

1. The concept of consumer's surplus is popularized by:

A) Adam Smith	B) Joan Robinson
C) David Ricardo	D) Alfred Marshall

2. In an economy of two individuals (A and B) and two commodities (X and Y) general equilibrium of exchange is reached when:

A) $MRT_{XY} = MRT_{SXY}$	B) $MRS_{XY} = P_X/P_Y$
C) $(MRS_{XY})_A = (MRS_{XY})_B$	D) $MRS_{XY} = P_Y/P_X$

3. The elasticity of substitution between two inputs in CES production function:

A) Decreases continuously	B) Increases continuously
C) Remains constant	D) None of these

4. The rising prices in India can be checked through:

1. Budgetary policy	2. Monetary policy
3. Increasing production	4. Increasing income levels
A) 1 and 2 only	B) 1 and 3 only
C) 1, 2 and 3 only	D) 2 and 4 only

5. GNP at market price is measured as:

A) GDP at market price – depreciation	B) GDP at market price + Net factor income from abroad
C) GNP at market price + subsidies	D) NDP at factor cost + net factor income from abroad

6. Beveridge curve shows the relationship between:

A) Investment and saving	B) Inflation and unemployment
C) Job vacancy and unemployment	D) Inflation and employment

7. Match the following:

List I	List II
a. Monetarist	1. Robert Lucas
b. Supply side economist	2. Milton Friedman
c. New classical economics	3. John Muth
d. Rational expectation	4. Bruce Bartlett

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

8. Match the following:
- | | |
|--|------------------------|
| List I | List II |
| a. The absolute income theory of consumption | 1. Friedman |
| b. Relative income theory of consumption | 2. J. S. Duesenberry |
| c. Life cycle theory of consumption | 3. J. M. Keynes |
| d. Permanent income theory of consumption | 4. Ando and Modigliani |
- A) a-3, b-2, c-4, d-1 B) a-2, b-1, c-3, d-4
 C) a-4, b-3, c-2, d-1 D) a-3, b-2, c-1, d-4
9. Equation of Exchange is associated with:
- A) A. C. Pigou B) J.B. Say
 C) Alfred Marshal D) Irving Fisher
10. Which of the following are correct in liquidity trap condition?
1. Demand for money will be low 2. Demand for money will extremely high
 3. Demand for Bond will be high 4. Fiscal policies will effective
- A) 1 and 2 only B) 2 and 3 only
 C) 1 and 3 only D) 2 and 4 only
11. A foreign company can access Indian securities market for raising funds through:
- A) GDR B) ADR C) IDR D) EDR
12. The district which has the highest population density in Kerala as per the 2011 census:
- A) Thiruvananthapuram B) Alappuzha
 C) Ernakulum D) Trissur
13. As per the 2011 census, the literacy rate among Indians is:
- A) 70.04 B) 72.04 C) 73.04 D) 74.04
14. The maximum limit of FDI on insurance sector in India 2022 is:
- A) 24 % B) 49 % C) 60 % D) 74 %
15. Match the following:
- | | |
|----------------------------------|-----------|
| List I | List II |
| a. World Development Report | 1. UNCTAD |
| b. World Economic Outlook Report | 2. IFPRI |
| c. Global Hunger Index Report | 3. IMF |
| d. World Investment Report | 4. IBRD |
- A) a-1, b-3, c-4, d-2 B) a-2, b-4, c-3, d-1
 C) a-4, b- 3, c-2, d-1 D) a-4, b-3, c-1, d-2

