to boost agriculture

Answer: A

Explanation: To ensure balanced economic growth, Rajasthan should increase investments in both agriculture and industry to avoid over-reliance on the Service sector and ensure long-term sustainability.

64. What could be a possible effect of a decline in the growth rate of All India's GDP to 9.6% in 2023-24 compared to the previous year?

- A. Reduced foreign investment in India
- B. Lower tax revenues for the central

government

- C. Economic slowdown affecting various states
- D. All of the above

Answer: D

Explanation: A declining GDP growth rate at the national level could result in reduced foreign investment, lower tax revenues, and an overall economic slowdown, affecting state-level economies.

65. Why might it be necessary for Rajasthan to focus on boosting industrial output despite strong growth in the Service sector?

- A. Industrial development ensures a diversified and resilient economy
- B. The service sector cannot generate sufficient employment
- C. Industrial growth can boost infrastructure development
- D. Both A and C

Answer: D

Explanation: Focusing on industrial development will ensure a diversified economy and contribute to infrastructure growth, creating resilience against sectoral downturns.

66. What reasoning could explain why Rajasthan's nominal GSDP grew by 12.56% in 2023-24, while the growth at constant prices was only 8.03%?

- A. The increase in prices of goods and services
- B. Increased agricultural productivity
- C. Greater foreign investment in the Service sector
- D. Reduced inflationary pressures

Answer: A

Explanation: The difference between nominal and constant growth rates is due to inflation, as nominal figures include price increases, while constant prices adjust for inflation.

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67. Given that the construction sector saw significant contributions to the Gross Fixed Capital Formation (GFCF) in 2022-23, what long-term effects might this have on Rajasthan's economy?

- A. Boost in infrastructure and real estate sectors
- B. Increased employment opportunities in construction and related fields
- C. Higher productivity in agriculture
- D. Both A and B

Answer: D

Explanation: Significant contributions to GFCF from the construction sector will likely boost infrastructure and create employment opportunities, contributing to long-term economic growth.

68. What could be the impact of increasing the share of Private sector investments in Rajasthan's GFCF (78.54% in 2022-23) on public sector initiatives?

- A. Decreased reliance on government spending for infrastructure development
- B. Public-private partnerships will likely increase
- C. Private sector investments may drive innovation and efficiency
- D. All of the above

Answer: D

Explanation: A higher share of private sector investments can reduce the burden on government spending, encourage public-private partnerships, and increase innovation and efficiency in economic activities.

69. Why might the agriculture sector's growth rate of 2.13% in 2023-24 raise concerns about long-term sustainability?

- A. The sector is not growing as fast as the industrial or service sectors
- B. Agriculture employs a significant portion of the population
- C. Slower growth may lead to food security

- issues
- D. All of the above

Answer: D

Explanation: Concerns arise because agriculture is critical for employment and food security, and slow growth in this sector can affect long-term economic stability, especially in rural areas.

70. The real Gross State Value Added (GSVA) at constant prices for Rajasthan in 2023-24 is likely to reach ₹7.81 lakh crore. How can this be interpreted in terms of the state's economic performance?

- A. The state's economy is experiencing stable and sustained real growth
- B. The nominal value is decreasing
- C. The state is relying more on inflation to boost growth figures
- D. The agricultural sector is the primary driver of this growth

Answer: A

Explanation: The real GSVA at constant prices indicates sustained economic growth without the distortions of inflation, showing stability in Rajasthan's economic performance.

71. If Rajasthan's contribution to India's GDP at constant prices is 4.86% in 2023-24, what could be inferred about the state's economic significance compared to other Indian states?

- A. Rajasthan is a key contributor to India's overall economic growth
- B. Rajasthan's economy is underdeveloped compared to other states
- C. The state's growth rate is declining
- D. Rajasthan is overly dependent on the agricultural sector

Answer: A

Explanation: A 4.86% contribution to India's GDP at constant prices reflects Rajasthan's

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significant role in the national economy, especially among larger states.

72. Given that the Wholesale Price Index (WPI) for Rajasthan grew by only 0.54% between 2022 and 2023, what can be concluded about price stability in the state?

