

Question Papers

ExamCode: RA_ECON_162015

1. Which one of the following definition is stated by Alfred Marshall?
1) Wealth definition
2) Welfare definition
3) Growth definition
4) Scarcity definition
2. Macro Economics is also known as:
1) The theory of national income
2) The theory of Income and Employment
3) The theory of Growth
4) The theory of International Trade
3. Micro Economics is concerned with narrowly defined group since it does not study:
1) The totality of behaviour of all units in the Economy
2) Individual units of the Economy
3) Equilibrium of the firms in the Economy
4) Producer's equilibrium
4. Among the following which is the fundamental principle underlying all economic activity?
1) Choice between alternatives
2) Fulfillment of all wants
3) How to earn income?
4) How to spend income?
5. Which one of the following concept has developed by Paul. A. Samuelson to measure welfare?
1) G.N.P
2) N.N.P
3) NI
4) NEW
6. Which one of the following analysis splits up the Price effect into Substitution effect and Income effect?
1) Ordinal utility analysis
2) Cardinal utility analysis
3) Equi-marginal utility
4) Consumer's surplus
7. Suppose 10 oranges are demanded by a household at the price Rs. 5 each. If the price is 3, 15 oranges are demanded. Among which one of the following is the elasticity of demand for oranges?
1) 1.25
2) 1.1
3) 1
4) 1.24
8. An individual spends all his income on two goods X and Y. When the price of goods X increases, the quantity purchased of goods Y remains unchanged. Then the Price elasticity of demand for goods X will be which one of the following?
1) More than one
2) Equal to one
3) Lesser than one
4) Equal to zero
9. As the consumer wanted to consume more and more of goods 'X', he is prepared to forego less and less of goods 'Y'. This rule is associated with:
1) $MRTS_{XY}$
2) MRS_{XY}
3) DMU
4) MRT
10. Which one of the following is represented for $E_d=0$?
1) Perfectly inelastic
2) Perfectly elastic
3) Unitary elastic
4) More than unitary elastic
11. If the demand for the commodity is perfectly inelastic, the whole burden of the commodity tax will fall on which part of the society?
1) Consumers
2) Producers
3) Sellers
4) Government

12. The law of Diminishing Marginal Utility is derived from which one of the following axioms?

- 1) Wants are unlimited
- 2) Wants are recurring
- 3) Wants are alternative
- 4) Wants are satiable

13. A measure of average responsiveness of quantity to price over an interval of the demand curve i.e

$$\frac{\Delta Q}{Q} \times \frac{P}{\Delta P}$$

Which one of the following is correct for the above statement?

A	Income elasticity of demand
B	Price elasticity of demand
C	Point elasticity of demand
D	Arc elasticity of demand

14. Alfred Marshall's Cardinal utility analysis is based on the:

- 1) Hypothesis of dependent utilities
- 2) Income Effect
- 3) Hypothesis of independent utilities
- 4) Substitution Effect

15. The combination of two goods which the consumers can buy by spending his money income on the two goods at the given prices is known as:

- 1) Income Consumption Curve
- 2) Price Consumption Curve
- 3) Budget Line
- 4) Indifference Curve

16. In agriculture, the price-elasticity of demand helps to explain which one of the following?

- 1) The Paradox of thrift
- 2) The Paradox of plenty
- 3) Giffen paradox
- 4) The Paradox of value

17. Which one of the following indicates the up-ward sloping of the price consumption curve?

- 1) Inelastic demand
- 2) Unitary elastic demand
- 3) Perfectly elastic demand
- 4) Relatively elastic demand

18. According to Harrod model, which one of the following is concerned with the given statement? "The necessary relations between the rates of growth of the different elements in a growing economy".

- 1) Economic static
- 2) Economic dynamic
- 3) Comparative static
- 4) Comparative dynamic