16. Match the following:
- | | |
|----------------------|------------------|
| List I | List II |
| a. Backwash effect | 1. J.M. Keynes |
| b. Wealth effect | 2. John Hicks |
| c. Multiplier effect | 3. Gunnar Myrdal |
| d. Income effect | 4. Arthur Pigou |
- A) a-3, b-4, c-1, d-2 B) a-2, b-4, c-3, d-1
C) a-1, b-3, c-4, d-2 D) a- 4, b-3, c-2, d-1
17. Sen's welfare theory relies on:
- A) Individual's accomplishments
B) Individual capabilities
C) Individual wealth
D) Individual's education
18. The concept of golden age of full employment equilibrium has been developed by:
- A) Alwin Hansen B) J. Robinson
C) J K. Galbraith D) Harvey
19. Which among the following is a feature of underdevelopment?
- A) Rising Mass consumption B) Growth of Industries
C) High rate of Urbanisation D) Vicious circle of poverty
20. Among the following determinants of growth, which is a non-economic factor?
- A) Natural resources B) Favorable legislation
C) Investment D) Population growth
21. When was the IBRD Established?
- A) 1942 B) 1944 C) 1946 D) 1948
22. The third stage of the theory of demographic transition is:
- A) High birth rate and high death rate
B) High birth rate and falling death rate
C) High death rate and falling birth rate
D) Low birth rate and low death rate
23. Bombay Stock Exchange was established in the year:
- A) 1870 B) 1872 C) 1875 D) 1880
24. A capital intensive country should export labour intensive goods and import capital goods is referred as:
- A) Leontief Paradox
B) Mercantilism
C) Theory of comparative advantage
D) Zero sum game

25. What is the GDP projection of India for the Financial year 2023-24 as per the economic survey 2022-2023?
 A) 4.5-5.5 B) 6-6.8 C) 7-7.5 D) 8-8.5
26. Which of the following is the top import source country of India, as per the economic survey 2022-23?
 A) Indonesia B) Singapore C) China D) Japan
27. According to economic survey 2022-23, National Green Hydrogen Mission will make India energy independent by:
 A) 2040 B) 2042 C) 2045 D) 2047
28. Which of the following has the highest share in the proposed expenditure from the union budget 2023-24?
 A) Defence B) Centrally sponsored schemes
 C) Central Sector Schemes D) Interest payments
29. The Multidimensional Poverty Index is a measure of poverty developed by:
 A) UNCTAD B) World Bank C) IMF D) UNDP
30. Which following country has the highest rank in HDI 2021-2022?
 A) Norway B) Sweden C) Demark D) Switzerland
31. Which of the following statement(s) is/are correct regarding the FDI?
 1. In India FDI is encouraged through Voluntary Retention route
 2. FDI is otherwise known as hot money
 3. It improves a country's exchange rate stability, capital inflow and creates a competitive market.
 A) 1 only B) 1 and 2 only C) 3 only D) 1, 2 and 3
32. Match the following:
 List I List II
 a. Offer Curve 1. Public Revenue
 b. Laffer Curve 2. Sticky Prices
 c. Lorenze curve 3. Reciprocal demand
 d. Kinked curve 4. Inequalities
 A) a-3, b-4, c-1, d-2 B) a-4, b-3, c-2, d-1
 C) a-3, b- 1, c 4- d- 2 D) a-1, b-3, c-2, d-4
33. What percentage is the Gross State Value Added (GSVA) from agriculture in Kerala 2020-21?
 A) 9.44 B) 12.33 C) 13.01 D) 13.05