- A. Prices are relatively stable with low inflation
- B. There is significant deflation in the economy
- C. The state's economy is experiencing hyperinflation
- D. Consumer prices are unaffected by this growth

Answer: A

Explanation: A low increase in WPI suggests that prices are relatively stable, with minimal inflationary pressure in the wholesale market, indicating overall economic stability.

73. How might the decrease in the Industry sector's share in GSDVA from 32.69% in 2011-12 to 29.84% in 2023-24 affect employment in Rajasthan?

- A. There may be a shift in employment towards the Service sector
- B. Industrial employment opportunities could decline
- C. More workers might migrate to agricultural jobs
- D. Both A and B

Answer: D

Explanation: A decline in the Industry sector's share could result in fewer industrial employment opportunities, potentially shifting workers towards the growing Service sector.

74. What reasoning supports the idea that an 11.49% growth in Per Capita Income at current prices in 2023-24 will have a positive impact on consumer spending in Rajasthan?

- A. Higher per capita income increases disposable income, boosting demand

B. Inflation-adjusted income has grown more slowly

C. The growth rate indicates no real improvement in purchasing power

D. Per Capita Income growth affects only the industrial sector

Answer: A

Explanation: Growth in per capita income means more disposable income for consumers, leading to increased demand for goods and services, stimulating economic activity.

75. What could be a reason for focusing on boosting Per Capita Income at constant prices rather than at current prices?

- A. Constant prices reflect real improvements in income, adjusting for inflation
- B. Current prices show the true value of income
- C. Constant prices underestimate the economic well-being of the population
- D. Current prices take into account population growth

Answer: A

Explanation: Per Capita Income at constant prices accounts for inflation, providing a clearer picture of real purchasing power and economic well-being.

76. How might the 9.64% growth rate in the Agriculture sector's GSDVA at current prices in 2023-24 impact rural development in Rajasthan?

- A. Increased income for rural households
- B. Greater investment in agricultural infrastructure
- C. Higher employment in agriculture
- D. All of the above

Answer: D

Explanation: A positive growth rate in agriculture can lead to increased rural income, higher investment in agricultural infrastructure,

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and more employment opportunities in rural areas.

77. If Rajasthan's Service sector continues to grow at a faster rate than agriculture and industry, what could be the long-term implications for economic inequality in the state?

- A. Economic inequality might increase as urban areas benefit more than rural areas
- B. Rural areas will see faster development compared to urban centers
- C. The industrial sector will shrink significantly
- D. Economic inequality will decrease

Answer: A

Explanation: As the Service sector typically benefits urban areas more than rural areas, continued faster growth in this sector could increase the economic disparity between urban and rural populations.

78. Considering that Rajasthan's nominal GSDP growth in 2023-24 is 12.56%, what could be a plausible concern for policymakers if inflation is not taken into account?

- A. Overestimation of real economic growth
- B. Underreporting of industrial performance
- C. Deflationary pressures affecting consumer spending
- D. Overreliance on service sector growth

Answer: A

Explanation: Nominal growth includes inflation, so if inflation is not considered, policymakers might overestimate the actual economic growth, leading to potential misallocation of resources.

79. If the growth rate of Rajasthan's GSDP at constant prices is 8.03% in 2023-24, what can this suggest about the state's ability to sustain long-term growth?

- A. The state is experiencing stable, real economic growth

- B. Rajasthan is likely to face an economic downturn
- C. The industrial sector is shrinking
- D. The state is overly dependent on agriculture

Answer: A

Explanation: A steady growth rate at constant prices, which excludes inflation, suggests sustainable economic growth in the long term.

80. The GSVA growth of the industry sector in 2023-24 is 12.43%. What could this mean for future investments in Rajasthan?

- A. The state may attract more industrial investments due to its strong performance
- B. There will be a decline in industrial investments due to saturation
- C. Foreign investors will shift focus to the agriculture sector
- D. The service sector will see a drop in investments

Answer: A

Explanation: A strong growth rate in the industrial sector is likely to attract further investments, both domestic and foreign, boosting the state's industrial capacity and development.

81. Given the relatively high growth rate of the Service sector in Rajasthan (11.26% in 2023-24), what could be the long-term challenge for the agriculture and industry sectors?