26. **If the demand curves for a monopolist's commodity are identical in two separate markets, then, by practising third-degree price discrimination, the monopolist:**
- 1) Will increase TR and total profits
 - 2) Can increase TR and total profits
 - 3) Cannot increase TR and total profits
 - 4) Will charge a different price in different markets
27. **When the TP falls:**
- 1) The AP Labour is zero
 - 2) The MP labour is zero
 - 3) The AP labour is negative
 - 4) The AP labour is declining
28. **STC can never be less than LTC:**
- 1) Always true
 - 2) Often true
 - 3) Sometimes true
 - 4) Never true
29. **Which one of the following statements is false?**
- 1) The dual of profit maximization is cost minimization
 - 2) The dual of cost minimization is profit maximization
 - 3) Cost minimization is the dual of reaching the lowest isocline possible
 - 4) Reaching the highest iso-profit line possible is the dual of reaching the lowest isocost line possible
30. **Statement I : At the shut down point $P=AVC, TR=TVC$ and total losses of the firm equal to TFC**
Statement II : At the shut down point $P=AVC, TR>TVC$ and total losses of the firm equal to TVC
- 1) Statement I is correct
 - 2) Statement II is correct
 - 3) Statement I and II are correct
 - 4) Statement I and II are false
31. **The short-run supply curve of the perfectly competitive firm is given by:**
- 1) The rising portion of its MC curve and above the shut-down point
 - 2) The rising portion of its MC curve over and above the break-even point
 - 3) The rising portion of its MC curve over and above the AC curve
 - 4) The rising portion of its MC
32. **An increase in output in a perfectly competitive and constant cost industry, which is in long-run equilibrium will come:**
- 1) Entirely from new firms
 - 2) Entirely from existing firms
 - 3) Entirely from new firms or existing firms
 - 4) Partly from new firms and partly from existing firms
33. **When the demand curve under monopoly is elastic, MR is:**
- 1) 1
 - 2) 0
 - 3) Positive
 - 4) Negative
34. **When the industry is in long-run equilibrium, the monopolistic competitor will produce at the lowest point on its LAC curve:**
- 1) Always
 - 2) Never
 - 3) Sometimes
 - 4) Cannot say

35. **The short-run supply curve of the monopolistic competitor:**

- 1) Cannot be defined
- 2) Is given by the rising portion of monopolistic competitor's SMC curve
- 3) Is given by the rising portion of monopolistic competitor's SMC curve over and above AVC
- 4) Can be defined only if factor prices remain constant

36. **In the case of price leadership by the dominant firm, all the firms in the purely oligopolistic industry will produce their best level of output:**

- 1) Always
- 2) Never
- 3) Sometimes
- 4) Often

37. **Given the supply of a commodity in the market period, the price of the commodity is determined by:**

- 1) The market demand curve alone
- 2) The market supply curve alone
- 3) The market demand curve at the market supply curve
- 4) The demand for the commodity and supply of the commodity

38. **If the $MRTS_{LK}$ equals 2, then MPK/MPL is:**

- 1) 2
- 2) 1/2
- 3) 1
- 4) 4

39. **With reference to the Cournot model, determine which of the following statement is false?**

- 1) The duopolists do not recognize their interdependence
- 2) Each duopolist assumes the other will keep its quantity constant
- 3) Each duopolist assumes the other will keep its price constant
- 4) The solution is stable

40. **Statement I : Implicit costs refer to the actual expenditure of the firm to purchase or hire the inputs it needs Statement II : Implicit costs refer to the value of owned inputs used by the firm in its own production process.**

- 1) Statement I is true
- 2) Statement II is true
- 3) Statements I and II are true
- 4) Statements I and II are false

41. **At the best, or optimum, level of output for the pure monopolist:**

- 1) $MR=SMC$
- 2) $P=SMC$
- 3) $P=\text{lowest SAC}$
- 4) 'P' is the highest

42. **The distribution of two commodities between two individuals is said to be Pareto optimal if:**

- 1) One individual can be made better off and making the other worse off
- 2) Change in policy makes some people better off and others worse off
- 3) The greatest happiness of the greatest number
- 4) One individual cannot be made better off without making the other worse off

43. **The stability of equilibrium depends on the relationship between the slopes of the:**

- 1) Demand curve
- 2) Supply curve
- 3) Demand and supply curves
- 4) Price curve

44. Which of the following technique explains the general equilibrium of the economy?

- 1) Game theory
- 2) Linear programming
- 3) Cost- benefit analysis
- 4) Input -Output analysis

45. If each unit of goods can be used at the same time by more than one individual is called as:

- 1) Private goods
- 2) Public goods
- 3) Merit goods
- 4) Mixed goods

46. If the excess demand function does not intersect the vertical axis at any one price is caused as:

- 1) Stable equilibrium
- 2) Unstable equilibrium
- 3) Multiple equilibrium
- 4) No equilibrium exists

47. The tangency points of the various indifference curves of the two individuals of the society are the Pareto optimal points and locus of these points is called as :

- 1) Production possibility curve
- 2) Contract curve
- 3) Transformation curve
- 4) Marginal rate of technical substitution

48. General equilibrium analysis determines:

- 1) Relative prices
- 2) Absolute prices
- 3) Relative and absolute prices
- 4) Wholesale price

49. Who proved the existence of a general equilibrium for a economy with limited increasing returns and monopolistic competition, without indivisibilities:

- 1) Leon Walras
- 2) K.J. Arrow and G. Debreu
- 3) K.J. Arrow and F.H. Hahn
- 4) Leon Walras and H.G. Johnson