34. Match the following:
- | List I | List II |
|---------------------|------------------------------|
| a. Rosenstein Rodan | 1. Critical minimum effort |
| b. Leibenstein | 2. The big push theory |
| c. Nurkse | 3. Take off |
| d. W.W Rostow | 4. Vicious circle of poverty |
- A) a-2, b-4, c-3, d-1 B) a-2, b-1, c-4, d-3
 C) a-3, b-4, c-1, d-2 D) a-1, b-2, c-4, d-3
35. If ρ is a simple correlation coefficient, the quantity ρ^2 is known as:
- A) Coefficient of Determination
 B) Coefficient of non-determination
 C) Coefficient of alienation
 D) None of these
36. A market is said to be economically efficient if it maximizes:
- A) Consumer surplus
 B) Producer surplus
 C) Aggregate of producer and consumer surplus
 D) None of these
37. Which one of the following is **not** the type of Non-random sampling technique?
- A) Quota Sampling B) Convenience Sampling
 C) Systematic Sampling D) Snowball Sampling
38. The term used to describe the tendency for people to adopt certain behaviours, styles, or attitudes simply because others are doing so:
- A) Real balance effect B) Pigou effect
 C) Veblen effect D) Bandwagon effect
39. The trans-log production function is an approximation of which of the following production functions?
- A) CES function B) Cobb-Douglas function
 C) V E S function D) None of these
40. The law of equimarginal utility states that:
- A) $MUX \cdot PX = MUY \cdot PY = MUZ \cdot PZ = Pn = MUN \cdot Px$
- B) $\frac{MUX}{PX} = \frac{MUY}{PY} = \frac{MUZ}{PZ} = MUm$
- C) $\frac{MUX}{PX} = \frac{MUY}{PY} = \frac{MUZ}{PZ} > MUm$
- D) $\frac{MUX}{PX} = \frac{MUY}{PY} = \frac{MUZ}{PZ} < MUm$

41. Choose the correct statements about Ricardo-Barro effect:
1. An economic theory that suggests that when a government tries to stimulate an economy by increasing debt-financed government spending, aggregate demand will increase
 2. An economic theory that suggests that when a government tries to stimulate an economy by increasing debt-financed government spending, demand remains unchanged
 3. Taxpayers will save to pay the expected future /taxes; this will tend to offset the macroeconomic effects of increased government spending.
 4. Ricardian equivalence maintains that government deficit spending is greater than spending out of current taxes.
- A) 1 and 2 only B) 1 and 3 only
 C) 2 and 3 only D) 1, 2, 3 and 4
42. Paul A Samuelson is closely associated with:
- A) Indifference curve analysis
 - B) Characteristics of goods approach
 - C) Risk related consumption
 - D) Revealed Preference theory
43. Gossons First law is known as The Law of ----.
- A) Substitution
 - B) Equi marginal utility
 - C) Diminishing marginal utility
 - D) Consumers equilibrium
44. The total substitution effect of a price change is equal to:
- A) Price effect – Substitution effect
 - B) Price effect – Income Effect
 - C) Substitution effect – Income effect
 - D) Substitution effect + Income effect
45. ‘L’ Shaped isoquants implies:
1. Perfect substitutability of factors
 2. Perfect complimentary of factors
 3. Fixed proportion production function
 4. variable proportions production function
- A) 1&2 only B) 1&3 only C) 3&4 only D) 2 &3 only
46. A monopolist’s Marginal revenue is ----- when the elasticity of his demand curve is equal to unity.
- A) Zero
 - B) Negative
 - C) Positive
 - D) Indeterminate

47. Cross elasticity of demand will be zero when a given change in the price of good X brings about ----- in the quantity demanded of good Y.
- A) A less than proportionate change
 - B) A more than proportionate change
 - C) No change
 - D) Equal and proportionate change
48. Which of the following statement about Giffen goods is **wrong**?
- A) A Giffen good is a type of good for which demand increases as the price increases and vice versa.
 - B) A Giffen good has an upward-sloping demand curve which is contrary to the fundamental laws of demand.
 - C) Demand for Giffen goods is not influenced by a lack of close substitutes and income pressures.
 - D) Veblen goods are like Giffen goods but with a focus on luxury items.
49. The elasticity of substitution in a Cobb-Douglas Production function is equal to
- A) Zero
 - B) Unity
 - C) Infinite
 - D) Greater than Unity
50. Which of the following is **not** a feature of monopolistic competition?
- A) Selling Cost
 - B) Excess capacity
 - C) Reaction function
 - D) Product differentiation
51. The classical economist who stated that “The market is like a lake agitated by the wind, where the water is incessantly seeking its level without ever reaching it.”
- A) Stanley Jevons
 - B) Maria Edgeworth
 - C) Vilfredo Pareto
 - D) Leon Walras
52. Continuous oscillation of price and output is a feature of ----- model.
- A) Cournot duopoly
 - B) Bertrand duopoly
 - C) Edgeworth duopoly
 - D) Chamberlin’s duopoly
53. The wages fund theory was introduced by:
- A) J S Mill
 - B) Walker
 - C) T R Malthus
 - D) Adam Smith
54. Velocity of circulation of money was determined by:
- A) Money supply
 - B) Frequency of transactions
 - C) Credit facilities
 - D) All of the above
55. Measure of money supply M2 is equal to:
- A) M1 + all post office deposits.
 - B) M1 + time deposits of commercial banks.
 - C) M1 + Savings deposits of post office savings banks
 - D) M1 + all deposits

