

1. Repo and reverse repo rates in India as on 30th September 2022 are ----- and ----- respectively.
A) 5.9 %, 5.15 % B) 5.4 %, 3.8 %
C) 5.1 %, 5.9 % D) 5.9 %, 3.35 %
2. Global Strategic Rivalry Theory of international trade was developed by:
A) Posner and Samuelson B) Paul Krugman and Kelvin Lancaster
C) Linder and Vernon D) Porter and A K Sen
3. 'Justice in the first virtue of social intuitions as truth is of system of thought' – stated by:
A) Rawls B) Kaldor C) Amartya Sen D) Scitovsky
4. Choose the correct sequence of the supply side of vicious circle:
A) Low Income → Low Saving → Low Investment → Low Production → Low Income
B) Low Income → Low Production → Low Saving → Low Investment → Low Income
C) Low Income → Low Demand → Low Investment → Low Productivity → Low Income
D) Low Income → Low Investment → Low Productivity → Low Demand → Low Income
5. Contingent Valuation approach does not include:
A) Trade-off game method B) Costless-choice method
C) Travel cost method D) Delphi method
6. A positive externality affects market efficiency in a manner similar to a:
A) Public good B) Private good
C) Rival good D) Common resource
7. Choose the **incorrect** horizontal devolution as per the recommendations of 15th Finance Commission:
A) 45 % weightage to income
B) 15 % weightage to each to population and area
C) 12.5% weightage to demographic performance
D) 2.5 % weightage to forest and ecology
8. Identify the correct statement related to Dutch disease:
A) It describes negative consequences that can arise from a spike in the value of a nation's currency
B) It may begin with a large influx of foreign cash to exploit a new found resource
C) Its symptoms include a rising currency value leading to a drop in exports and a loss of jobs to other countries
D) All the above

9. The most liquid measure of money supply is:
 A) M1 B) M2 C) M3 D) M4
10. Which among the following were advocated by Adam Smith?
 1. Free trade
 2. Laissez faire
 3. Division of labor
 4. Specialization
 A) 1, 2 and 3 only B) 2 and 4 only
 C) 1, 3 and 4 only D) 1, 2, 3 and 4
11. SWIFT can be expanded as:
 A) Society for Worldwide Inter bank Financial Telecommunication
 B) Security for Worldwide Inter bank Financial Telecommunication
 C) Secured for Worldwide Inter bank Financial Telecommunication
 D) Safety for Worldwide Inter bank Financial Telecommunication
12. Components of the capital account **does not** include:
 A) Foreign investment
 B) Immovable properties
 C) Changes in the foreign exchange reserve
 D) Transfer payments
13. Maximum Likelihood Method is associated with:
 A) Lagendre B) Fisher C) Gauss D) Markov
14. The fourth central moment is described as:
 A) Mean B) Variance C) Kurtosis D) Skewness
15. Identify the contribution of service sector to the Gross Value Added in India at constant prices as on 2020-21:
 A) 51.27% B) 54.27% C) 58.27 % D) 60.27%
16. The committee appointed to lay the road map to capital account convertibility was:
 A) Dutt Committee B) Narasimham Committee
 C) Tharapore Committee D) Thyagi Committee
17. Treasury bills do not include ----- days T- Bill.
 A) 46 B) 91 C) 182 D) 364
18. Industrial Policy of ----- is known as the 'Economic Constitution of India.'
 A) 1948 B) 1956 C) 1980 D) 1991
19. According to the NSS 77th round of Situation Assessment of Agricultural Households 2019, ----- percent of rural households in Kerala are agricultural households compared to ---- percent at national level.
 A) 43.2 and 54 B) 33.2 and 54 C) 42 and 63 D) 40 and 61