50. Who was the first among the following to point out the paradoxical result in Kaldor-Hicks criterion?

- 1) Pareto
- 2) Bergson
- 3) Scitovsky
- 4) Baumol

51. In an economy of two individuals [A and B] and two commodities(x and y) general equilibrium of production and exchange occurs when:

- 1) $MRT_{xy} = P_x/P_y$
- 2) MRS_{xy} for A and B = P_x/P_y
- 3) $[MRS_{xy}]_A = [MRS_{xy}]_B$
- 4) $MRT_{xy} = [MRS_{xy}]_A = [MRS_{xy}]_B$

52. An ethical or value judgement must be made in order to derive:

- 1) The transformation curve
- 2) The consumption contract curve
- 3) The general utility- possibility curve
- 4) The social welfare function

53. The negative of the slope of the production possibility curve is called:

- 1) Marginal rate of (product) transformation
- 2) Marginal rate of substitution
- 3) Marginal utility function
- 4) Marginal product function

54. According to whom the level of production is the main determinant of social welfare and the distribution a secondary one?
- 1) Pareto 2) Kaldor-Hicks
 3) Bergson 4) Scitovsky
55. Whose criterion be a correct welfare measure, if the marginal utility of money is equal for all the individuals?
- 1) Pareto criterion 2) Hick-Kaldor criterion
 3) Bergson criterion 4) Cardinalist criterion
56. The transformation curve is derived from:
- 1) The consumption contract curve 2) The utility possibility curve
 3) The social welfare function 4) The production contract curve
57. What type of analysis where we do not take into account the inter-relationship or inter-dependence between prices of commodities or between prices of commodities and factors of production?
- 1) Commodity sector equilibrium 2) Factor market equilibrium
 3) Partial equilibrium analysis 4) General equilibrium analysis
58. Who maintained that the general equilibrium is stable?
- 1) Leon Walras 2) K.J.Arrow
 3) G.Debrew 4) Marshall
59. A situation in which it is impossible to make anyone better-off without making someone worse-off is said to be:
- 1) Pareto-optimal 2) Pareto-efficient
 3) Both A and B 4) Compensation criterion
60. Input- output analysis technique was invented by:
- 1) Neumann and Morgenstern 2) Wassily W. Leontief
 3) Leon Walras 4) Pareto
61. Each product or factor market is considered as independent and self-contained for the proper explanation of the determination of price and quantity of a commodity or a factor is caused as:
- 1) General equilibrium analysis 2) Factor market equilibrium analysis
 3) Commodity market equilibrium analysis 4) Partial equilibrium analysis
62. In which year was the final report of the National Income Committee appeared?
- 1) 1951 2) 1952
 3) 1953 4) 1954
63. National Statistical Commission was headed by:
- 1) C. Rangarajan 2) Dr. Rajesh shukla
 3) D.R. Gadgil 4) V.K.R.V. Rao
64. The LM curve relates the level of income with the rate of interest which is determined by:
- 1) Product market equilibrium 2) Money market equilibrium
 3) General equilibrium 4) Partial equilibrium

65. **Keynes multiplier is known as:**
 1) Investment multiplier
 2) Static multiplier
 3) Dynamic multiplier
 4) Employment multiplier
66. **During depression fiscal policy aims at-**
 1) Deficit budget
 2) Surplus budget
 3) Balanced budget
 4) Zero-based budget
67. **Keynesian Economics focuses on the importance of the:**
 1) Investment pattern of the society
 2) Consumption pattern of the society
 3) Role of government
 4) Expenditure pattern of the society
68. **One of the indicators of economic development is:**
 1) Growth of industry
 2) National income
 3) Reduction of population growth
 4) Increase of exports
69. **Who among the following was the member of National Income Committee in 1949?**
 1) J.R. Hicks
 2) M. Mukherjee
 3) S.K. Ghosh
 4) D.R. Gadgil
70. **What is the share of industry in National Income during 2010-11?**
 1) 27.9%
 2) 30.2%
 3) 31.1%
 4) 32.5%
71. **IS curve:**
 1) Goes upward
 2) Slopes downward
 3) Goes horizontally
 4) None of the above
72. **Duesenberry has advanced hypothesis regarding consumption behaviour called:**
 1) Absolute income hypothesis
 2) Relative income hypothesis
 3) Permanent income hypothesis
 4) Life cycle hypothesis
73. **The Keynesian multiplier effect is very small in:**
 1) Underdeveloped countries
 2) Developing countries
 3) Developed countries
 4) None of the above
74. **Goods which are purchased for final use and not for resale or further processing is called:**
 1) Public goods
 2) Social goods
 3) Final goods
 4) Intermediate goods
75. **The changing structure of GDP have been studied by:**
 1) Dr. Rajesh shukla and K.A. Siddiqui
 2) J.R. Hicks and M. Mukherjee
 3) D.R. Gadgil and P.C. Mahalanobis
 4) V.K.R.V. Rao and S.K. Ghosh
76. **Which one of the following factors the determines the position of the IS curve?**
 1) The level of autonomous expenditure
 2) The level of price
 3) The level of autonomous investment
 4) The level of demand
77. **One of the important leakages from the multiplier process is:**
 1) Exports
 2) Imports
 3) Deflation
 4) None of the above