56. Super multiplier is equal to:
- A) $K' = \frac{1}{(1-b-i)}$ B) $K' = \frac{1-I}{(1-b-i)}$
- C) $K' = \frac{1}{(1-b)}$ D) $K' = \frac{1}{(1-b+I)}$
57. A lemons problem refers to the issues related with the valuation of an investment or product due to:
- A) Moral Hazard B) Asymmetric information
- C) Adverse selection D) None of these
58. The Marshall Learner condition states that the trade balance improves following a devaluation or real depreciation of the currency, if the sum of the export and import elasticities is:
- A) greater than zero B) greater than unity
- C) greater than two D) less than unity
59. The impossible trinity refers to the dilemma that a country cannot simultaneously have:
- A) Fixed exchange rate, independent fiscal policy and an open capital account
- B) Fixed exchange rate, independent monetary policy and an open current account
- C) Flexible exchange rate, independent monetary policy and an open capital account
- D) Fixed exchange rate, independent monetary policy and an open capital account
60. In the IS-LM model, supply of money is assumed as:
- A) An increasing function of the rate of interest
- B) A function of the level of income
- C) A decreasing function of rate of interest
- D) Exogenously given
61. The sacrifice ratio is an economic ratio that measures the effect of rising and falling -----.
- A) Inflation on a savings in an economy
- B) Inflation on a country's total production and output.
- C) Investment on a country's total production and output
- D) Money supply on a country's total production and output
62. The point at which aggregate demand curve intersects with aggregate supply curve:
- A) Effective demand B) Excess demand
- C) Deficit demand D) Warrented demand

63. Which of the following statements on the psychological law of consumption is **not** correct?
- A) When the total income increases, the consumption expenditure of the community will also increase, but less proportionately.
 - B) Marginal Propensity to Consume is less than one but greater than Zero (i.e $1 > MPC > 0$).
 - C) An increment of income will be equally divided between saving and consumption.
 - D) An increase in income will, thus, lead to an increase in both consumption and savings.
64. National product by factor cost is less than national product by market prices by the amount of:
- A) Subsidies
 - B) Indirect taxes
 - C) Indirect taxes plus subsidies
 - D) Indirect taxes minus subsidies
65. Find AC and MC from the following cost function:
 $TC = 15x^2 + 10x + 60$
- A) $AC = \frac{60}{x} + 15x + 10$ and $MC = 30x + 10$
 - B) $AC = 60 + 10 + 15x$ and $MC = 30x + 10$
 - C) $AC = \frac{60}{x} + 10 + 15$ and $MC = 30x + 10$
 - D) $AC = 166$, $MC = 310$
66. High powered money is:
- A) Currency with banks + Cash reserves of banks
 - B) Currency with public + Cash reserves of banks
 - C) Time deposits + Demand deposits
 - D) Currency with public + Currency with banks
67. The phrase “neutrality of money” was introduced by Austrian economist:
- A) Friedrich A. Hayek
 - B) Roger Garrison
 - C) Steven Horwitz
 - D) George Reisman
68. Okun’s law postulates the statistical relationship between a country’s -----.
- A) Unemployment and inflation rates
 - B) Employment and economic growth rates
 - C) Unemployment and economic growth rates
 - D) Investment and economic growth rates

