

5th June, 2023 (Shift-1)

Q1. Which committee was set up in 1955 to suggest the role of small-scale industries promoting rural development?

- (a) Mahalnobis committee (b) Tendulkar committee
(c) Karve committee (d) Gokhale committee

Q2. The stock of unsold finished goods or semi-finished goods or raw materials, which a firm carries from one year to the next is called _____:

- (a) Inventory (b) Investment
(c) Production at the end (d) Warehousing material

Q3. Arrange the following sequence related to the correction of Excess Demand in correct order:

- (A) Increase in Bank Rate by RBI
(B) Problem Of excess demand will be corrected
(C) Public will borrow less
(D) Decreases money supply
(E) Loans taken by commercial banks will become costlier/expensive

Choose the **correct** answer from the options given below:

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

Q4. In the calculation of GDP by Expenditure method what should added from the following:

- (A) Private Final Consumption expenditure
(B) Investment Expenditure
(C) Net imports
(D) Net exports
(E) Government Final Consumption Expenditure

Choose the **correct** answer from the options given below:

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

Q5. In addition to limited availability of resources, what is the other reason which compels every economy to decide on how to use its resources:

- (a) Optimum utilisation of resources without cost advantage
(b) Resources do have competing usages
(c) Minimum wastage of resources
(d) Economical usage of resources

Q6. Read the following facts about Indian economy during British rule and select correct facts:

- (A) Commercialisation of agriculture lead to production of cash crops which help British industries back home

(B) Britain maintained a monopoly control over India's exports and imports

(C) Basic infrastructure such as railways, ports, water transport, posts and telegraphs did develop to provide basic amenities to the people

(D) Indian trade was restricted to Britain, China, Russia and America

(E) India's economy remained fundamentally agrarian under the British rule

Choose the **correct** answer from the options given below:

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

Q7. In an Economy, problem of choice arises. Arrange the following in order:

- (A) Leads to scarcity of resources
(B) Demands are unlimited
(C) Problem of choice arises
(D) Our resources are limited

Choose the **correct** answer from the options given below:

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

Q8. The Chairperson of Planning Commission in India is _____.

- (a) President of India (b) Prime Minister of India
(c) Chief Minister of India (d) Education Minister

Q9. MPS is defined as:

- (a) Change in consumption per unit change in Income
(b) Change in consumption per unit of Income
(c) Change in savings per unit of Income
(d) Change in savings per unit change in income

Q10. Abbreviate full form of 'LPG' in context of Economic Reforms in India in the year 1991:

- (a) Liberalisation, Privatisation & Globalisation
(b) Liberalisation, Privatisation & Government
(c) Liberalisation, Publication & Globalisation
(d) Liquefied Petroleum Gas

Q11. Arrange the following development strategy of China according to chronological order:

- (A) Great leap Forward campaign
(B) People's Republic of China
(C) Thirteenth Five Year Plan
(D) Introduction of Reforms
(E) Great Proletarian Cultural Revolution

Choose the **correct** answer from the options given below:

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

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Q12. The points on PPC shows one among the following, choose the correct option:

- (a) lesser utilisation of resources
- (b) fuller utilisation of resources
- (c) growth of resources
- (d) constant resources

Q13. Policy tools to control money supply in Economy by the Reserve Bank of India:

- (A) Repo-rate
- (B) Assets
- (C) Open market operations
- (D) Bank rate

Choose the correct answer from the options given below :

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

Q14. GLF campaign initiated by China in 1958. Hence GLF stands for what?

- (a) Great Lead Future (b) Great Leap Forward
- (c) Great Lead Forward (d) Great Leap Future

Q15. Identify the correct properties of Indifference Curve (IC):

- (A) IC slopes downward because in order to increase the consumption of one good, we must increase the consumption of the other good
- (B) IC is concave to the origin.
- (C) IC is convex to the origin because of law of Diminishing Marginal Rate of Substitution
- (D) IC is convex to the origin because of law of Diminishing Marginal Utility
- (E) IC slopes downward because in order to increase the consumption of one good, we must decrease the consumption of the other good

Choose the **correct** answer from the options given below:

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

Q16. Match List-I with List-II:

List-I		List-II	
(A)	God's own country	(I)	Karna taka
(B)	Information Technology Industry	(II)	Punjab
(C)	Industrially advanced	(III)	Kerala
(D)	Agriculturally affluent	(IV)	Gujarat

Choose the **correct** answer from the options given below:

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

Q17. One of the following statement is incorrect with respect to Foreign Exchange Rate:

Choose the incorrect option.

- (a) In case of Fixed Exchange rate, exchange rate is fixed by the Government
- (b) Managed Floating rate is also called Dirty Floating
- (c) Fixed Exchange rate system is also known as Floating Exchange rate system
- (d) In case of fixed exchange rate system, some government action increases, the exchange rate

Q18. One among the following should be added to MPC to find the result 1 (one). Choose the correct answer:

- (a) APS (b) APC
- (c) MPS (d) MPC

Q19. Identify the term that is called National income of a Economy:

- (a) GDP_{MP} (b) GDP_{FC}
- (c) NNP_{MP} (d) NNP_{FC}

Q20. Fill in the blanks:

In a modern economy, money comprises of _____ and _____.