78. **Kahn's multiplier is known as:**
- 1) Income multiplier
~~3) Employment multiplier~~
 2) Investment multiplier
 4) Dynamic multiplier
79. **The individuals or households try to imitate or copy the consumption levels of their neighbours or other families in a particular community. This phenomenon is called:**
- 1) Ratchet effect
 3) Real balance effect
~~2) Demonstration effect~~
 4) Pigeon effect
80. **The aggregate demand has:**
- 1) Two components
~~3) Four components~~
 2) Three components
 4) Five components
81. **What is the share of the service sector in National income during 2010-2011?**
- 1) 50.4%
~~2) 57.8%~~
 3) 58.5%
 4) 59.4%
82. **What was the statement given by Adam Smith regarding economic laws:**
- ~~1) They are universally applicable~~
 3) They are the statement of tendencies
 2) They are like scientific laws
 4) They are the modern mathematic laws
83. **In Gandhian Economy, Labour welfare is a necessary pre-condition for which one of the following?**
- ~~1) Economic stability and social harmony~~
 3) A peaceful social life
 2) Self contained community
 4) Self- sufficient Economy
84. **Under capitalism individuals are motivated by the desire for economic gain in their economic activities. This institution of capitation is termed as:**
- 1) Profit motivation
 3) Freedom motivation
~~2) Economic motivation~~
 4) Competition
85. **The Malthusean theory of population discusses the relationship between which one of the following factors?**
- ~~1) Population and food supply~~
 3) Population and income distribution
 2) Population and poverty
 4) Population and Famine
86. **According to David Ricardo lands are subject to which one of the following returns?**
- 1) Law of increasing returns
 3) Law of constant returns
~~2) Law of diminishing returns~~
 4) Law of marginal returns
87. **Marxian philosophy has been technically termed as:**
- 1) Dialectical Idealism
 3) Social philosophy
~~2) Dialectical Materialism~~
 4) Positive contribution
88. **In which situation does Gandhiji accept the process of mechanisation?**
- ~~1) When the lands are too few for the work intended to be accomplished~~
 3) When it leads to concentration economic power in few hands
 2) Where there is high growth rate of population
 4) When it enriches few at the cost of many

89. **The laws of rent, population diminishing returns were at the root of Ricardo's which attitude?**
- 1) Pessimistic attitude
2) Optimistic attitude
3) Mathematical attitude
4) Practical attitude
90. **"Women were treated as slaves, play things and ornamental pieces in male dominated Hindu Society" Who expressed this statement?**
- 1) Ambedkar
2) Anna
3) Periyar
4) Gandhi
91. **What does the political economy deal with according to David Ricardo?**
- 1) An enquiry into the nature and causes of wealth of Nation
2) An enquiry into the laws according to which wealth is distributed
3) Deals with welfare of the people
4) Deals with scarce resources which have alternative uses
92. **What was the average period of trade cycle according to Karl Marx?**
- 1) 10 years
2) 5 years
3) 3 years
4) 1 year
93. **"Capital Limits Industry"- who gave the statement?**
- 1) T.R. Malthus
2) David Ricardo
3) Karl Marx
4) Adam Smith
94. **Which one of the following statement is correct when the consumer is unable to state under ordinal utility analysis?**
- 1) Quantitative difference between various level of satisfaction
2) Qualitative comparisons between various level of satisfaction
3) Whether he attains the same level of satisfaction
4) Whether he does not attain any level of satisfaction
95. **When the resources are so assigned to the production of various goods so that the maximum possible satisfaction of the people is obtained. If so, which of the following efficiency is achieved?**
- 1) Efficiency in distribution
2) Allocative Efficiency
3) Consumption Efficiency
4) Production Efficiency
96. **Which one of the following analysis can be used to explain under what conditions rationing of goods by the Government can act as binding or a constraint on consumer's choices and further how it affects his welfare?**
- 1) Marginal utility analysis
2) Revealed preference theory
3) Indifference curve analysis
4) Demand theory
97. **In which of the following sector the private enterprise will have the opportunity to develop with state participation where the Government will play an effective role in guiding policies, management and operation?**
- 1) Joint sector
2) Public sector
3) Private sector
4) Mixed Economy

