

- (a) Deflationary gap (b) Inflationary gap
(c) Excess demand (d) Deficient demand
- Q12.** Interest Payment on debt incurred incomes by the government is
(a) Revenue Receipts
(b) Capital Receipts
(c) Revenue Expenditure
(d) Capital Expenditure
- Q13.** Mark the Correct option:
(a) In Normative economics analysis, we study how the different mechanism functions.
(b) In positive economic analysis we try to understand different mechanisms are desirable or not.
(c) Proper understanding of normative economics is possible without the understanding of positive economics.
(d) Positive economics and normative economics are related to each other.
- Q14.** Arrange the following steps of Money Multiplier Process:
A. B comes to the bank of a loan.
B. C deposits all the money into a commercial bank.
C. A deposits money in a commercial bank.
D. D spends the money which becomes the income of C.
E. Commercial bank keeps CRR and give loan to B.
Choose the correct answer from the options given below:
(a) A, B, C, D, E (b) E, C, D, B, A
(c) C, A, E, D, B (d) B, D, A, C, E
- Q15.** When government fiscal deficit is equal to interest payment of government, then Primary Deficit will be:
(a) Positive (b) Negative
(c) Equal to 1 (d) Zero
- Q16.** The Percentage of deposits which a commercial bank must keep as cash reserves as decided by the Central Bank is called:
(a) Statutory Liquidity Ratio
(b) Cash Reserve Ratio
(c) Money Multiplier
(d) Repurchase Agreement
- Q17.** Arrange the following steps to be occurred in a sequential order in order to increase the foreign exchange reserve of the economy:
A. Increase in purchasing power of non-residents.
B. More inflow of foreign exchange in the domestic market.
C. Export promotion of domestic goods & services.
D. Devaluation of India Currency (₹) by RBI.
- E. More inflow of FDI's and FII's in domestic market.
Choose the correct answer from the options given below:
(a) C, D, E, A, B (b) A, D, B, C, E
(c) D, A, C, E, B (d) B, D, A, C, E
- Q18.** Which of the following is true?
(a) PPC is parallel to X-axis
(b) PPC is downward sloping curve
(c) PPC is upward sloping curve
(d) PPC is sometimes downward sloping curve
- Q19.** Most Multinational Corporation and even small companies are outsourcing their services to India mainly because of
(a) Cheaper cost, reasonable skill and accuracy
(b) Close to India, good speakers
(c) Higher cost, reasonable manipulating skill
(d) Night time may be used
- Q20.** Which components should be taken to shown the aggregate demand
A. Consumption
B. Savings
C. Deposits
D. Investment
E. Government expenditure
Choose the correct answer from the options given below:
(a) B, C and D Only (b) A, D and E Only
(c) C, D and E Only (d) A, B and C Only
- Q21.** Identify the function of money from points given below: Choose the correct option.
(a) Medium of understanding
(b) Medium of health
(c) Medium of exchange
(d) Medium of printing
- Q22.** Siricilla Tragedy related to suicide of 50 Powerloom workers is the after effect of:
(a) Disinvestment
(b) Power Sector Reforms
(c) Agriculture Reforms
(d) Demonetisation
- Q23.** Arrange the statements in the correct sequence relating to change in inventories.
A. During the accounting year the firm produces ₹ 1,000 worth of goods and sells ₹ 800 worth of goods.
B. This results in change in inventories worth ₹ 200.
C. A firm had an unsold stock worth ₹ 100 at the beginning of the financial year.
D. Hence the inventories at the end of the year is equal to ₹ 300.
Choose the correct answer from the options given below:
(a) A, B, C, D (b) A, C, B, D
(c) C, A, B, D (d) D, C, B, A

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- Q24.** The RBI can influence money supply by changing the rate at which it gives loans to the commercial banks. This rate is called _____ in India.
 (a) Repo Rate (b) Reverse Repo Rate
 (c) Bank Rate (d) Fixed Rate
- Q25.** Identify the example which is not considered as Leakage in circular flow of Income and also affecting the balance of payment of an economy.
 (a) Import of visible items
 (b) Export of invisible items
 (c) Taxes on foreign direct investment
 (d) Foreign companies sending their corporate savings
- Q26.** What is the type of economy in India?
 (a) Market Economy
 (b) Mixed Economy
 (c) Planned Economy
 (d) Non-Planned Economy
- Q27.** In 1955, the Village and Small-Scale Industries Committee was made. It was named as:
 (a) Subramanyan Committee
 (b) Kothari Committee
 (c) Ranjan Committee
 (d) Karve Committee

Q28. Match List - I with List - II.