69. Organic composition of capital as per the Marxian theory of economic development is:
- A) $\frac{c}{c+s}$ B) $\frac{c}{c+v}$ C) $\frac{s}{c+v}$ D) $\frac{1-s}{c+v}$
70. Which of the following is **not** a component of HDI?
- A) Life expectancy
 B) Educational attainment
 C) Infant mortality rate
 D) Standard of living (PPP Real Per capita Income)
71. According to J A Schumpeter, an innovation may consist of:
1. The introduction of a new product
 2. The introduction of a new method of production
 3. Exploring existing market
 4. Conquest of new source of supply of raw materials
- A) 1, 2 & 3 only B) 1, 2 & 4 only
 C) 2, 3 & 4 only D) 1, 3 & 4 only
72. Critical minimum effort theory was put forward by:
- A) Arthur Lewis B) PN Rosenstein Rodan
 C) Liebenstein D) Hrishman
73. “Economic Development with unlimited supplies of labour” is associated with:
- A) W A Lewis B) J H Boeke
 C) WW Rostow D) R Nurkse
74. According to the Harrod Domer model, the warranted rate of growth, given the incremental capital output ratio, depends on:
- A) Rate of growth of labour force
 B) Marginal productivity of investment
 C) Rate of growth of capital
 D) Saving income ratio
75. The concept of zero-based budget was given by:
- A) Peter A Pyhr B) AH Hansen
 C) R A Musgrave D) G Myrdel
76. Fisher's ideal index number is the geometric mean of the:
- A) The Marshall-Edgeworth's Index and Paasche indices
 B) Marshall-Edgeworth's Index and Laspeyres indices
 C) The Laspeyres and Paasche indices
 D) Marshall-Edgeworth's Index and Paasche indices

77. The standard deviation of a sampling distribution of a statistic is called:
 A) Probable error B) Standard error
 C) Calculated error D) Coefficient of variance
78. Which of the following statements are correct in respect of Niti Aayog?
 1. It is a constitutional body.
 2. It is a statutory body.
 3. It is neither a constitutional body nor a statutory body.
 4 It is a think-tank.
 A) 1 & 4 only B) 2 & 4 only C) 3 & 4 only D) 2 & 3 only
79. Assertion (A): Environmentally sound policies do not harm the environment or deplete the natural resources.
 Reason (R): Sustainable development is critical to wellbeing of human society.
 A) Both A and R are true and R is the correct explanation of A
 B) Both A and R are true, but R is not the correct explanation of A
 C) A is true and R is false
 D) A is false and R is true
80. Harrods model suggests that if $G > G_w$ and $C < C_r$ there will be:
 A) Steady growth
 B) Chronic deflation
 C) Chronic inflation
 D) None of these
81. Metzler paradox is the theoretical possibility that the imposition of a tariff on imports may provide:
 A) No protection to the import competing industry
 B) Positive protection to the import competing industry
 C) Negative protection to the import competing industry
 D) Either zero or positive protection to the import competing industry
82. The notion of J curve implies that a devaluation of domestic currency:
 A) Improves the country's trade balance at first before worsening
 B) Worsens the country's trade balance at first, before improving
 C) Didn't produce any positive or negative effect on trade balance
 D) Improves the country's trade balance immediately after the devaluation
83. A stochastic process is said to be stationary if its:
 A) Mean and variance are not constant over time
 B) Mean and variance are constant over time
 C) Mean and variance are constant or increasing over time
 D) None of these