98. As per Karl Marx view the rate of exploitation was given by which of the following formula?

A.	$O = \frac{C}{C - V}$
B.	$\frac{S}{V}$
C.	C-M-C
D.	M-C-M'

99. The prophet of the new age, the Socrates of South-East Asia, Father of social reform movement- These titles were conferred on:

- 1) Gandhiji
 2) Nehru
 3) Ambedkar
~~4) Periyar~~

100. What was the name of the revolutionary humanist who was born 10 years after Gandhi and 10 years before Nehru?

- 1) Ambedkar
 2) Dadabhai Naoroji
~~3) Periyar~~
 4) Gokhale

101. Which one of the following is equal to profit in Gandhian economic system?

- 1) Over head cost minus selling price
 2) Total receipt minus production costs
 3) Cost over benefit
~~4) Marginal cost minus marginal revenue~~

102. Which one of the following factors is irrelevant with regard to the credit creation of commercial banks?

- 1) Amount of deposit
 2) Economical condition
 3) Cash Reserve Ratio
~~4) Number of bank employees~~

103. According to Milton Friedman an increase in the supply of mouey:

- ~~1) Will increase output and employment with a rise in total expenditure~~
 2) Will decrease output and employment with a rise in total expenditure
 3) Will increase output and employment with a decrease in total expenditure
 4) Will increase output and employment with increase in total expenditure

104. Match the following

	List I	List II
A.	Commercial Bank	1. Credit control
B.	Finance Corporation	2. SEBI
C.	RBI	3. NBFC
D.	Capital market	4. Credit creation

	A	B	C	D
A.	4	3	1	2
B.	1	2	3	4
C.	3	2	4	1
D.	2	1	3	4

105. **Statement A: The deposit Insurance Corporation (DIC) was established on 1 January 1962 under the Deposit Insurance Corporation Act Statement B: From 1971, Co operative banks in a few states were registered with DIC**
- 1) A and B are not correct
 2) A and B are correct
 3) A is correct but B is false
 4) B is correct but A is false
106. **The concept "General Liquidity Effect" is associated with:**
- 1) Bank Rate
 2) Open market operation
 3) Variable Cash Reserve Ratio
 4) SLR
107. **Scheduled Commercial Banks are allowed to borrow at their own discretion using:**
- 1) Net demand and time liabilities
 2) Marginal standing facility
 3) Open market operation
 4) Cash reserve ratio
108. **Who pointed out that "Even unsteady growth through foreign trade is surely better than no growth at all"?**
- 1) H. Myint
 2) Mill
 3) G. Myrdal
 4) Nurkse
109. **Among the exports of principle commodities which one is the single largest item of exports in India?**
- 1) Engineering goods
 2) Chemicals and allied products
 3) Handicrafts
 4) Readymade garments
110. **Which one is the new slogan has been raised by the under- developed nations?**
- 1) Trade and technology
 2) Trade and raw materials
 3) Export and developmental imports
 4) Trade and aid
111. **Choose the correct option from the following: Commercial banks are regarded as creators of money because:**
- 1) They buy securities from the Central bank
 2) Their loans create deposits
 3) They are bound to honour their obligations
 4) They provide over draft facilities
112. **According to Keynesian theory, a decrease in income will:**
- 1) Decrease the speculative demand for money
 2) Decrease the speculative and precautionary demand for money
 3) Decrease the speculative and transactions demand for money
 4) Decrease the precautionary and transactions demand for money
113. **Statement A: CRR and SLR is same. Statement B: RBI offers clearing house facility at free of cost to commercial banks.**
- 1) A and B are false
 2) A is correct but B is false
 3) A is false but B is correct
 4) Both A and B are correct
114. **The note issue system in India is based on:**
- 1) Simple Deposit System
 2) Minimum Reserve System
 3) Proportional Reserve System
 4) Fixed Fiduciary System

115. According to Milton Friedman, the determinants of the demand for money are 1. Level of prices 2. Rate of interest 3. Level of National income 4. Rate of changes in general price level

- 1) 1 and 2 are correct
- 3) 2 and 4 correct

- ~~2) 1, 3, 4 are correct~~
- 4) All are correct

116. The economy where there is direct exchange of one good for another is:

- 1) Money economy
- 3) Modern economy

- ~~2) Barter economy~~
- 4) New classical economy

117. Rupee and all other coins in India are considered as :

- 1) Bank money
- 3) Paper money

- ~~2) Token money~~
- 4) Fiat money

118. In token money:

- 1) Face value is equal to intrinsic value
- 3) Face value is greater than intrinsic value

