

1st June, 2023 (Shift-1)

Q1. Match List - I with List - II.

List - I	List - II
(A) Value of output	(I) Sales + change in stock
(B) Operating surplus	(II) Sales + Change in stock – Intermediate consumption
(C) Profit	(III) Rent + Interest + Royalty + Profit
(D) Value added	(IV) Corporation tax + Undistributed profit + Divided

Choose the correct answer from the options given below:

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

Q2. The main economic motive of opening the Suez Canal was:

- (a) to reduce the cost of transportation
 (b) to make political relations stronger with Europe
 (c) to maintain the cultural relations with Egypt
 (d) to develop the navigation system

Q3. Identify the statement true about development.

- (a) It is only about increasing the income of people.
 (b) Literacy is not important.
 (c) Removing obstacles to things that a person can do in life, ill health, lack of access to resources etc.
 (d) No Civil and Political Rights

Q4. Regarding Average Propensity to save:

- (A) APS can be zero
 (B) APS can be more than one
 (C) APS can be negative
 (D) APS can be one
 (E) APS can be positive

Choose the correct answer from the options given below:

- (a) (A), (C), (E) Only (b) (A), (E), (D) Only
 (c) (A), (B), (E) Only (d) (A), (C), (D) Only

Q5. Increase in demand refers to:

- (a) Larger quantity demanded due to fall in own price of commodity

- (b) Larger quantity demanded due to fall in price of substitute goods
 (c) Larger quantity demanded due to rise in price of substitute goods
 (d) Larger quantity demanded due to rise in own price of commodity

Q6. The notable estimators – Dadabhai Naoroji, William Digby, Findlay Shirras, V.K.R.V. Rao and R.C. Desai during the colonial period estimated.

- (a) India's National and Per Capita Income
 (b) India's Tax Wealth
 (c) England's Per Capita Income
 (d) Total wealth taken by Britishers

Q7. Savita consumes 2 goods X and Y. If marginal utility of X is 30 utils and that of Y is 45 units. Prices of both goods X and Y are ₹ 3 and ₹ 5 respectively. Savita will consume _____.

- (a) More of good X
 (b) More of good Y
 (c) More of both good X and good Y
 (d) More of either good X or good Y

Q8. Which of the following statements are true?

- (A) Managed floating is also called dirty floating
 (B) Making domestic currency cheaper by government is called devaluation
 (C) Exchange rate determined by the market forces of demand and supply, known as floating exchange rate.
 (D) In a fixed exchange rate system, the government fixes the exchange rate.

Choose the correct answer from the options given below:

- (a) (A), (B), (C) and (D) Only
 (b) (A), (B) and (C) Only
 (c) (A), (B) and (D) Only
 (d) (A), (C) and (D) Only

Q9. The use of High Yielding Variety (HYV) seeds brought in a revolution in Indian agriculture. HYV seeds highly benefitted _____ crops.

- (a) Barley and sugarcane (b) Rice and fruits
 (c) Wheat and rice (d) Corn and sugarcane

Q10. Which of the following inequality represents the consumer's budget constraint?

- (a) $p_1x_1 + p_2x_2 = M$ (b) $p_1x_1 + p_2x_2 < M$
 (c) $p_1x_1 + p_2x_2 \leq M$ (d) $p_1x_1 + p_2x_2 > M$

Q11. Which out of the following will be included in National Income?

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- (A) Ramesh sold his car for ₹ 5,00,000 which he used for 2 years
 (B) Interest paid on car loan taken by Mohan
 (C) Interest on debentures
 (D) Radha purchased goods worth ₹ 1000 to prepare cakes to be sold in an exhibition
 (E) Profit earned by Reliance Industries from their branch in London

Choose the correct answer from the options given below:

- (a) (B), (C), (E) Only (b) (D), (C), (E) Only
 (c) (C) and (E) Only (d) (A), (B), (C), (E) Only

Q12. _____ specify the quantity of goods which can be imported.

- (a) Tariffs (b) Export duties
 (c) Quotas (d) Goods and Service Tax

Q13. Decrease in value of domestic currency to foreign currency in fixed exchange rate system is called:

- (a) Depreciation (b) Devaluation
 (c) Appreciation (d) Revaluation

Q14. If MPC and MPS are equal, then the value of multiplier is:

- (a) 1 (b) 3
 (c) 4 (d) 2

Q15. Match List - I with List - II.