LIST - I	LIST - II
A. Animal Husbandry	I. Set up in 1982
B. Organic Farming	II. Implemented in Kerela in 1995
C. NABARD	III. Uses mixed crop-livestock farming system
D. Kudumbashree	IV. Use of HYV seeds, chemical fertilisers & pesticides are reduced

Choose the correct answer from the options given below:

- (a) A-I, B-II, C-III, D-IV (b) A-III, B-IV, C-I, D-II
 (c) A-III, B-IV, C-II, D-I (d) A-IV, B-II, C-III, D-I

Q29. Choose the correct pair of statements from the set of statements in Column I and Column II.

Column I	Column II
A. Renewable resource	I. Coal
B. Non-Renewable resource	II. Solar Energy
C. Component of social infrastructure	III. Energy
D. Component of economic infrastructure	IV. Education

Choose the correct answer from the options given below:

- (a) A-I, B-II, C-III, D-IV (b) A-II, B-I, C-IV, D-III
 (c) A-III, B-IV, C-I, D-II (d) A-IV, B-III, C-II, D-I

- Q30.** Increase in price of foreign currency in terms of domestic currency is due to:
 (a) Increase in export of goods.
 (b) Increase in import of goods.
 (c) Increase in FDI by non-resident in our country.
 (d) Increase in International borrowing by country.
- Q31.** Identify the statement which doesn't relate to WTO
 (a) It aims to liberalize international trade.
 (b) It was set up by Government of India to attract foreign companies to invest in India.
 (c) It helps to remove trade barriers.
 (d) It is success or to GATT (General Agreement on Trade & Tariff).
- Q32.** The Micro-credit programmes are related to:
 (a) NABARD (b) AGMARK
 (c) SHG's (Self-help groups)
 (d) RBI
- Q33.** Which of the following is considered as injection of money in the economy's circular flow of income?
 (a) Savings
 (b) Investments
 (c) Tax Payments to government
 (d) Payment for imports
- Q34.** Which of the following is not a function of RBI.
 A. Lender of last resort
 B. Accepting deposits from general public
 C. Open market operations
 D. Moral Suasion
 Choose the correct answer from the given below:
 (a) A and B only (b) B only
 (c) B and C only (d) C and D only
- Q35.** Identify correct statement from the following:
 A. IPR-1956 divided industries into four categories.
 B. Underutilization of capacity results in industrial backwardness.
 C. India opted for mixed economy system.
 D. Industrial policy of 1956 laid emphasis on the role of private sector.
 Choose the correct answer from the options given below:
 (a) A and B only (b) B and C only
 (c) C only (d) C and D only
- Q36.** Capital Receipt is the receipt which -
 (a) Increase Assets or Decrease Liability
 (b) Decrease Assets or Increase Liability
 (c) Decrease Assets or Decrease Liability
 (d) Increase Assets or Increases Liability
- Q37.** Sale of shares in public sector undertaking to private sector:
 (a) Increase assets of government.
 (b) Increase in liabilities of government.
 (c) Decrease in liabilities of government.
 (d) Decreases assets of government.

Q38. Match List – I with List – II.

LIST - I		LIST - II	
A.	NDP _{MP}	I.	GDP _{MP} + NFIA
B.	GVA _{FC}	II.	COE + OS + MY
C.	GNP _{MP}	III.	GVA _{MP} – NIT
D.	NDP _{FC}	IV.	GDP _{MP} – depreciation

Choose the correct answer from the options given below:

- (a) A-IV, B-III, C-I, D-II (b) A-IV, B-I, C-III, D-II
(c) A-I, B-IV, C-III, D-II (d) A-III, B-II, C-I, D-IV

Q39. Union Budget is the budget of:

- (a) Local government
(b) State Government
(c) Election Commission
(d) Central Government

Q40. India's balance of payment in an accounting year is surplus. So, to bridge the gap India imported Onion from Pakistan. This Transaction is known as

- (a) Autonomous Transactions
(b) Automatic Transactions
(c) Accomodating Transactions
(d) Balancing Transactions

Directions 41-45 Read the given case study and answer the following question:

Agriculture is the primary occupation in rural India. It can't provide work to the rural population of the country throughout the year. In absence of multiple cropping & diversification of agricultural activities, a large population remains idle for almost half a year.