- ~~2) Face value is less than intrinsic value~~
- 4) Face value is not related to intrinsic value

119. Fishers Quantity theory of money is based on:

- 1) Individual decision and behaviour
- ~~3) Macro factors like transaction demand and total velocity of circulation~~

- 2) Micro as well as macro factors
- 4) Liquidity

120. The first bank started in India was:

- 1) Bank of Venice
- 3) State Bank of India

- ~~2) Bank of Hindustan~~
- 4) Indian Bank

121. During Inflation:

- 1) Price level and value of money increases
- 3) Price level and value of money are not related

- 2) Price level and value of money decreases
- ~~4) Price level and value of money go in opposite direction~~

122. Special Drawing Rights [SDRs], are also known as:

- 1) Gold parity
- ~~3) Paper Gold~~

- 2) Paper money
- 4) Metal money

123. Under the foreign trade policy 2004-09 of a new package scheme "Vishesh Krishi Upaj Yojana" relates to :

- ~~1) Agriculture~~
- 3) Service exports

- 2) Handlooms and handicrafts
- 4) Import of second hand capital goods

124. Which is a sister institution of the International Monetary Fund?

- 1) International Development Association
- 3) Multinational investment Guarantee Agency

- 2) International Finance Corporation
- ~~4) International Bank for Reconstruction and Development or World Bank~~

125. Which one of the global trade agency dispute settlement mechanism is automatic, faster and binding on the parties?

- ~~1) WTO~~
- 3) UNCTAD

- 2) GATT
- 4) ITO

126. Which GATT rounds that a few agreements were arrived at relating to agricultural and dairy products?
- 1) Geneva and Dillon Rounds
~~2) Kennedy and Tokyo Rounds~~
 3) Dillon and Kennedy Rounds
 4) Tokyo and Uruguay Rounds
127. The general equilibrium apparatus is suitable for the analysis of-
- 1) Micro phenomena
 2) ~~Macro phenomena~~
 3) Trade phenomena
 4) Monetary phenomena
128. The last Round of GATT negotiations was at:
- 1) Geneva [Switzerland]
 2) ~~Anecy [France]~~
 3) Tokyo [Japan]
 4) Punta Del Este [Uruguay]
129. Under which world trade forum where the member countries met in a decade to discuss and solve world trade problems?
- 1) ~~GATT~~
 2) WTO
 3) ITO
 4) UNCTAD
130. Which one of the following agency was established to assist in bringing about a smooth transition from " a war-time to peace-time economy"?
- 1) IMF
 2) United Nations
~~3) World bank~~
 4) WTO
131. Foreign trade has acted as an "Engine of growth" for-
- 1) Developed countries
 2) Developing countries
~~3) Less developed countries~~
 4) Industrially advanced countries
132. The gains from International trade have gone more to developed countries at the expense of the less developed countries, thereby, reducing their level of real income and hence capacity for development is called as:
- 1) Strong Backwash effects
 2) International demonstration effect
~~3) Secular deterioration in terms of trade~~
 4) Strong forward effects
133. According to G. Myrdal, international trade has strong backwash effects on the :
- 1) ~~Less developed countries~~
 2) Developing countries
 3) Developed countries
 4) Both developing and developed countries
134. The higher level of output through trade to break the :
- 1) Under development of the economy
 2) Traditional conditions of under developed countries
 3) The vicious circle of poverty
~~4) The vicious circle of poverty and promotes economic development~~
135. One similarity between international and inter regional trade is that in general both must overcome:
- 1) Tariffs
 2) Differences in language
~~3) Distance or space~~
 4) Differences in currencies and monetary systems
136. Income tax was first introduced in India in:
- 1) 1857
 2) 1859
~~3) 1860~~
 4) 1950

137. The GATT was dismantled and started functioning a new body as:

- 1) The UNCTAD
- 2) NIEO
- 3) ITO
- 4) WTO

138. When was GATT ceased to exist?

- 1) January 1, 1947
- 2) January 1, 1995
- 3) October 30, 1948
- 4) October 1, 1947

139. Which one of the following organisation is regarded as "The guardian of good conduct"?

- 1) WTO
- 2) World bank
- 3) IMF
- 4) United Nations

140. How many countries were members of the WTO at the time of its inception on January 1, 1995?

- 1) 57
- 2) 67
- 3) 77
- 4) 87

141. Who is an entrepreneur according to Schumpeter?

- 1) A salaried manager
- 2) An industrialist
- 3) A person who bears risk and uncertainties
- 4) A pioneer in introducing new products, new processes and new forms of business organisations

142. Which of the following is not a direct tax?

- 1) Tax on Income
- 2) Tax on Wealth
- 3) Tax on Expenditure
- 4) Tax on Entertainment

143. Interest and revenue receipts are a part of Union Government's:

- 1) Tax Revenue
- 2) Non Tax Revenue
- 3) Capital Receipts
- 4) Revenue Expenditure

144. The principle of maximum social advantage is related to:

- 1) Taxation
- 2) Public expenditure
- 3) Public debt
- 4) Both A and B

145. Statement A: Tax and special assessment are the same. Statement B: Gifts are voluntary contributions from private individuals to the government fund for specific purpose.