List - I		List - II	
(A)	Marginal Propensity to Save	(I)	$\frac{\Delta Y}{\Delta I}$
(B)	Average Propensity to Consume	(II)	$\frac{\Delta S}{\Delta Y}$
(C)	Value of Investment	(iii)	$1 - APS$ Multiplier
(D)	Marginal Propensity to Consume	(IV)	$\frac{\Delta C}{\Delta Y}$

Choose the correct answer from the options given below:

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

Q16. The transactions which are determined by the gap in the balance of payments, whether a deficit or surplus is called:

- (a) Dirty floating transactions
 (b) Accommodating transactions
 (c) Availability transactions
 (d) Managed floating transactions

Q17. Identify the statement associated with Indian Economic Crisis of 1991?

- (a) The income from public sector undertaking was very high.
 (b) Our foreign exchange borrowed from other countries and financial institutions was spent on meeting consumption.
 (c) Indian govt. income was greater than govt. expenditure.
 (d) There were sufficient amount of foreign exchange.

Q18. Slope of Consumption curve is denoted by:

- (a) Average Propensity to Consume
 (b) Average Propensity to Save
 (c) Marginal Propensity to Consume
 (d) Marginal Propensity to Save

Q19. Distribution of output relates to which central problem of an Economy?

- (a) What to produce
 (b) How much to produce
 (c) How to produce
 (d) For whom to produce

Q20. For a given demand function $Y = 50 - 2P$, the quantity demanded at $P = \text{Rs. } 20$ is:

- (a) 5 units (b) 10 units
 (c) 0 units (d) 50 units

Q21. Arrange the following steps of calculating National Income by value added method in the proper sequence.

- (A) Calculate Gross value of output
 (B) Calculate Gross value added
 (C) Calculate value of output in Primary, Secondary and Tertiary sector
 (D) Calculate National Income

Choose the correct answer from the options given below:

- (a) (A), (B), (C), (D) (b) (B), (A), (C), (D)
 (c) (C), (A), (B), (D) (d) (C), (B), (A), (D)

Q22. _____ is known as proneness to fall ill.

- (a) Health (b) Global burden of disease
 (c) Morbidity (d) Sanitation

Q23. Which is the major environmental issue?

- (a) Poor Health of Masses
 (b) Global Warming
 (c) High population
 (d) Illiteracy

Q24. The following are the features of formal sector of employment:

- (A) Seasonal work
 (B) 10 or more hired workers
 (C) Social security benefits
 (D) No trade union

Choose the correct answer from the options given below:

- (a) (A) and (B) Only (b) (B) and (C) Only
 (c) (C) Only (d) (D) Only

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Q25. Match List - I with List - II.

List - I		List - II	
(A)	Inventories	(I)	GNP-Depreciation
(B)	Rent	(II)	GDP + NFIA
(C)	GNP	(III)	Capital
(D)	NNP	(IV)	Factor Payment

Choose the correct answer from the options given below:

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

Q26. Which of the following are the strategies of sustainable development?

- (A) Bio composting
 (B) Use of CNG in public transport
 (C) Use of thermal power plants
 (D) Use of solar energy
 (E) Use of wood

Choose the correct answer from the options given below:

- (a) (A), (B), (D) Only (b) (A), (B), (E) Only
 (c) (A), (D), (C) Only (d) (B), (E) Only

Q27. In a market economy; prices are determined by:

- (a) The Government
 (b) Demand of goods
 (c) Supply of goods
 (d) Demand and supply of goods

Q28. Which among the following will lead to a reduction in the money supply of the economy?

- (a) Selling of a bond by RBI to private individuals or institutions
 (b) Buying of a bond by RBI from private individuals or institutions
 (c) Decrease in bank rate
 (d) Reduction in cash reserve ratio

Q29. When was the TISCO (Tata Iron & Steel Company) incorporated?

- (a) 1903 (b) 1905
 (c) 1907 (d) 1909

Q30. This bank does not accept deposits from the public and does not lend to general public:

- (a) Punjab National Bank
 (b) State Bank of India
 (c) Bank of India
 (d) Reserve Bank of India

Q31. Arrange the following in Chronological sequence:

- (A) Economic reforms in India
 (B) Green revolution in India
 (C) Economic crisis relating to India's external debt
 (D) Independence of India

Choose the correct answer from the options given below:

- (a) (B), (D), (A), (C) (b) (D), (B), (C), (A)
 (c) (B), (D), (C), (A) (d) (D), (B), (A), (C)

Q32. Match List - I with List - II.