- A. These sectors may struggle to keep up with service sector growth
- B. They will receive more government funding to boost growth
- C. Migration to rural areas may increase
- D. Employment in these sectors will expand at a faster rate than services

Answer: A

Explanation: The agriculture and industry sectors may face challenges in competing with

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the faster-growing service sector, potentially leading to a shift in resources and focus away from them.

82. What might be a long-term consequence of the relatively slow growth rate of the agriculture sector's GSVA (2.13%) in Rajasthan in 2023-24?

- A. Increased food imports to meet demand
- B. Declining rural employment and income
- C. Greater focus on industrial and service sectors
- D. All of the above

Answer: D

Explanation: A slow growth rate in agriculture could lead to food imports, declining rural employment, and a greater emphasis on the industrial and service sectors to maintain economic growth.

83. How could the modest rise in the Wholesale Price Index (WPI) for Rajasthan (0.54%) in 2023 affect consumer prices and inflation?

- A. It could indicate stable consumer prices with low inflationary pressure
- B. It will lead to a rapid rise in consumer prices
- C. Inflation will increase significantly, affecting consumer spending
- D. There will be deflation across all sectors

Answer: A

Explanation: A modest rise in WPI suggests that wholesale prices are stable, which could indicate low inflationary pressure, keeping consumer prices relatively steady.

84. Considering that Rajasthan's Per Capita Income grew by 11.49% in nominal terms in 2023-24, but only by 6.94% at constant prices, what can be inferred about inflation's impact?

- A. Inflation has eroded part of the income growth
- B. The nominal growth is reflective of real purchasing power

- C. Inflation has no effect on per capita income
- D. The growth rate is not affected by inflation

Answer: A

Explanation: The difference between the nominal and constant growth rates shows that inflation has reduced the real value of the income increase, impacting purchasing power.

85. If the Service sector continues to grow rapidly in Rajasthan, contributing 45.07% to the GSVA in 2023-24, what could be a potential economic risk?

- A. Over-dependence on the service sector could make the economy vulnerable to global market fluctuations
- B. The agricultural and industrial sectors will experience rapid growth
- C. The state's economy will become more self-sufficient
- D. Rural economies will benefit more than urban areas

Answer: A

Explanation: Over-reliance on the Service sector could expose the state to global economic fluctuations, as the sector is more sensitive to international markets than agriculture or industry.

86. What does the relatively high contribution of the Service sector (45.07%) to Rajasthan's economy in 2023-24 suggest about the state's workforce?

- A. A significant portion of the workforce is employed in service-related industries
- B. The workforce is predominantly employed in agriculture
- C. Industrial employment has surpassed service sector employment
- D. There is no correlation between the sector's contribution and workforce distribution

Answer: A

Explanation: The high contribution of the Service sector suggests that a significant portion

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AS' SAARTHI IAS

of Rajasthan's workforce is engaged in service-related industries like trade, hospitality, and finance.

87. How might the 12.43% growth in the Industry sector's GSVA in 2023-24 influence infrastructure development in Rajasthan?

- A. The state will likely invest more in infrastructure to support industrial growth
- B. Infrastructure development will remain stagnant
- C. There will be a shift in focus from industry to agriculture
- D. Government spending on industrial infrastructure will decrease

Answer: A

Explanation: Growth in the industry sector often leads to increased demand for infrastructure, such as roads, power, and industrial facilities, prompting further investments in development.

88. What might be the reason for the Service sector's dominant contribution to Rajasthan's GSVA in 2023-24, surpassing both agriculture and industry?

- A. Increased urbanization and demand for services like trade, hotels, and financial services
- B. Reduced agricultural productivity
- C. Decline in industrial output
- D. Government focus on developing rural infrastructure

Answer: A

Explanation: The growth of the Service sector is often driven by urbanization, higher consumer demand for services, and the expansion of industries like trade, hospitality, and finance.

89. How could a slower growth rate in the agriculture sector compared to the industry and service sectors impact the rural-urban migration trend in Rajasthan?

- A. It may accelerate migration from rural to urban areas
- B. It will reverse the migration trend, leading to more people moving to rural areas
- C. It will have no impact on migration trends
- D. Urban areas will experience a decline in population growth

Answer: A

Explanation: If agriculture grows more slowly than industry and services, rural populations may migrate to urban areas in search of better employment opportunities, accelerating urbanization.

90. What could be a potential strategy to ensure balanced growth across the agriculture, industry, and service sectors in Rajasthan?