- 1) Both A and B are correct
- 2) A is correct but B is false
- 3) A is false but B is correct
- 4) Both A and B are false

146. The opinion of private expenditure is always preferable to public expenditure belongs to:

- 1) Modern Economists
- 2) Classical Economists
- 3) Neo-classical Economists
- 4) All economists

147. Import of petroleum and crude comes under the classification of:

- 1) Bulk imports
- 2) Non- bulk imports
- 3) Capital goods imports
- 4) Consumption goods imports

148. LIFO and FIFO procedures are used for:

- 1) Valuation of company profits
- 2) Depreciation valuation
- 3) Inventory valuation
- 4) Valuation of Corporation Tax

149. The first economist who tried to formulate the principle of taxation was:

- 1) Sir Raja Chelliah
- 2) Adam Smith
- 3) Edwin Canon
- 4) Dalton

150. Union Excise Duties are a part of central Government's:

- 1) Revenue receipts
- 2) Non-tax revenue
- 3) Administrative revenue
- 4) Capital receipts

151. Statement A: The Finance Commission is appointed for every five years. Statement B: The property of the Union is exempt from State taxation and the property and income of the State are exempt from Union taxation.

- 1) Both A and B are correct
- 2) A is true but B is false
- 3) A is false but B is true
- 4) Both A and B are false

152. Fiscal crisis implies:

- 1) Phenomenal increase in external indebtedness
- 2) Massive increase in public debt
- 3) Large increase in non-developmental expenditure
- 4) Recurring deficit in Government's budget

153. Public debts that are paid off within a year are called:

- 1) Redeemable debt
- 2) Funded Debt
- 3) Unfunded Debt
- 4) Compulsory Debt

154. A customs duty may be imposed to:

- 1) Raise revenue
- 2) Restrict imports
- 3) Both A and B
- 4) Restrict exports

155. The Grants-in-aid are given to the states for:

- 1) Maintaining cordial centre-state relations
- 2) Covering routine gaps in state budgets
- 3) To finance State plans
- 4) Assisting States to undertake developmental activities

156. Statement A: During the period of rising prices, capital gains are illusory. Statement B: Increased tax on capital gain will make the asset owner a real loser.

- 1) A and B are false
- 2) A is correct but B is false
- 3) A is false but B is correct
- 4) Both A and B are correct

157. VAT is imposed:

- 1) At every stage between production and consumption
- 2) On final stage of production
- 3) Directly on consumers
- 4) On first stage of production

158. Statement I: Programme budgets relate to broad programmes and assists top level of Govt. Machinery. Statement II: Performance budgets cannot be useful for efficiency control within a particular Government agency.

- 1) Both statements are true
- 2) Both statements are false
- 3) I statement is true, but II statement is false
- 4) I statement is false, while II statement is true

159. Which of the following has the sole authority to control the expenditure of the Union Government?

- 1) The Comptroller and Auditor General
 2) The Prime Minister
 3) The Parliament
4) National Development Council

160. The Finance commission does all the following functions except one. What is that?

- 1) Works out allocation of taxes in the divisible pool
2) Looks into financial relations between the Centre and States
3) Allocates Grants-in-aid to States and Union Territories
 4) Assists the planning commission in making Five Year Plans

161. The controlling authority of Government expenditure is:

- 1) Reserve Bank of India
 2) Planning Commission
3) Finance Ministry
4) Finance Commission

162. When was the workmen's compensation act passed in India?

- 1) 1948
 2) 1923
3) 1920
4) 1951

163. International Labour Organisation (ILO) was set up in the year:

- 1) 1919
2) 1991
3) 1923
4) 1932

164. When was the Hindu Mazdoor Sabha started?

- 1) 1920
 2) 1947
3) 1948
4) 1930

165. Which one of the land reforms measure reduce wide disparities of income and wealth found in agrarian structure?

- 1) Abolition of intermediaries
2) Tenancy Reforms
 3) Ceiling on land holdings
4) Co-operative farming

166. Which one of the following is a cause for sub-division and fragmentation?

- 1) Ceiling on land Holdings
 2) Growth of the spirit of individualism
3) Tenancy legislation
4) Abolition of Intermediaries