List - I	List - II
Curves	Shape
(A) Aggregate demand curve	(I) Upward sloping line with a positive intercept on y-axis
(B) Aggregate supply curve	(II) Parallel to x axis
(C) Autonomous investment curve	(III) 45° line passing through the origin
(D) Consumption function	(IV) Parallel to consumption function

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

Q33. It refers to the increase in the country's capacity to produce the output of goods and services within the country.

- (a) Economic growth (b) Modernization
 (c) Equity (d) Self-reliance

Q34. The predecessor organization to World Trade Organisation was _____.

- (a) International Bank for Reconstruction and Development (IBRD)
 (b) International Monetary Fund (IMF)
 (c) Reserve Bank of India (RBI)
 (d) General Agreement on Tariffs and Trade (GATT)

Q35. In the last few decades, there has been rapid growth in the gross domestic product, but without simultaneous increase in _____.

This has forced the government to take up initiatives in generating employment opportunities particularly in the rural areas.

- (a) Employment
 (b) Production of goods and services
 (c) Unemployment
 (d) Output

Q36. To find Gross value added, arrange the following in sequence:

- (A) Import
 (B) Export
 (C) Domestic sales
 (D) Domestic purchase of Raw material
 (E) Change in inventories

Choose the correct answer from the options given below:

- (a) (A), (B), (D), (C), (E) (b) (B), (D), (A), (E), (C)
 (c) (C), (B), (E), (D), (A) (d) (C), (D), (A), (B), (E)

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- Q37.** Interest paid on loan taken from IMF will be recorded in _____ side of _____ account.
 (a) Credit, Current (b) Debit, Current
 (c) Credit, Capital (d) Debit, Capital
- Q38.** Money in the form of currency (Notes + Coins) held by the public, Net Demand deposits held by commercial Banks and the saving deposits with Post Office saving banks are known as:
 (a) Broad money (b) Wide money
 (c) Long money (d) Narrow money
- Q39.** Match **List - I** with **List - II**.

List - I	List - II
(A) Monthly Per Capita Expenditure	(I) Relative poverty
(B) Comparison of poverty among nations	(II) Helps to identify the poor
(C) Measure of total number of poor people	(III) Poverty line
(D) Cut-off point which divides population as poor or non-poor	(IV) Head Count Ratio

Choose the correct answer from the options given below:

- (a) (A)-(II), (B)-(IV), (C)-(I), (D)-(III)
 (b) (A)-(I), (B)-(II), (C)-(III), (D)-(IV)
 (c) (A)-(II), (B)-(I), (C)-(IV), (D)-(III)
 (d) (A)-(III), (B)-(IV), (C)-(I), (D)-(II)
- Q40.** Capital Account of balance of payment includes:
 (A) Export and import of goods
 (B) Receipt of loans from abroad
 (C) Purchase of shares in foreign countries
 (D) Current transfers from Abroad
 (E) Repayment of International loans
 Choose the correct answer from the options given below:
 (a) (A), (D), (C) Only (b) (D), (B), (A) Only
 (c) (B), (C), (E) Only (d) (E), (A), (D) Only

Directions 41-45 Read the passage given below and answer the question.

Goods and Service Tax (GST) is the single comprehensive indirect tax, operational from 1 July 2017, on supply of goods and services, right from the manufacturer / service provider to the consumer. It is a destination-based consumption tax with facility of Input Tax Credit in the supply chain. It is applicable throughout the country with one rate for one type of goods / service. It has amalgamated a large number of Central and State taxes and cesses. It has replaced large number of taxes on goods and services levied on production / sale of goods or provision of service.

As there have been a number of intermediate goods / services, which were manufactured / provided in the

economy, the pre-GST tax regime-imposed taxes not on the value added at each stage but on the total value of the commodity / service with minimal facility of utilization of Input Tax.

Credit (ITC): The total value included taxes paid on intermediate goods / services. This amounted to cascading of tax. Under GST, the tax is discharged at every stage of supply and the credit of tax paid at the previous stage is available for set off at the next stage of supply of goods and / or services. It is thus effectively a tax on value addition at each stage of supply. In view of our large and fast-growing economy, it addresses to establish parity in taxation across the country and extend principles of 'value-added taxation' to all goods and services.