- A. Diversifying investments to ensure growth in agriculture and industry alongside the service sector
- B. Focusing solely on the service sector for maximum growth
- C. Reducing investments in industrial development
- D. Ignoring agriculture to focus on technology-driven industries

Answer: A

Explanation: Balanced growth requires diversified investments across all sectors to prevent over-dependence on any one sector and ensure sustainable economic development.

91. With the rise in Gross Fixed Capital Formation (GFCF) in 2022-23, how could Rajasthan leverage this to boost its economic competitiveness?

- A. By improving infrastructure and industrial capacities
- B. By reducing investments in service sectors
- C. By relying solely on agriculture for economic growth
- D. By increasing government subsidies for industrial activities

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Answer: A

Explanation: Increasing GFCF, particularly through infrastructure and industrial development, will improve the state's competitiveness and attract further investments, boosting economic growth.

92. Why might Rajasthan's contribution to India's GDP at 4.86% in 2023-24 be seen as a positive indicator for the state's economic health?

- A. It shows Rajasthan's significant role in the national economy
- B. It indicates that Rajasthan's economy is shrinking
- C. It suggests that Rajasthan is overly dependent on agriculture
- D. It shows that Rajasthan's service sector is underperforming

Answer: A

Explanation: A 4.86% contribution to India's GDP indicates that Rajasthan is a strong player in the national economy and contributes significantly to overall economic growth.

93. What would be a possible impact on Rajasthan's economy if the Wholesale Price Index (WPI) continues to rise at a slow pace (0.54% increase in 2023)?

- A. Stability in consumer prices and low inflation
- B. A rapid rise in inflation and consumer prices
- C. Increased cost of living across the state
- D. Deflation affecting all major sectors

Answer: A

Explanation: A slow rise in WPI indicates price stability at the wholesale level, which often translates to stable consumer prices and low inflation in the economy.

94. Given that the Service sector's growth rate in 2023-24 is 11.26%, what can be inferred about its future role in Rajasthan's economy?

- A. It will continue to be a dominant sector, driving economic growth and employment
- B. Its contribution to the economy will decrease significantly
- C. The Service sector will decline in favor of industrial and agricultural growth
- D. The government will reduce its focus on services to prioritize other sectors

Answer: A

Explanation: The strong growth rate of the Service sector indicates that it will remain a key driver of economic growth, contributing significantly to employment and economic output.

65. What was Rajasthan's estimated nominal GSDP for the year 2023-24?

- A. ₹12.77 lakh crore
- B. ₹14.28 lakh crore
- C. ₹15.28 lakh crore
- D. ₹13.58 lakh crore

Answer: C

96. What was the growth rate of Rajasthan's GSDP at current prices in 2022-23?

- A. 9.6%
- B. 12.56%
- C. 14.2%
- D. 13.63%

Answer: D

97. In 2023-24, what was the estimated percentage contribution of Rajasthan's GSDP to India's GDP at current prices?

- A. 4.86%
- B. 5.17%
- C. 3.75%
- D. 6.45%

Answer: B

98. What was the growth rate of India's GDP at current prices in 2023-24?

AS' SAARTHI IAS

- A. 9.6%
- B. 8.03%
- C. 7.81%
- D. 13.63%

Answer: A

99. What was the estimated nominal Gross State Value Added (GSVA) for Rajasthan in 2023-24?

- A. ₹14.28 lakh crore
- B. ₹13.58 lakh crore
- C. ₹15.28 lakh crore
- D. ₹12.77 lakh crore