84. Identify the correct statement/s regarding Dummy variables:
1. They allow us to include categorical variables in our analysis
 2. They can be used to analyse ratio scale variables
 3. They can also help us to control for confounding factors
- A) 1 only B) 2 only C) 1 & 3 only D) 1, 2 & 3
85. A Population Regression Function (PRF) is the locus of the conditional means of the dependent variable Y for the:
- A) X and Y variables
 - B) Fixed Y variable and fixed values of the explanatory variable X
 - C) Fixed endogenous variable
 - D) Fixed values of the explanatory variable X
86. What will be the total cost function if the marginal cost is $MC = 20x + 15$?
- A) $10x^2 + 15x + 30$
 - B) $10x^2 + 15 + 30$
 - C) $10x + 15x + C$
 - D) $10x^2 + 15x + C$
87. The Dr LC Gupta committee was appointed to look into the working of :
- A) Stock exchanges
 - B) Insurance companies
 - C) Commercial banks
 - D) Development finance institutions
88. Which of the following differences between the payment banks and small finance banks is/are correct?
1. While small finance bank can undertake lending activities, payment banks are not allowed to do so
 2. While small finance banks can set up subsidiaries for NBFC business, payment banks are not allowed to do so.
- A) 1 only B) 2 only
C) Both 1 & 2 D) Neither 1 nor 2
89. The WPI is published in India----.
- A) Weekly
 - B) Monthly
 - C) Yearly
 - D) Bimonthly
90. MSF stands for:
- A) Marginal standing funds
 - B) Marginal statutory funds
 - C) Marginal standing facility
 - D) Mean statutory facility
91. Which institution has released operational guidelines on green bonds?
- A) RBI
 - B) SEBI
 - C) NITI Aayog
 - D) IRDAI

92. The name of the international agreement signed in 1987 to ban Chlorofluorocarbons (CFCs):
- A) Paris Agreement B) Montreal Protocol
C) Chicago Agreement D) Kyoto Protocol
93. The canon of taxation which is also known as “ability to pay” principle of taxation:
- A) Canon of certainty B) Canon of economy
C) Canon of convenience D) Canon of equity
94. As per World Happiness index 2023 the top five countries in order are:
- A) Finland, Denmark, Netherlands, Israel and the Iceland
B) Finland, Israel, Iceland, Denmark and the Netherlands
C) Finland, Denmark, Israel, Iceland and the Netherlands
D) Finland, Denmark, Iceland, Israel and the Netherlands
95. The market demand curve for a good X is $P_X=2000-4Q$ and the market supply curve is $P_X=300+6Q$. The government fixes the price ceiling at INR 500. What is the equilibrium price and quantity before price ceiling?
- A) INR 1320, 170 units B) INR 1300, 160 units
C) INR 1400, 150 units D) INR 1600, 130 units
96. Which of the following statements about carbon credit is **not** true?
- A) A carbon credit is a tradable certificate or permit representing the right to emit a set amount of carbon dioxide or the equivalent amount of a different greenhouse gas.
B) Carbon credits and carbon markets are a component of national and international attempts to mitigate the growth in concentrations of greenhouse gases (GHGs).
C) One carbon credit is equal to three tonne of carbon dioxide, or in some markets, carbon dioxide equivalent gases.
D) Carbon trading is an application of an emissions trading approach.
97. Type of graph used to view the univariate outliers:
- A) Bar Chart B) Pie Chart C) Box plot D) Histogram
98. The probability of rejecting the null hypothesis that is true is known as the:
- A) Confidence level B) p-value
C) Power of the test D) Level of significance
99. Auto-correlation in multiple linear regressions can be measured using :
- A) Durbin-Watson statistic
B) Coefficient of determination
C) Principal component analysis
D) Factor analysis

100. In multiple linear regression model, the presence of multi collinearity would result in:
- A) Low standard errors
 - B) A sharp decrease in the 't' value for one of the variables when another variable is dropped from the model
 - C) A sharp increase in the 't' value for one of the variables when another variable is dropped from the model
 - D) Low variance and sharp decrease in the 't' value
101. Correlation coefficient varies from:
- A) $-\infty$ to $+\infty$
 - B) 0 to 1
 - C) -1 to 1
 - D) -0.5 to 0.5
102. Which of the following tests **cannot** be used to check the normality of data?
- A) Kolmogorov – Smirnov (KS) test
 - B) QQ and PP plots
 - C) Breusch Pagan Test
 - D) Histogram
103. The number of independent values that can vary in an analysis without breaking any constraints:
- A) Level of significance
 - B) P-value
 - C) Degrees of freedom
 - D) Standard error
104. Which of the following is **not** a non-parametric test?
- A) Paired t-test
 - B) Mann Whitney U test
 - C) Chi-square test
 - D) Wilcoxon Signed-Rank test
105. Assertion A): The Built-in-stability of taxes and government expenditure automatically raise aggregate demand in times of recession and reduce aggregate demand at the time of inflation.
Reason R): The working of automatic stabilizers depends on the size of government but also on how responsive taxes and expenditures are to cyclical fluctuations.
- A) Both A and R are true and R is the correct explanation of A
 - B) Both A and R are true, but R is not the correct explanation of A
 - C) A is true and R is false
 - D) A is false and R is true
106. The Indian tax system is:
- A) Proportional
 - B) Degressive
 - C) Regressive
 - D) Progressive
107. Environmental protection Act was passed in:
- A) 1984
 - B) 1986
 - C) 1982
 - D) 1988