167. When was the Employees Provident Fund Act originally passed?

- 1) 1950
 2) 1952
3) 1976
4) 1967

168. When was the New Social Security Scheme for unorganised sector launched?

- 1) 2002
 2) 2004
3) 2001
4) 2003

169. Which one is considered as important cause of industrial dispute?

- 1) Demand for lesser working hours
2) Demand for canteen facilities
 3) Demand for more wages
4) Demand for better safety measures

170. The Indian railway is-

- 1) In the joint sector
 2) A departmental undertakings
3) A State Government undertakings
4) Central Government undertakings

171. What is the percentage Annual average growth rate of Basic goods in the year 2004-05?

- 1) 5.9 percent
3) 4.9 percent
2) 5.4 percent
4) 4.3 percent

172. Which of the following argument is not in support of Land Reforms?

- 1) No rationale in capital intensive modern farming with sub-optimal level of land
3) Redistribution of surplus land to landless peasants
2) Imposition of ceilings on land holdings
4) Not possible to adopt modern farm practices without consolidation of land

173. IADP stands for:

- 1) Integrated Agricultural Development Programme
3) Intensive Agricultural Development Programme
 2) Intensive Agricultural District Programme
4) Integrated Agricultural District Programme

174. Which one of the following is an economic factor determining economic development of our country?

- 1) Political factors
3) Natural resources
2) Social factors
4) Economic Nationalism

175. Low productivity of Agriculture in India is not caused by:

- 1) Inadequate availability of inputs
 2) Less area under cultivation
2) Sub-division of land holdings
4) Poor finance facilities

176. What is the share of public sector in gross fixed capital formation in the year 2009-10?

- 1) 8.0 percent
3) 8.6 percent
2) 8.9 percent
 4) 8.4 percent

177. Which one of the following is not a benefit of ESI scheme?

- 1) Dependents
3) Funeral
2) Maternity
 4) Pension

178. Agricultural Engineering is a significant branch of _____.

- 1) Agriculture
3) Service sector
 2) Industry
4) Engineering

179. Which one of the following does not comprise infrastructure activity?

- 1) Transport
3) Communication
 2) Marketing
4) Energy

180. The United Trade Union Congress (U.T.U.C) was formed in:

- 1) 1949
3) 1948
2) 1947
4) 1950

181. The new Agricultural policy was announced on _____.

- 1) Feb 10, 2004
3) July 10, 2001
2) Feb 10, 2002
 4) July 29, 2000

182. LPG model has followed:

- 1) The World Bank prescription of stabilization and structural adjustment
- 2) The IMF prescription of stabilization and structural adjustment
- 3) The IMF-World Bank prescription of stabilization as structural adjustment
- 4) The WTO prescription of structural adjustment

183. KVIC (Khadi and Village Industry Commission) was established in:

- 1) First plan
- 2) Second plan
- 3) Third plan
- 4) Fourth plan

184. National Rural Drinking Water Quality Monitoring and surveillance programme was launched in:

- 1) February 2005
- 2) February 2006
- 3) February 2007
- 4) February 2008

185. During the Tenth plan, resource allocation to the agricultural sector was:

- 1) 3.8 percent
- 2) 4.8 percent
- 3) 5.8 percent
- 4) 6.0 percent

186. The eleventh plan has provided _____ for implementing the PURA scheme:

- 1) ₹ 248 crores
- 2) ₹ 250 crores
- 3) ₹ 252 crores
- 4) ₹ 255 crores

187. The end of twelfth five year plan to provide electricity to all villages and reduce AT & C losses to:

- 1) 10 percent
- 2) 20 percent
- 3) 30 percent
- 4) 40 percent

188. The total public sector investment under the ninth plan was:

- 1) 7.0%
- 2) 6.7%
- 3) 6.1%
- 4) 8.4%

189. The term 'Privatization' connotes:

- 1) The induction of private ownership in publicly owned enterprises
- 2) The complete elimination of publicly owned enterprises
- 3) The effective hosting of private enterprises and public sector enterprises
- 4) The increase in the profit of private enterprises

190. The negative impact of privatisation:

- 1) It will lead in modernisation and diversification of Public Sector Units
- 2) It makes Public Sector Units more competitive
- 3) It will revive sick units
- 4) It will increase greater disparities income and wealth

191. The period of 12th five year plan is:

- 1) From 2012-17
- 2) From 2007-12
- 3) From 2014-19
- 4) From 2015-20

192. Prof.P.C. Mahalanobis introduced plan strategy of development to achieve industrialisation through investment in:

- 1) Small scale industries
- 2) Cottage industries
- 3) Agriculture sector
- 4) Heavy industries