Answer: A

100. What was the percentage growth rate of Rajasthan's GSVA in the agriculture sector in 2023-24?

- A. 9.64%
- B. 15.06%
- C. 11.26%
- D. 12.56%

Answer: A

101. What was the estimated share of the Service sector in Rajasthan's GSVA for 2023-24?

- A. 38.75%
- B. 43.95%
- C. 45.07%
- D. 41.83%

Answer: C

102. What was the growth rate of Rajasthan's GSDP at constant (2011-12) prices in 2023-24?

- A. 7.81%
- B. 8.03%
- C. 9.64%
- D. 12.56%

Answer: B

103. What was the estimated Per Capita Income of Rajasthan at current prices for the year 2023-24?

- A. ₹1,67,964
- B. ₹1,50,653
- C. ₹1,84,205
- D. ₹90,831

Answer: A

104. What was the growth rate of Rajasthan's Per Capita Income at current prices in 2023-24?

- A. 11.49%
- B. 13.63%
- C. 7.35%
- D. 6.94%

Answer: A

105. What was the estimated Per Capita Income of Rajasthan at constant (2011-12) prices for the year 2023-24?

- A. ₹1,50,653
- B. ₹90,831
- C. ₹84,935
- D. ₹1,67,964

Answer: B

106. What was the growth rate of Rajasthan's Per Capita Income at constant prices in 2023-24?

- A. 8.03%
- B. 6.94%
- C. 9.64%
- D. 7.81%

Answer: B

107. As per the text, what was the growth rate of Rajasthan's Gross Fixed Capital Formation (GFCF) in 2022-23?

- A. 12.78%
- B. 9.6%

AS' SAARTHI IAS

- C. 11.49%
- D. 13.63%

Answer: A

108. What was the growth rate of Rajasthan's agriculture sector at constant prices in 2023-24?

- A. 9.64%
- B. 12.43%
- C. 2.13%
- D. 6.37%

Answer: C

109. What was the growth rate of Rajasthan's industry sector at constant prices in 2023-24?

- A. 12.43%
- B. 6.31%
- C. 9.64%
- D. 7.35%

Answer: A

110. What was the percentage contribution of the Service sector to Rajasthan's GSVA at constant prices in 2023-24?

- A. 26.72%
- B. 38.75%
- C. 29.84%
- D. 43.95%

Answer: D

111. What was the estimated nominal value of the GSDP at constant (2011-12) prices for Rajasthan in 2023-24?

- A. ₹8.45 lakh crore
- B. ₹7.30 lakh crore
- C. ₹12.77 lakh crore
- D. ₹14.28 lakh crore

Answer: A

112. According to the report, what was the growth rate of Rajasthan's Service sector at constant prices in 2023-24?

- A. 11.26%
- B. 7.35%
- C. 6.37%
- D. 2.13%

Answer: C

113. What was the share of Private sector investments in Gross Fixed Capital Formation (GFCF) for Rajasthan in 2022-23?

- A. 21.46%
- B. 78.54%
- C. 45.07%
- D. 12.56%

Answer: B

114. What was the estimated Wholesale Price Index (WPI) for 'All Commodities' in Rajasthan for 2023?

- A. 387.90
- B. 385.83
- C. 416.65
- D. 420.67

Answer: A

115. What was the base year used for the Wholesale Price Index (WPI) in Rajasthan as mentioned in the text?

- A. 2001-02
- B. 1999-2000
- C. 2011-12
- D. 2016-17

Answer: B

116. What was the growth rate of the All India GDP at constant (2011-12) prices in 2023-24?

- A. 7.81%
- B. 8.03%

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- C. 8.2%
- D. 9.6%

Answer: C

117. What was the growth rate of Rajasthan's NSDP at current prices in 2023-24?

- A. 12.70%
- B. 13.61%
- C. 11.49%
- D. 9.6%

Answer: A

118. What was the nominal Net State Domestic Product (NSDP) at current prices for Rajasthan in 2023-24?

- A. ₹13.69 lakh crore
- B. ₹15.28 lakh crore
- C. ₹14.28 lakh crore
- D. ₹12.15 lakh crore

Answer: A

119. What was the growth rate of Rajasthan's NSDP at constant (2011-12) prices in 2023-24?

- A. 8.10%
- B. 7.81%
- C. 6.94%
- D. 9.64%

Answer: A

120. What was the nominal value of the Gross Fixed Capital Formation (GFCF) in Rajasthan for 2022-23?

- A. ₹13.58 lakh crore
- B. ₹3,99,594 crore
- C. ₹12.77 lakh crore
- D. ₹14.28 lakh crore

Answer: B

121. How does the concept of Gross State Domestic Product (GSDP) at constant

prices help in assessing the real economic growth of Rajasthan?

- A. By including inflationary changes
- B. By measuring economic growth without the impact of price changes, providing a clear picture of real economic activity
- C. By focusing only on service sector growth
- D. By excluding any contribution from the agricultural sector

Answer: B

Explanation: GSDP at constant prices removes the effects of inflation, allowing for an accurate assessment of real economic growth in terms of production and services.