It has replaced various types of taxes / cesses, levied by the Central and State / UT Governments. Some of the major taxes that were levied by Centre were Central Excise Duty, Service Tax, Central Sales Tax, Cesses like KKC and SBC. The major State taxes were VAT / Sales Tax, Entry Tax, Luxury Tax, Octroi, Entertainment Tax, Taxes on Advertisements, Taxes on Lottery / Betting / Gambling, State Cesses on goods etc. These have been subsumed in GST.

Five petroleum products have been kept out of GST for the time being but with passage of time, they will get subsumed in GST. State Governments will continue to levy VAT on alcoholic liquor for human consumption. Tobacco and tobacco products will attract both GST and Central Excise Duty. Under GST, there are 6 (six) standard rates applied i.e., 0%, 3%, 5%, 12%, 18% and 28% on supply of all goods and / or services across the country.

- Q41.** To establish a parity in taxation in the country and extend the principles of 'value added taxation' to all goods and service a tax is introduced. The name of the tax is:
 (a) Input Tax Credit
 (b) Goods and Services Tax
 (c) Value Added Tax
 (d) Central Excise Duty
- Q42.** Which of the following is not true regarding Goods and Services Tax (GST)?
 (a) It is a single comprehensive direct tax
 (b) It is applicable throughout the country
 (c) It has amalgamated a large number of Central and State taxes and cesses
 (d) It is a destination-based consumption tax
- Q43.** GST (Goods and Service Tax) is mainly consumption-based tax with a one main principle which is:
 (a) One rate for one type of goods only in U.T.
 (b) Different rate for services in different state
 (c) One rate for one type of goods/services
 (d) No GST for metropolitan cities

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Q44. Which of the following products have been kept out of GST for the time being but with passage of time it will get subsumed in GST?

- (a) Religious products
- (b) Educational products
- (c) Beauty products
- (d) Petroleum products

Q45. On which products Government of India levies two types of taxes, one is GST and the other one is Central Excise Duty?

- (a) Petroleum products
- (b) Tobacco products
- (c) Gambling and Betting
- (d) Fast food products

Directions 46-50 Read the passage given below and answer the question.

In order to address two major environmental concerns in India, viz. water and air pollution, the government set up the Central Pollution Control Board (CPCB) in 1974. This was followed by states establishing their own state level boards to address all the environmental concerns. They investigate, collect and disseminate information relating to water, air and land pollution, lay down standards for sewage / trade effluent and emissions. These boards provide technical assistance to Governments in promoting cleanliness of streams and wells by prevention, control and abatement of water pollution, and improve the quality of air and to prevent, control or abate air pollution in the country. These boards also carry out and sponsor investigation and research relating to problems of water and air pollution and for their prevention, control or abatement. They also organize, through mass media, a comprehensive mass awareness programme for the same. The PCBs prepare manuals, codes and guidelines relating to treatment and disposal of sewage and trade effluents. They assess the air quality through regulation of industries. In fact, state boards, through their district

level officials, periodically inspect every industry under their jurisdiction to assess the adequacy of treatment measures provided to treat the effluent and gaseous emissions. It also provides background air quality data needed for industrial siting and town planning.

The pollution control boards collect, collate and disseminate technical and statistical data relating to water pollution. They monitor the quality of water in 125 rivers (including the tributaries), wells, lakes, creeks, ponds, tanks, drains and canals.

Q46. Central Pollution Control Board (CPCB) was setup by the Government of India in 1974 to address:

- (a) Environmental concerns
- (b) Government concerns
- (c) Political concerns
- (d) Student concerns

Q47. CPCB prepares manuals, codes and guidelines for which of the following purpose?

- (a) Treatment of Industrial workers
- (b) Treatment and disposal of sewage
- (c) Treatment of sewage workers
- (d) Treatment to the people near industry

Q48. The Central Pollution Control Board does not collect and disseminate information relating to:

- (a) Noise Pollution
- (b) Air Pollution
- (c) Water Pollution
- (d) Land Pollution

Q49. Central Pollution Control Board monitors the quality of water in how many rivers?

- (a) 1974 rivers
- (b) 25 rivers
- (c) 50 rainfed rivers
- (d) 125 rivers

Q50. Central Pollution Control Board (CPCB) helps the town plan officials by providing them:

- (a) Population Data
- (b) Air Quality Data
- (c) Building Quantity Data
- (d) Land Pattern Data