20. According to Friedman, $C = kY_p$ where, k is constant and:
- Equal to APC and MPC
 - Equal to APC and more than MPC
 - Equal to APC and less than MPC
 - Less than both APC and MPC
21. In the accelerator theory of investment, -----represents the magnitude of the accelerator in an economy:
- Level of income
 - Stock of capital
 - Capital-output ratio
 - Investment of the previous year
22. Suppose that the marginal propensity to consume is 0.7 and the marginal rate of tax is 0.2. Find the value of tax multiplier for a closed economy:
- 1
 - 2
 - 3
 - 4
23. Choose the correct statements related to an isoquant curve:
- An isoquant curve is convex to the origin
 - The isoquant curve demonstrates the principle of the marginal rate of technical substitution
 - When a firm moves down from point along an isoquant curve, MRTS is increasing
- 1 and 2 only
 - 2 and 3 only
 - 1 and 3 only
 - 1, 2 and 3
24. According to the Stackelberg model:
- A duopolist can sufficiently recognize market competition based on the Cournot model
 - Each firm aims to maximize its profits based on the expectation that the decisions of its competitors will be affected by its output
 - There is lack of perfect information for all players in the market
 - All the above are correct
25. Monetary policy is ineffective and fiscal policy is highly effective in ----- range of LM curve:
- Classical
 - Intermediate
 - Keynesian
 - Monetarist
26. Identify the correct statements related to Gini Coefficient:
- The Gini Coefficient measures the degree of income equality in a population.
 - The Gini Coefficient can vary from -1 to +1
 - A Gini Coefficient of zero means that everyone has the same income
 - The closer the Lorenz curve is to the line of equality, the Gini coefficient will be low.
- 1, 2 and 3 only
 - 1, 3 and 4 only
 - 1, 2 and 4 only
 - 2, 3 and 4 only
27. Social dualism has been explained by:
- Pigou
 - Boeke
 - Myint
 - Higgins

28. “The malady of underdeveloped economies can be diagnosed as a stable equilibrium level of per capita income at or close to subsistence requirements” is the opinion of:
 A) Nelson B) Lewis C) Hirschman D) Leibenstein
29. In a positively skewed distribution:
 A) Mean > median > mode B) Mean < median < Mode
 C) Mean < Mode < median D) Mode > Mean > Median
30. If the total revenue function is $TR = 500q - 2q^2$, find the value of MR when $q = 20$
 A) 800 B) 500 C) 420 D) 400
31. -----is a method of estimating the coefficients of multiple-regression models in scenarios where the independent variables are highly correlated:
 A) Rank correlation B) Ridge regression
 C) Linear regression D) Logistic regression
32. Choose the correct statements related to dumping:
 1: Dumping is the practice of charging a higher price for exported goods than for goods sold domestically.
 2: Dumping is an example of price discrimination
 3: Price discrimination and dumping may occur only if imperfect competition exists
 A) 1 and 2 only B) 1 and 3 only
 C) 2 and 3 only D) 1, 2 and 3
33. India ranks at ----- position according to the latest report (HDR-2022).
 A) 130th B) 131st C) 132nd D) 133rd
34. Match List I with List II

List I	List II
a. 12 th Finance Commission	1. Y V Reddy
b. 13 th Finance Commission	2. C Rangarajan
c. 14 th Finance Commission	3. N K Singh
d. 15 th Finance Commission	4. Vijay Kelkar

 A) a-4, b-2, c-1, d-3 B) a-2, b-4, c-1, d-3
 C) a-4, b-2, c-3, d-1 D) a-2, b-4, c-3, d-1
35. ----- is **not** an example of non-parametric statistic:
 A) Mann- Whitney Wilcoxon test
 B) Kendall coefficient of concordance
 C) Student's t-test
 D) Kruskal Wallis test
36. -----permits more firms to exit in monopolistically competitive markets as compared with perfect competition.
 A) Selling cost B) Non price competition
 C) Excess capacity D) Heterogeneity of products