122. What could be a potential drawback of relying solely on GSDP at current prices for assessing Rajasthan's economic performance?

- A. It does not include the industrial sector
- B. It overstates economic growth by including inflationary price changes
- C. It excludes service sector contributions
- D. It fails to measure GDP growth at the national level

Answer: B

Explanation: GSDP at current prices includes the effects of inflation, which can overstate the actual growth of the economy.

123. How does the Per Capita Income at current prices reflect the economic well-being of Rajasthan's population?

- A. It only measures growth in the agricultural sector
- B. It provides an average measure of income per person, indicating improvements or declines in living standards
- C. It focuses exclusively on industrial output
- D. It ignores inflation and price levels

Answer: B

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Explanation: Per Capita Income measures the average income of individuals, offering insights into changes in living standards across the population.

124. What role does Gross Fixed Capital Formation (GFCF) play in assessing the economic health of Rajasthan?

- A. It measures the level of employment generation
- B. It assesses the value of long-term investments in fixed assets, indicating economic growth potential
- C. It only tracks government spending
- D. It excludes private sector investments

Answer: B

Explanation: GFCF measures investments in fixed assets like infrastructure, which are essential for long-term economic growth and stability.

125. How might the Industrial Sector's growth rate in Rajasthan affect its contribution to the overall GSDP?

- A. By reducing its share in the economy
- B. By increasing the production capacity of industries, boosting its contribution to GSDP
- C. By focusing on agriculture
- D. By ignoring the service sector

Answer: B

Explanation: Industrial growth boosts production capacity, increasing its contribution to GSDP and driving economic development.

126. How could service sector growth be an indicator of economic diversification in Rajasthan?

- A. By showing dependence on agriculture
- B. By reflecting a shift from traditional sectors like agriculture and industry to services, indicating diversification
- C. By decreasing GSDP
- D. By reducing investments in other sectors

Answer: B

Explanation: Growth in the service sector suggests economic diversification, as it indicates a shift from reliance on agriculture and industry toward more knowledge- and service-based activities.

127. Why is it important to track the GSVA (Gross State Value Added) in various sectors, such as agriculture, industry, and services, in Rajasthan?

- A. It helps ignore inflation effects
- B. It highlights sector-specific contributions to the state's economy, enabling focused policy interventions
- C. It only measures agricultural output
- D. It excludes industrial contributions

Answer: B

Explanation: GSVA provides detailed insights into each sector's contribution to the economy, allowing targeted policy decisions to enhance growth.

128. How does the CAGR (Compound Annual Growth Rate) of GSDP reflect the economic trajectory of Rajasthan?

- A. It shows only short-term growth trends
- B. It provides a consistent measure of growth over a period, helping assess long-term economic trends
- C. It excludes service sector performance
- D. It focuses on annual fluctuations

Answer: B

Explanation: CAGR reflects sustained growth over multiple years, offering a clear view of long-term economic progress.

129. What might be the implications of Rajasthan contributing 5.17% to the national GDP?

- A. It reflects over-reliance on the agriculture sector
- B. It shows Rajasthan's significant role in the

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national economy, contributing meaningfully to India's overall growth

- C. It indicates stagnation in the state's economy
- D. It highlights the state's focus on industrial output only

Answer: B

Explanation: Rajasthan's 5.17% contribution to national GDP signifies its strong position in the broader Indian economy.

130. How does the growth rate in agriculture impact Rajasthan's GSDP?

- A. By reducing industrial contributions
- B. By ensuring that the state's reliance on agriculture continues to drive economic growth
- C. By limiting the role of services
- D. By excluding other sectors from growth measurements

Answer: B

Explanation: Growth in agriculture contributes significantly to Rajasthan's GSDP, as it remains an essential sector for economic stability.

131. How does the Service Sector's increasing share in GSVA signal structural changes in Rajasthan's economy?

- A. By reducing industrial output
- B. By indicating a shift from a primarily agrarian economy to a more service-driven one
- C. By excluding agriculture from economic calculations
- D. By focusing on manufacturing output

Answer: B

Explanation: The growing share of services in GSVA shows a structural change, moving away from reliance on agriculture and industry toward a service-based economy.