- (a) Cash and Cash equivalent
- (b) Notes and Coins
- (c) Currency and foreign exchange reserves
- (d) Cash and Bank deposits

Q21. All the points on Indifference Curve show the level of satisfaction. Choose the correct option:

- (a) Low level of satisfaction
- (b) Same level of satisfaction
- (c) High level of satisfaction
- (d) Lowest level of satisfaction

Q22. According to Keynesian, Equilibrium level of Income is achieved when:

- (a) Planned Savings > Planned Investment
- (b) Planned Savings = Planned Investment
- (c) Planned Savings < Planned Investment
- (d) Income = Consumption

Q23. In 1955, a committee was formed for promoting Rural Development through small-scale industries. Choose the name of the committee from the following:

- (a) Narsimha Committee (b) Rangarajan Committee
- (c) Mahalanobis (d) Karve Committee

Q24. Arrange the steps involved in determining the exchange rate in the flexible exchange rate system:

- (A) Determination of X-axis (amount of Foreign Exchange in \$) and Y-axis (The Exchange Rate e)
- (B) Marking of Exchange Rate corresponding to the Intersection
- (C) Determination of Demand Curve & Supply Curve of Foreign Exchange
- (D) Determination the intersection point of Demand & Supply curve
- (E) Exchange rate determined

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Choose the **correct** answer from the options given below:

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

Q25. Match **List-I** with **List-II**:

List-I		List-II	
(A)	Increase in price	(I)	will lead to downward movement
(B)	Decrease in price	(II)	will lead to upward movement
(C)	Increase in price of substitute goods	(III)	will lead to leftward shift in demand curve
(D)	Unfavourable taste & preference	(IV)	will lead to rightward shift in demand curve of normal goods

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

Q26. The following statements are about measuring poverty, select the correct statement:

- (A) There are many ways of measuring poverty
 (B) Poverty may be measured on the basis of monetary value of the minimum calorie intake
 (C) Government uses Monthly Per Capita Expenditure as proxy for income of households to identify the poor
 (D) Measures of poverty differ for different section of society
 (E) Factors such as accessibility to basic education, health care, drinking water & sanitation are not considered to develop poverty line

Choose the **correct** answer from the options given below:

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

Q27. Match **List-I** with **List-II**:

List-I		List-II	
(A)	$GDP_{MP} - NIT$	(I)	NNP_{MP}
(B)	$GNP_{MP} - NFIA$	(II)	GDP_{MP}
(C)	$NDR_{MP} + NFIA$	(III)	NNP_{FC}
(D)	$NDP_{FC} + NFIA$	(IV)	GDP_{FC}

Choose the **correct** answer from the options given below:

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

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

Q28. Which of the following makes the workers highly vulnerable?

- (a) Casualisation of workforce
 (b) Lack of Employment Skills
 (c) Self employment
 (d) Salaried Employment

Q29. Match **List-I** with **List-II**:

List-I		List-II	
(A)	Export of Goods	(I)	Debit side of the Capital A/c
(B)	Import of Services	(II)	Credit side of the Capital A/c
(C)	Investment to Abroad	(III)	Debit side of the Current A/c
(D)	Borrowings from Abroad	(IV)	Credit side of the Current A/c

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

Q30. Which of the following indicate the development, that allow all future generations to have a potential average quality of life that is at least as high as that which is being enjoyed by the current generation?

- (a) Sustainable Development
 (b) Continuous Development
 (c) Rural Development
 (d) National Development

Q31. Arrange following events in correct sequence:

- (A) Pakistan became Independent
 (B) Republic of China was established
 (C) Reforms were initiated in India
 (D) Reforms were initiated in China
 (E) Reforms were initiated in Pakistan

Choose the **correct** answer from the options given below:

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

Q32. Which among the following statement is not correct about WTO:

- (a) It is a successor organisation to GATT
 (b) It was founded in 1995
 (c) GATT was established in 1948 with 29 countries
 (d) The aim of WTO is to promote rule-based trading-regime in which nations cannot place arbitrary restrictions on trade

Q33. Which among the following is not the central problem of an economy:

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- (a) For whom to Produce?
 (b) Scarcity of Resources?
 (c) How to Produce the good?
 (d) What to Produce?
- Q34.** If the exchange rate is ₹80 for a dollar, what would be the cost of a shirt of ₹800 in US dollar?
 (a) \$100 (b) \$10
 (c) \$8 (d) \$0.8
- Q35.** Identify the incorrect statement in the context of Employment:
 (a) Workers who own & operate an enterprise to earn their livelihood are known as self-employed person
 (b) When a worker is engaged by some other person and paid his or her salary on a regular basis they are known as regular salaried employees
 (c) Due to the seasonal change there is no employment opportunities in the village for few months is known as disguised unemployment
 (d) The construction workers are known as casual workers
- Q36.** If Marginal propensity to consume (MPC) is 4 times of the value of the Marginal propensity to save (MPS) determine the value of MPC:
 (a) 0.70 (b) 0.75
 (c) 0.20 (d) 0.80
- Q37.** On the Eve of Independence, small-scale Industry was one which invested a maximum amount of:
 (a) ₹10 lakh (b) ₹1 crore
 (c) ₹1 lakh (d) ₹5 lakh
- Q38.** Match **List-I** with **List-II**:

List-I		List-II	
(A)	Wealth Tax	(I)	Single comprehensive indirect tax
(B)	Income Tax	(II)	Indirect Tax
(C)	Service Tax	(III)	Paper Tax
(D)	GST	(IV)	Direct Tax

- Choose the **correct** answer from the options given below:
 (a) (A)-(III), (B)-(II), (C)-(I), (D)-(IV)
 (b) (A)-(III), (B)-(IV), (C)-(II), (D)-(I)
 (c) (A)-(I), (B)-(III), (C)-(II), (D)-(IV)
 (d) (A)-(IV), (B)-(III), (C)-(I), (D)-(II)
- Q39.** In case, value of intermediate goods are included during the estimation of national product, which problem will arise?
 (a) Problem of Double counting
 (b) Problem of Inclusion
 (c) Problem of Scarcity
 (d) Problem of estimation of National Income

- Q40.** What will happen to Aggregate Demand curve, in case Autonomous Investment of an economy Increases:
 (a) Aggregate Demand curve will shift in parallel upwards
 (b) Aggregate Demand curve will shift in parallel downwards
 (c) Aggregate Demand curve will remain at its original level
 (d) Increase in Autonomous Investment will affect aggregate supply curve

Direction for the question 41 to 45: **Read the following passage and answer the question:**

Use of Non-conventional sources of Energy: India as you know, is hugely dependent on thermal & hydro power plants to meet its power needs. Both of these have adverse environmental impacts. Thermal power plants emit large quantities of carbon dioxide which is a green-house gas. It also produces fly ash which if not used properly, can cause pollution of water bodies, land & other components of the environment. Wind power & solar rays are good examples of non-conventional but cleaner & z greener energy sources they are not yet explored on a large scale due to lack of technological devices:

- Q41.** Identify the Non-conventional source of Energy:
 (a) Kerosene (b) Petroleum
 (c) Coal (d) Solar Energy
- Q42.** Identify the Green-House Gas from the following:
 (a) Oxygen (b) Hydrogen
 (c) Carbon- Di-oxide (d) Nitrogen
- Q43.** Thermal power plant uses _____ to produce the thermal energy:
 (a) Electricity (b) Crude oil
 (c) Wood (d) Coal
- Q44.** Why solar and wind energy are not explored on a large scale?
 (a) Due to lack of technological Devices
 (b) Due to lack of labour
 (c) Due to lack of Motivation
 (d) Due to lack of Sun Rays & Wind Speed
- Q45.** Fly Ash, produced as a residual, in thermal power plants, will not produce:
 (a) Air Pollution (b) Water Pollution
 (c) Land Pollution (d) Further Energy

Direction for the question 46 to 50: **Read the following passage and answer the question:**

In a multiparty parliamentary system, electoral concerns play an important role in determining expenditure policies. The enactment of the FRBMA, on Aug. 2003, marked a turning point in fiscal reforms, binding the Govt. through an institutional frame work to persue a prudent fiscal policy. The act mandates the Central Govt. to take appropriate measures to reduce fiscal deficit to not more than 3 percent of GDP and to

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eliminate the revenue deficit by 31 March, 2009. It requires the reduction in fiscal deficit by of GDP each year and revenue deficit by 0.5 percent. If it is not achieved through tax revenues, the necessary adjustment has to come from a reduction in expenditure. The Central Govt. must ensure inter-generational equity and long term macroeconomic stability by achieving sufficient revenue surplus, removing fiscal obstacles to monetary policy and effective debt management by limiting deficits and borrowings. The rules under the act were notified with effect from July 2004.

Q46. What do you mean by FRBMA:

- (a) Fiscal Revenue and Budget Management Act
- (b) Fiscal Responsibility and Budget Management Act 2003
- (c) Finance Revenue and Budget Management Act
- (d) Future Revenue and Budget Management Act 2003

Q47. When was FRBMA Act applied:

- (a) Aug 2003
- (b) July 2004
- (c) March 2009
- (d) Aug 2004

Q48. What is the function of Act?

- (a) To increase fiscal deficit
- (b) To increase revenue deficit
- (c) To reduce fiscal deficit
- (d) Neither to increase revenue nor fiscal deficit

Q49. If there is no reduction in fiscal deficit, what adjustments has to be done:

- (a) Revenue will be decreased
- (b) Fiscal deficit will be increased
- (c) Increase in Expenditure
- (d) Reduction in Expenditure

Q50. What were the rules under the Act of FRBMA notified with effect from July 2004

- (a) To reduce fiscal deficit
- (b) To reduce revenue
- (c) To remove fiscal obstacles to monetary policy and effective debt management
- (d) To increase revenue deficit