37. If the determinant of a matrix is not equal to zero, it is known as:
 A) Singular matrix B) Non singular matrix
 C) Null matrix D) Inverse of a matrix
38. Arrange the following states in descending order of their total forest cover among Indian states:
 1. Chhattisgarh 2. Madhya Pradesh
 3. Arunachal Pradesh 4. Odisha
- A) Madhya Pradesh - Arunachal Pradesh - Chhattisgarh - Odisha
 B) Arunachal Pradesh - Madhya Pradesh - Chhattisgarh - Odisha
 C) Chhattisgarh - Odisha - Madhya Pradesh - Arunachal Pradesh
 D) Madhya Pradesh - Chhattisgarh - Arunachal Pradesh - - Odisha
39. The underlying assumption of -----method is that the price of a property is related to the stream of benefits to be derived from it.
 A) Delphi B) Hedonic price
 C) Property-value D) Opportunity Cost
40. Objectives of SEBI include the following **except**:
 A) Regulation of securities market
 B) Promotion of individual businesses
 C) Protection of interests of inventors
 D) Promotion of the development of the market
41. Trade theory based on differences in relative factor endowments has been developed by:
 A) Edgeworth B) Heckscher – Ohlin
 C) Adam Smith D) David Ricardo
42. When the income effect is positive and very strong that the law of demand does not hold is the case of:
 A) Normal good B) Giffen good
 C) Speciality goods D) None of these
43. Which of the following is **not** included in current account?
 A) Export of goods and services
 B) Capital inflows and outflows
 C) Unilateral transfers
 D) Import of goods and services
44. The circular flow of economic activity is a:
 A) General equilibrium analysis
 B) Partial equilibrium analysis
 C) Both A and B
 D) Neither A nor B

45. In a homogeneous production function, which of the following statements are correct?
1. Isoclines are straight lines through the origin
 2. Along each isoclines the K/L is constant
 3. Isoclines are curves not necessary through the origin
 4. Along each isoclines the K/L ratio changes.
- A) 1 and 4 only B) 1 and 2 only
 C) 2 and 3 only D) 1 and 3 only
46. When aggregate supply is vertical, a shift in the aggregate demand curve-----.
- A) has negative effect upon output and changes the price level
 - B) has a positive effect upon output and changes the price level
 - C) has no effect upon output and changes only the price level
 - D) has a negative effect upon output and does not changes the price level
47. Which of the following statements is correct?
- A) National income plus indirect business taxes equal NNP
 - B) National income minus indirect business taxes equal NNP
 - C) National income plus indirect business taxes equal GNP
 - D) National income minus indirect business taxes equal GNP
48. The law of diminishing returns explains:
- A) Long run relationship B) Short run relationship
 - C) Both A and B D) Neither A nor B
49. A ----- sign of the cross elasticity implies that x and y are-----; a ---- sign implies that the commodities are -----.
- A) positive, substitutes; negative, complements
 - B) Positive, Giffen goods; negative, inferior
 - C) Negative, speciality goods; positive, normal
 - D) Negative, substitutes; negative, speciality goods
50. The classical neutrality proposition implies that the level of -----.
- A) Real output will be independent of the quantity of money in the economy
 - B) Real output will be dependent of the quantity of money in the economy
 - C) Nominal output will be independent of the quantity of money in the economy
 - D) Nominal output will be dependent of the quantity of money in the economy
51. There are 100 students in a class of which 36 students are brilliant studying statistics and 13 are average not studying statistics. If there are 55 average students in all, find the probability that a brilliant student picked up at random is not studying statistics
- A) 1/10 B) 1/9 C) 1/2 D) 1/5
52. The concept of Shadow Price was introduced by:
- A) J Tinbergen B) A. Lewis
 - C) Rosenstein Rodan D) Amartya Sen