132. What role does constant price analysis play in measuring real growth in Rajasthan's economy?

- A. It eliminates the impact of government subsidies
- B. It accounts for inflation, providing a clearer picture of real economic growth
- C. It overstates the contributions of certain sectors
- D. It measures only nominal economic growth

Answer: B

Explanation: Constant price analysis removes the effect of inflation, allowing for an accurate measure of real growth in the economy.

133. How could the mining and quarrying sector impact Rajasthan's overall industrial growth?

- A. By limiting the role of services
- B. By contributing significantly to the industry's overall growth, particularly in raw material production
- C. By excluding manufacturing from growth estimates
- D. By focusing only on agricultural exports

Answer: B

Explanation: Mining and quarrying play a vital role in industrial growth, particularly by providing raw materials for manufacturing and infrastructure.

134. What could be a critical reason for tracking Net State Domestic Product (NSDP) in Rajasthan?

- A. It includes only the agricultural output
- B. It reflects the economic performance net of capital depreciation, providing a more accurate measure of long-term sustainability
- C. It excludes the effect of capital consumption
- D. It only measures service sector growth

Answer: B

Explanation: NSDP accounts for the depreciation of capital, offering a clearer measure of economic performance and sustainability over time.

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135. How does the consumption of fixed capital (CFC) factor into the calculation of net domestic product?

- A. It increases overall GDP
- B. It is deducted from gross domestic product to reflect the depreciation of assets used in production
- C. It includes capital investments
- D. It ignores the depreciation of assets

Answer: B

Explanation: CFC reflects the depreciation of assets and is subtracted from the gross domestic product to calculate the net domestic product, offering a more realistic view of economic sustainability.

136. Why is GSVA at constant prices an important measure for understanding sectoral growth in Rajasthan?

- A. It measures the impact of inflation
- B. It provides a real measure of sector-specific growth by eliminating price level changes
- C. It excludes agriculture and industry sectors
- D. It focuses only on short-term growth

Answer: B

Explanation: GSVA at constant prices provides a real measure of sectoral growth, removing inflation's impact, thereby reflecting the actual performance of each sector.

137. What could be a key challenge in improving per capita income in Rajasthan despite rising GSDP?

- A. Rising population growth
- B. Declining industrial output
- C. Increased focus on agriculture
- D. Reducing investments in infrastructure

Answer: A

Explanation: A rapidly growing population could dilute the per capita income even as GSDP rises, making it a challenge to raise living standards.

138. How could capital investments in infrastructure influence the GFCF and economic prospects of Rajasthan?

- A. By reducing productivity
- B. By increasing long-term economic growth potential through the development of infrastructure, improving productivity and job creation
- C. By focusing solely on the service sector
- D. By limiting investments in rural areas

Answer: B

Explanation: Capital investments in infrastructure enhance productivity, create jobs, and drive long-term economic growth, contributing to higher GFCF.

139. How does per capita income at constant prices help in understanding real income growth in Rajasthan?

- A. It includes inflationary pressures
- B. It provides an inflation-adjusted measure of income, showing real improvements in living standards
- C. It excludes economic growth
- D. It only measures agricultural income

Answer: B

Explanation: Per capita income at constant prices adjusts for inflation, offering a clearer picture of real improvements in individual incomes and living standards.

140. What role does the service sector play in driving Rajasthan's economic diversification?

- A. It only supports agriculture
- B. By contributing to the diversification of the economy through the expansion of trade, finance, IT, and tourism, reducing reliance on agriculture and industry
- C. It limits investments in industrial sectors
- D. It focuses solely on rural development

Answer: B

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Explanation: The service sector promotes economic diversification by expanding into areas like trade, finance, IT, and tourism, thereby reducing the state's reliance on agriculture and industry.

141. How does the increasing contribution of the service sector to the GSVA reflect economic modernization in Rajasthan?

- A. By reducing investment in agriculture
- B. By indicating a shift towards a more diversified economy, with a growing focus on trade, financial services, and communication sectors
- C. By limiting industrial growth
- D. By excluding rural areas from economic development

Answer: B

Explanation: The rising contribution of the service sector signals economic modernization, as services such as trade, finance, and communications are crucial for a more diversified and advanced economy.