India is also suffering from disguised unemployment due to excessive pressure of population. In disguised unemployment it seems that everyone is employed but in reality, sufficient full-time work is not available for all. Unemployment problem in India is the result of inadequate employment planning, slow growth rate, backwardness in agriculture and industrial sector, population explosion etc.

Government should try to support skill and retraining activities to address the gaps between demand and supply of work skills and qualifications. Problem of unemployment is leading to fatal results for the economy and restricting India's growth rate.

Q41. Find the odd man out after reading the give case study:

- (a) Slow growth rate
(b) Industrial backwardness
(c) Population control
(d) Stagnant agriculture

Q42. In disguised unemployment, people are -

- (a) Underemployed
(b) Overemployed
(c) voluntarily Unemployed
(d) Seeking Employment

Q43. Which type of unemployment is referred to in first paragraph?

- (a) Disguised Unemployment

- (b) Seasonal Unemployment
(c) Structural Unemployment
(d) Frictional Unemployment

Q44. Which of the following shows the phenomenon of jobless growth?

- (a) Less employment less output
(b) More employment more output
(c) Less employment more output
(d) More employment less output

Q45. Which of the following is not a social consequence of unemployment?

- (a) Class struggle (b) Social unrest
(c) Poor quality of life (d) Less output

Directions 46-50 Read the given case study and answer the following question:

Sita and Geeta are two close friends and both are graduate working women. Sita is an economic graduate and doing research in economics while Geeta is a customer relation manager in a multinational company. In 1st January, 2023 both the friends decided to go out for a dinner to celebrate new year. Geeta is fond of Ice-Cream (Orange bar) and has decided to buy from a street vendor at ₹ 10/unit after discount. She has also offered to Sita but Sita denied as having throat infection.

Geeta has requested to Sita to apply economics principles and to respond, when she should be stopped consuming more ice-cream. On consuming 3rd unit of Ice-cream, Geeta has obtained additional satisfaction of 18 units while the marginal utility of a rupee is 2 utils.

Q46. Identify the approach through which Geeta is seeking to obtain her state of rest with respect to consuming ice-cream.

- (a) Ordinal Approach
(b) Cardinal Approach
(c) Quasi Ordinal Approach
(d) Quasi Utility Approach

Q47. State the condition of consumer equilibrium in case of single commodity which is being used by Sita to

suggest her friend Geeta whether to consumer more units of Ice-cream or not.

- (a) Price of the Good = Marginal Utility of the good (in utils)
(b) Price of the Good = Marginal Utility of a Rupee (in utils)
(c) Price of the Good = Marginal Utility of the good (in Rupees)
(d) Price of the Good = Marginal rate of Substitution

Q48. Suppose that you are Sita, being good friend of Geeta, you are required to suggest her whether Geeta

should stop herself or to consume more units of Ice-creams. (Identify the correct option.)

- (a) Geeta is in surplus and should consume more units of ice-cream.

- (b) Geeta is in equilibrium and should not consume more units of ice-cream.
- (c) Geeta is in deficit; hence she should not consume more units of ice-cream.
- (d) Cannot say as given information is incomplete to respond.
- Q49.** If the price of ice-cream (Orange bar) falls from ₹ 10/unit to ₹ 8/unit, what change you will observe in the behaviour of Geeta if she is a rational consumer.
- (a) Geeta will be in surplus, hence will consume more.
- (b) Geeta will obtain her equilibrium
- (c) Geeta will be in deficit, hence will avoid consuming more
- (d) Geeta will consume more even she is in deficit
- Q50.** Which of the following is not the assumption of Utility Approach.
- (a) Price of the commodity remains constant.
- (b) Law of diminishing marginal utility exists.
- (c) Utility is expressed in terms of utils.
- (d) Consumer is having monotonic Preferences.