53. Match the following:
- | | |
|---|---|
| <p>List I</p> <p>a. Accumulation of capital</p> <p>b. Choice of techniques</p> <p>c. Affluent Society</p> <p>d. The Theory of Economic Growth</p> | <p>List II</p> <p>1. A K Sen</p> <p>2. Arthur Lewis</p> <p>3. Joan Robinson</p> <p>4. J K Galbraith</p> |
|---|---|
- A) a-3, b-1, c-2, d-4 B) a-1, b-2, c-3, d-4
C) a-1, b-3, c-2, d-4 D) a-3, b-1, c-4, d-2
54. Which of the following statements is/are correct?
Say's Law implies equality of aggregate demand and supply
- Which is consistent with labour market equilibrium
 - The possibility of deficiency of aggregate demand is ruled out
- A) 1 only B) 2 only
C) Both 1 and 2 D) Neither 1 nor 2
55. Engel's Law states that the percentage of income spent on -----.
- Food declines as income declines
 - Consumer items declines as income declines
 - Food declines as income increases
 - Consumer items increases as income declines
56. If the risk-free rate of return is 5%, and if a risky asset is available with a return of 10% and the standard deviation of 4%. What is the maximum rate of return you can achieve if you willing to accept a standard deviation of 2%? What percentage of your wealth would have you to be invested in the risky asset?
- A) 4% B) 6% C) 7.5% D) 8%
57. Match the following:
- | | |
|--|---|
| <p>List I</p> <p>a. Park Test</p> <p>b. The Breusch-Godfrey Test</p> <p>c. Variance Inflation Factor</p> | <p>List II</p> <p>1. Multicollinearity</p> <p>2. Autocorrelation</p> <p>3. Heteroscedasticity</p> |
|--|---|
- A) a-3, b-2, c-1 B) a-1, b-2, c-3 C) a-2, b-3, c-1 D) a-2, b-1, c-3
58. Money Multiplier is.:
- The ratio of M1 or M3 to reserve money
 - The ratio of cash reserve to deposit
 - The ratio of M1 to M3 supply of money
 - None of these
59. The labour cost incurred in the production of 1 unit of Good A and B respectively in India are Rs 20 and 40 whereas in the case of China it is Rs 40 and 20, then the opportunity cost of India and China in the production of Good B are----- respectively.
- A) 2 & 1/2 B) 1/2 & 2 C) 2 & 4 D) 1 & 3

60. Match the following:

List I

- a. Linear Isoquant
- b. Input – Output Isoquant
- c. Kinked Isoquant
- d. Smooth Convex Isoquant

List II

- 1. Limited Substitutability of factors (K &L)
- 2. Perfect Substitutability of factors (K &L)
- 3. Continuous Substitutability of factors (K &L) over a certain range
- 4. Zero Substitutability of factors (K &L)

- A) a-2, b-4, c-3, d-1
- B) a-2, b-1, c-3, d-4
- C) a-2, b-4, c-1, d-3
- D) a-1, b-3, c-2, d-4

61. The poverty line in India is computed by -----.

- A) NITI Aayog
- B) NSSO
- C) R B I
- D) NITI Aayog based on NSSO survey

62. Match the following:

List I

- a. JRY
- b. RLEGP
- c. IRDP
- d. TRYSEM

List II

- 1. 1983
- 2. 1978
- 3. 1989
- 4. 1979

- A) a-3, b-1, c-2, d-4
- B) a-1, b-3, c-4, d-2
- C) a-1, b-2, c-4, d-3
- D) a-3, b-1, c-4, d-2

63. The locus of points of isoquants where the marginal products of factors are zero form:

- A) Product line
- B) Ridge lines
- C) Isocline
- D) None of these

64. The author of 'Asian Drama':

- A) G Myrdal
- B) A K Sen
- C) K N Raj
- D) A Lewis

65. Marginal Efficiency of Capital was introduced in the literature of Economics by:

- A) Marshall
- B) Keynes
- C) Milton Friedman
- D) Amartya Sen

66. National income in India is calculated by-----.

- A) NITI Aayog
- B) NSSO
- C) CSO
- D) IBA

67. Which of the following statements is/are correct?

In the long run equilibrium

- 1. A perfectly competitive firm produces output at which $p = MC$
- 2. A imperfectly competitive firm produces output at which $p > MC$