108. As per Adaptive Expectations, if inflation increased in the past year, people would expect:
- A lower rate of inflation in the next year
 - Same rate of inflation in the next year
 - A higher rate of inflation in the next year
 - No inflation in the next year
109. Which of the following are the characteristic features of New Classical Economics?
- Economic agents optimise
 - Market clears
 - Adaptive expectations
 - Expectations are formed rationally
- 1 & 3 only
 - 2 & 4 only
 - 2, 3 & 4 only
 - 1, 2 & 4 only
110. As per the Keynesian ISLM model, fiscal policy multiplier is larger:
- The less interest elastic is the demand for money
 - The more interest elastic is the demand for money
 - Demand for money is unity
 - Either less or more elastic is the demand for money
111. The absorption approach to the balance of payments states that a country's balance of trade will only improve if the country's output of goods and services increases by more than its absorption. Where the term 'absorption' means:
- Expenditure by domestic residents on imports
 - Expenditure by domestic residents on goods and services.
 - Expenditure by domestic residents by utilizing export earnings
 - Absorption of foreign exchange
112. When the exchange rate changes from \$1 = 80 to \$1 = 85
- rupee has depreciated
 - Dollar has depreciated
 - Rupee has appreciated
 - Dollar has appreciated
- 1 & 3 are correct
 - 2 & 4 are correct
 - 3 & 4 are correct
 - 1 & 4 are correct
113. The appropriate expenditure switching policy to correct a surplus in the balance of payments:
- Revaluation
 - Devaluation
 - Monetary policy
 - Fiscal policy

114. Match the following:
- | | |
|---------------------------------------|------------------|
| List I | List II |
| a. Comparative cost advantage | 1. JS MILL |
| b. Theory of opportunity cost | 2. Jacob Viner |
| c. Theory of reciprocal demand | 3. Haberler |
| d. Trade creation and trade diversion | 4. David Recardo |
- A) a-4, b-3, c-2, d-1 B) a-3, b-4, c-1, d-2
C) a-3, b-4, c-2, d-1 D) a-4, b-3, c-1, d-2
115. The book 'Global Crisis, Recession and Uneven Recovery' was written by:
- A) C Rangarajan B) Montek Singh Ahluwalia
C) Raghuram Rajan D) Y V Reddy
116. The crop known as green gold:
- A) Tea B) Pepper C) Coffee D) Rice
117. Peoples plan was prepared by:
- A) M N Roy B) Shriman Narayan
C) Jawaharlal Nehru D) Udai Reddy
118. A matrix is called Symmetric matrix if it is equal to its -----.
- A) ad joint B) transpose
C) inverse D) negative transpose
119. The first Indian Governor of Reserve Bank of India:
- A) C D Deshmukh B) Nanabhoy Palkhivala
C) Rama Rao D) C Rajagopalachari
120. Given the utility function $U = xy + 3x + 4y$, what will be the marginal utilities of good x and y respectively:
- A) $y + 3$ and $x + 4$ B) $y + 4$ and $x + 3$
C) $xy + 3$ and $xy + 4$ D) $xy + 3$ and $y + 4$
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