142. What is the relationship between GFCF and productivity in Rajasthan's economy?

- A. GFCF reduces productivity by focusing on asset depreciation
- B. Higher GFCF leads to improved infrastructure and capacity, enhancing overall productivity
- C. GFCF limits industrial growth by focusing on agriculture
- D. There is no direct relationship between GFCF and productivity

Answer: B

Explanation: GFCF involves investments in fixed capital assets, such as infrastructure, which increase production capacity and improve overall productivity in the long term.

23. How might price statistics such as the Wholesale Price Index (WPI) influence

government economic policy in Rajasthan?

- A. It limits government expenditure on infrastructure
- B. It helps the government monitor inflationary trends, which can influence decisions on fiscal, monetary, and trade policies
- C. It focuses only on consumer behavior
- D. It has no impact on economic policies

Answer: B

Explanation: The WPI tracks price movements across a range of commodities and services, helping the government to monitor inflation and make informed policy decisions in trade, fiscal, and monetary domains.

144. How does tracking the Consumer Price Index (CPI) for industrial workers help in understanding the living conditions of the working class in Rajasthan?

- A. By excluding data on industrial workers
- B. By providing insights into price changes in essential goods and services, which directly affect the purchasing power of industrial workers
- C. By focusing only on luxury goods consumption
- D. By ignoring inflation

Answer: B

Explanation: The CPI measures changes in the cost of living for industrial workers, offering a critical indicator of how inflation affects their purchasing power and well-being.

145. What could be a potential long-term effect of rising per capita income in Rajasthan?

- A. Decline in living standards
- B. Improvement in the quality of life, increased consumer spending, and higher investments in human capital
- C. Increased economic disparity
- D. Limited growth in industrial sectors

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Answer: B

Explanation: A rise in per capita income generally leads to improvements in the quality of life, increased spending on goods and services, and more investments in education and health.

146. How might fluctuations in the Wholesale Price Index (WPI) affect inflation trends in Rajasthan?

- A. It does not affect inflation trends
- B. An increase in WPI signals rising inflation, as higher wholesale prices can lead to higher retail prices for consumers
- C. It reduces inflationary pressures
- D. It only impacts global prices

Answer: B

Explanation: A rising WPI indicates inflationary trends as higher wholesale prices eventually translate to increased consumer prices, affecting overall inflation in the state.

147. How does the growth rate of GSDP at constant prices provide insights into Rajasthan's economic stability?

- A. It includes inflationary effects
- B. It shows real growth by eliminating inflation, providing a clearer understanding of economic stability and growth trends
- C. It focuses only on short-term economic changes
- D. It excludes industrial contributions

Answer: B

Explanation: GSDP at constant prices reflects real growth without inflation, offering a reliable measure of economic stability and growth over time.

148. How could changes in sectoral composition of GVA impact employment patterns in Rajasthan?

- A. It leads to higher unemployment
- B. Shifts toward services and industries could generate more jobs in sectors like IT, finance,

and construction, while reducing dependence on agriculture

- C. It limits opportunities in urban areas
- D. It reduces the role of education in economic growth

Answer: B

Explanation: As the economy transitions towards industries and services, employment opportunities diversify, particularly in sectors like IT, finance, and construction, reducing reliance on agriculture for jobs.

149. What could be a key challenge in achieving higher GSDP growth in Rajasthan despite improvements in specific sectors?

- A. Over-reliance on a single sector
- B. Balancing growth across all sectors—agriculture, industry, and services—while ensuring investments in infrastructure and innovation
- C. Ignoring the agricultural sector
- D. Limiting public sector investments

Answer: B

Explanation: A challenge to higher GSDP growth lies in ensuring balanced development across agriculture, industry, and services, with adequate investments in infrastructure and innovation.

150. How might Rajasthan's increasing share of GSDP from services affect its position in the national economy?

- A. By reducing the importance of manufacturing
- B. By enhancing its competitiveness in high-value sectors like finance, technology, and tourism, strengthening its contribution to the national economy
- C. By focusing solely on agriculture
- D. By limiting industrial growth

Answer: B

Explanation: A stronger service sector boosts Rajasthan's competitiveness in high-value areas

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such as finance, technology, and tourism,
increasing its overall contribution to India's
national economy.



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