- A) 1 only
- B) 2 only
- C) Both 1 and 2
- D) Neither 1 nor 2

68. Match the following
- | | |
|--|--|
| <p>List I</p> <p>a. Principles of Political Economy and Taxation</p> <p>b. Treatise of Political Economy</p> <p>c. Treatise on Money</p> <p>d. Principles of Economics</p> | <p>List II</p> <p>1. Keynes</p> <p>2. Marshall</p> <p>3. David Ricardo</p> <p>4. J B Say</p> |
|--|--|
- A) a-4, b-3, c-2, d-1 B) a-3, b-4, c-2, d-1
C) a-1, b-3, c-2, d-4 D) a-3, b-4, c-1, d-2
69. The change in demand due to having more purchasing power is called----- effect.
A) Income B) Substitution C) Price D) Social
70. In the classical model consumption, saving and investment are functions of----.
A) Income B) interest rate
C) Both A and B D) Neither A nor B
71. Operation flood is the programme that led to----- revolution.
A) Green B) Blue C) White D) Black
72. For a standard normal curve, the value of Kurtosis is-----.
A) less than 3 B) equal to 3
C) greater than 3 D) less than 2
73. An unbiased estimator with the least variance is known as ----- estimator.
A) Consistent B) Sufficient C) Efficient D) Ancillary
74. To examine the determination of nominal variables in the system, the classical economists subscribed to-----.
A) The important role of real variables in the economy
B) The quantity theory of money
C) Both A and B
D) Neither A nor B
75. In Oligopolistic models various shapes of the firm's demand curve have been adopted
- Assertion (A): There is great uncertainty regarding the demand curve of the oligopolist
Reason (R): The interdependence of competitors and the uncertainty as to their reaction to any particular decision of a firm within the group
- A) A is correct and R is the correct explanation of A
B) A is incorrect but R is the correct explanation
C) A is correct but R is not the correct explanation
D) Both A and R are incorrect
76. Compensated demand curve is otherwise known as----- demand curve.
A) the Standard B) the Slutsky
C) Hicks D) Nominal

77. In the Solow model of growth -----.
- A) There is substitutability of factors of production
 - B) There is no substitutability of factors of production
 - C) K/Y is exogenously determined
 - D) None of these
78. A bag contains 20 tickets with marked numbers 1 to 20. One ticket is drawn at random. Find the probability that it will be a multiple of 2 or 5.
- A) $2/5$
 - B) $3/5$
 - C) $4/5$
 - D) $1/5$
79. Match the following
- | List I | List II |
|--------------------|---|
| a. Revenue Deficit | 1. Fiscal Deficit-Interest Payments |
| b. Budget Deficit | 2. Budget deficit+ Government's market borrowings and liabilities |
| c. Fiscal Deficit | 3. Revenue Receipts – Revenue Expenditure |
| d. Primary Deficit | 4. Total Receipts – Total Expenditure |
- A) a-1, b-2, c-4, d-3
 - B) a-4, b-3, c-2, d-1
 - C) a-3, b-4, c-2, d-1
 - D) a-3, b-4, c-1, d-2
80. SARFAESI Act enables:
- A) Banks to realise their dues without the intervention of courts and tribunals
 - B) Banks to setting up of Asset Management Companies to acquire NPAs of any bank or financial agency
 - C) Both A and B
 - D) Neither A nor B
81. In an examination 30% of the students failed in Physics, and 20% of the students failed in Mathematics and 10% failed in both Physics and Mathematics. A student is selected at random. What is the probability that the student has failed either in Physics if it is known that he has failed in Mathematics?
- A) $1/2$
 - B) 1
 - C) 0
 - D) $1/3$
82. Gender Inequality Index (GII) outlines the disadvantages for women in:
- A) Reproductive health and education
 - B) Women empowerment
 - C) Labour market
 - D) All of these.
83. The Prevention of Money Laundering Act came into existence in the year:
- A) 2000
 - B) 1998
 - C) 1997
 - D) 2002
84. Rejecting a true null hypothesis is -----.
- A) Type 1 error
 - B) Type 11 error
 - C) Correct decision
 - D) Power of a test

85. Involuntary unemployment is likely to be feature of the labour market if:
 A) Real wages are rigid B) Money wages are rigid
 C) Prices are flexible D) Wages are flexible
86. A population of 12,000 elements has a mean of 100 and standard deviation of 60. Find the mean and standard error of the sampling distribution of the mean for the sample size 100.
 A) (50, 3) B) (100, 6) C) (120, 30) D) (120, 10)
87. The 'kink' in the kinked shape of the firm's demand curve implies that the firm expects that its competitors-----.
 A) Will not follow suit with price cuts, but with price rises
 B) Will follow suit with price cuts, but not price rises
 C) Will follow suit with price cuts as well as price rises
 D) Will not follow suit with price cuts as well as price rises
88. An estimator is ----- if the mean of its sampling distribution equals the true parameter.
 A) Efficient B) Unbiased C) Consistent D) Biased
89. If leisure is an inferior good,, then the slope of the labour supply curve is -----.
 A) Positive
 B) Negative
 C) Cannot determine
 D) Either positive or negative depends on the nature of the supply curve
90. Match the following:

List I	List II
a. A C Pigou	1. Theory of Monopolistic Competition
b. J Robinson	2. The Economics of Welfare
c. E. Chamberlin	3. The Law of Returns under Competitive Conditions
d. P. Sraffa	4. The Economics of Imperfect Competition

 A) a-3, b-1, c-2, d-4 B) a-2, b-4, c-1, d-3
 C) a-1, b-3, c-2, d-4 D) a-4, b-2, c-1, d-3
91. Multi Stage Sampling is a -----.
 A) Non probability sampling B) Probability sampling
 C) Both A and B D) Complete enumeration
92. Which of the following assumptions satisfy the case for pure competition?

1. Large numbers of sellers and buyers	2. Product homogeneity
3. Free entry and exit of firms	4. Profit maximisation
5. No government regulation	6. Perfect mobility of factors of production
7. Perfect knowledge	

 A) 1, 2, 3, 6 & 7 only B) 1, 2, 3, 4 & 7 only
 C) 1, 2, 3, 4 & 5 only D) 5, 6 & 7 only

93. The most common form of price discrimination in international trade is-----.
- A) Market segregation B) Dumping
C) Export restraints D) Non- tariff measures
94. Suppose the money supply is \$90, the average price of output is \$1.5, and Q is 300. Find nominal GDP and velocity.
- A) (390, 5) B) (450, 5) C) (270, 20) D) (300, 5)
95. Social welfare function cannot be derived by democratic vote. This proof is known as:
- A) Theory of Second best B) Arrow's Impossibility Theorem
C) Both A and B D) Neither A nor B
96. The earliest estimation of poverty line was made by:
- A) Dadabhai Naoroji B) Dandekar and Rath
C) D T Lakdawala D) B R Ambedkar
97. Match the following:
- | | |
|----------------------|---|
| List I | List II |
| a. Tit-for-tat | 1. The best strategy for each player in a non strictly determined game |
| b. Nash Equilibrium | 2. The optimal strategy for a player no matter what the other player does. |
| c. Mixed Strategy | 3. Each player has chosen the strategy, given the strategy chosen by the other player |
| d. Dominant strategy | 4. The best strategy in repeated prisoner's dilemma games |
- A) a-1, b-3, c-2, d-4 B) a-4, b-3, c-1, d-2
C) a-4, b-1, c-3, d-2 D) a-4, b-3, c-2, d-1
98. When the MPC is 0.5, what is the value of multiplier?
- A) 2 B) 1.5 C) 1 D) 3
99. Fixed charge for each unit of good imported-----.
- A) Specific tariff B) Advalorem tariff
C) Excise duty D) Compound tariff
100. The sub missions of Haritha Keralam consists of:
1. Sanitation and waste processing 2. Water conservation
3. Agricultural development 4. Public education
- A) 1 and 2 only B) 2 and 3 only C) 1, 2 and 3 only D) 1, 2, 3 and 4
101. A product tax tends to fall on the consumer if:
- A) Demand is inelastic while supply is elastic, and on the producer when the opposite holds.
B) Demand is elastic while supply is inelastic, and on the producer when the opposite holds.
C) Demand is inelastic while supply is perfectly elastic, and on the producer when the opposite holds.
D) None of these

102. Pigou Effect:
- A) Concern the effect that increase in income have on increasing real wealth, which in turn increases consumption expenditure
 - B) Concern the effect that falling prices have on increasing real wealth, which in turn increases consumption expenditure
 - C) Both A and B
 - D) Neither A nor B
103. The AARDRAM Mission:
- A) Is launched in the health sector to make Government hospitals people friendly by improving their basic infrastructure and capacity to provide services
 - B) Aims at developing the PHCs into FHCs in a phased manner
 - C) Patient-friendly transformation of outpatient wings of medical college hospitals and other Government hospitals
 - D) All of these
104. Consumer economics tells us that the price elasticity of demand for a particular product depends on ----- preferences.
- A) Consumer
 - B) Producers
 - C) Sellers
 - D) Both A and B
105. Keynes's paradox of thrift explains:
- A) The rate of interest will change so as reconcile the desires to save and invest
 - B) Flexible wages, prices and interest rate, can experience changes in the structure of final demand
 - C) An increase in saving, there will be a decline in aggregate spending and employment.
 - D) Both A and B
106. If cash reserve ratio is 0.4, the deposit multiplier is:
- A) 5
 - B) 2
 - C) 4
 - D) 2.5
107. 'Trickle down effect' implies:
- A) Economic growth process benefits all sections of society
 - B) It automatically lead to the fulfilment of other development objectives of the economy
 - C) Reduces the income gap between the rich and poor
 - D) All the above
108. If GDP of a country in the year 2020 is Rs 1200 crores, and in 2021 it increased to Rs 1300 crores, then the growth rate is:
- A) 10%
 - B) 8.3%
 - C) 7%
 - D) 6%
109. Wagner's law explains:
- A) The relationship between Government expenditure and economic development
 - B) The income elasticity of demand for government expenditure is greater than one
 - C) Both A and B
 - D) Neither A nor B

110. Skewness means:
 A) Absence of symmetry B) Presence of symmetry
 C) A bell shaped curve D) Both B and C
111. Assertion (A): Income effect can be positive or negative
 Reason (R): It depends on whether the good is normal or inferior
 A) Both A & R are true and R is the correct explanation of A
 B) Both A & R are true and R is not a correct explanation of A
 C) A is true but R is false
 D) A is false but R is true
112. Assertion (A): The marginal rate of substitution between risk and return will have to equal the slope of the budget line.
 Reason (R): This slope is known as the price of risk
 A) Both A & R are true and R is the correct explanation of A
 B) Both A & R are true and R is not a correct explanation of A
 C) A is true but R is false
 D) A is false but R is true
113. The transpose of a square matrix is equal to its inverse matrix is a-----.
 A) Identity matrix B) Orthogonal matrix
 C) Symmetric matrix D) Weak matrix
114. Infrastructure facilities consists of:
 1. Irrigation including flood control and command area development
 2. Energy: coal, electricity, oil and non-conventional source
 3. Transport: Railways, roads, shipping, and civil aviation
 4. Communications: Posts and telegraphs, telephones, telecommunication etc
 5. Banking, Finance and Insurance
 6. Science and technology
 7. Social overheads: health and hygiene and education
 A) 1, 2, 3, 4 & 7 only B) 3, 4, 5 and 7 only
 C) 1, 2, 3, 4, 5, 6 & 7 D) 1, 2, 4 & 6 only
115. The variable t distribution ranges from:
 A) Minus one to plus one B) Minus infinity to plus infinity
 C) Zero to plus infinity D) Minus one to infinity
116. Match the following:
 List I List II
 a. Specific Factors Model 1. Posner
 b. Product cycle theory 2. J S Mill
 c. Law of reciprocal demand 3. Vernon
 d. Technology Gap Model 4. Paul Samuelson and Ronald Jones
 A) a-4, b-3, c-2, d-1 B) a-2, b-3, c-1, d-4
 C) a-3, b-4, c-1, d-2 D) a-4, b-3, c-1, d-2

117. In Keynes's model output and employment are determined by ----- and the operation of the labour market.-----.
- A) Aggregate demand; guarantee full employment
 - B) Effective demand; guarantee full employment
 - C) Effective demand; cannot guarantee full employment
 - D) Aggregate demand; cannot guarantee full employment
118. In Harrod Domar model, the saving in the economy is 20% and ICOR is 10, then the growth rate of output is-----.
- A) 2%
 - B) 0.5%
 - C) 2.5%
 - D) 1.5 %
119. How many dollars it would cost to buy a Woollen sweater, if it is £50 and the exchange rate being \$1.50 per pound?
- A) \$ 30
 - B) \$ 60
 - C) \$ 75
 - D) \$ 55
120. The Committees which recommended a shift away from calorie consumption-based poverty estimation and a uniform poverty line basket (PLB) across rural and urban India:
- A) Alagh Committee
 - B) Lakdawala Committee
 - C) Tendulkar Committee
 - D) C Rangarajan Committee
-