

1. Formalised system of trading agreements with groups of countries is known as (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Trading blocks
  - (b) Trade ventures
  - (c) Trade partners
  - (d) Trade organisations
2. Which one of the following is not a method of estimating National Income? (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Expenditure method
  - (b) Product method
  - (c) Matrix method
  - (d) Income method
3. The monetary policy in India is formulated by (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Central Government
  - (b) Industrial Financial Corporation of India
  - (c) Reserve Bank of India
  - (d) Industrial Development Bank of India
4. A short-term government security paper is called (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Share
  - (b) Debenture
  - (c) Mutual fund
  - (d) Treasury bill
5. WTO basically promotes (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Financial support
  - (b) Global peace
  - (c) Unilateral trade
  - (d) Multilateral trade
6. Under which market condition do firms have excess capacity? (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Perfect competition
  - (b) Monopolistic competition
  - (c) Duopoly
  - (d) Oligopoly
7. Price theory is also known as (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Macro Economics
  - (b) Development Economics
  - (c) Public Economics
  - (d) Micro Economics
8. At present, India is following (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Fixed exchange rate
  - (b) Floating exchange rate
  - (c) Pegged up exchange rate
  - (d) Pegged down exchange rate
9. National Income is the (SSC CGL 1<sup>st</sup> Sit. 2010)
  - (a) Net National Product at market price
  - (b) Net National Product at factor cost
  - (c) Net Domestic Product at market price
  - (d) Net Domestic Product at factor cost
10. Which among the following agencies released the report, Economic Outlook for 2009–10? (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) Planning Commission
  - (b) PM's Economic Advisory Council
  - (c) Finance Commission
  - (d) Reserve Bank of India
11. India and U.S. have decided to finalise agreements related to which of the following? (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) Trade and Investment
  - (b) Intellectual Property
  - (c) Traditional Knowledge
  - (d) All of the above
12. The exchange of commodities between two countries is referred as (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) Balance of trade
  - (b) Bilateral trade
  - (c) Volume of trade
  - (d) Multilateral trade
13. A want becomes a demand only when it is backed by the (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) Ability to purchase
  - (b) Necessity to buy
  - (c) Desire to buy
  - (d) Utility of the product
14. The terms 'Micro Economics' and "Macro Economics" were coined by (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) Alfred Marshall
  - (b) Ragner Nurkse
  - (c) Ragner Frisch
  - (d) J.M. Keynes
15. During periods of inflation, tax rates should (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) increase
  - (b) decrease
  - (c) remain constant
  - (d) fluctuate
16. Which is the biggest tax paying sector in India? (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) Agriculture sector
  - (b) Industrial sector
  - (c) Transport sector
  - (d) Banking sector
17. "Economics is what it ought to be" – This statement refers to (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) Normative economics
  - (b) Positive economics
  - (c) Monetary economics
  - (d) Fiscal economics
18. The excess of price a person is to pay rather than forego the consumption of the commodity is called (SSC CGL 2<sup>nd</sup> Sit. 2010)
  - (a) Price
  - (b) Profit
  - (c) Producer's surplus
  - (d) Consumer's surplus
19. When there is an official change in the exchange rate of domestic currency, then it is called: (SSC CGL 1<sup>st</sup> Sit. 2011)
  - (a) Appreciation
  - (b) Depreciation
  - (c) Revaluation
  - (d) Deflation
20. Inflation redistributes income and wealth in favour of: (SSC CGL 1<sup>st</sup> Sit. 2011)
  - (a) Pensioners
  - (b) Poor
  - (c) Middle class
  - (d) Rich
21. The fringe benefit tax was introduced in the budget of (SSC CGL 1<sup>st</sup> Sit. 2011)
  - (a) 2003-04
  - (b) 2004-05
  - (c) 2005-06
  - (d) 2006-07

22. The purchase of shares and bonds of Indian companies by Foreign Institutional Investors is called  
(SSC CGL 2<sup>nd</sup> Sit. 2011)
- (a) Foreign Direct Investment  
(b) Portfolio Investment  
(c) NRI Investment  
(d) Foreign Indirect Investment
23. Monopolist resorts to price discrimination depending upon the  
(SSC CGL 1<sup>st</sup> Sit. 2012)
- (a) Elasticity of supply (b) Elasticity of demand  
(c) Law of demand (d) Law of supply
24. Economic planning is an essential feature of  
(SSC CGL 1<sup>st</sup> Sit. 2012)
- (a) Socialist economy (b) Capitalist economy  
(c) Mixed economy (d) Dual economy
25. The Rashtriya Barh Ayog (RBA) is related with  
(SSC CGL 1<sup>st</sup> Sit. 2012)
- (a) Droughts and Floods (b) Poverty Alleviation  
(c) Floods (d) Disaster Management
26. Low cost housing is an example for:  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) Mixed wants (b) Social wants  
(c) Private wants (d) Merit wants
27. Consumption for the sake of enjoying social acknowledgement is called:  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) Rational consumption  
(b) Social consumption  
(c) Conspicuous consumption  
(d) Demonstration consumption
28. Of the following economists, whom do you consider to be the Master of "Partial Analysis"?  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) Leon Walras (b) Alfred Marshall  
(c) J. M. Keynes (d) Lionel Robbins
29. India making 'Double Taxation Avoidance Agreements' (DTAA) with other countries for the promotion of:  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) Bilateral trade  
(b) External commercial borrowings  
(c) Foreign direct investments  
(d) Foreign institutional investment
30. Brain drain has been caused by:  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) failure to recognise talent in the originating country.  
(b) the lure of high living standards  
(c) lack of employment opportunities  
(d) socio-economic instability
31. The study of population is known as.  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) Demography (b) Climatology  
(c) Petrology (d) Hydrology
32. The BSE Sensex is based on how many stocks?  
(SSC CGL 1<sup>st</sup> Sit. 2012)
- (a) 80 (b) 100  
(c) 30 (d) 50
33. The funds raised by the Government within the country is known as  
(SSC CGL 1<sup>st</sup> Sit. 2012)
- (a) Domestic budgetary source  
(b) Domestic banking source  
(c) Domestic saving source  
(d) Domestic monetary source
34. Sick units are referred to  
(SSC CGL 1<sup>st</sup> Sit. 2012)
- (a) SIA (b) DGTD  
(c) FIPB (d) BIFR
35. The concept 'Duopoly' was introduced by  
(SSC CGL 1<sup>st</sup> Sit. 2012)
- (a) Sweezy (b) Malthus  
(c) Ricardo (d) Cournot .
36. Which of the following is the feature of monopolistic competition?  
(SSC CGL 1<sup>st</sup> Sit. 2012)
- (a) Single firm (b) Large number of firms  
(c) Group of firms (d) None of the above
37. Which one of the following is an example for a non-economic good?  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) Doctor's service (b) Teacher's service  
(c) Mother's service (d) Banker's service
38. Which one of the following committee is associated with banking sector reforms in India?  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) L. C. Gupta (b) Narsimhan  
(c) Chakravarty (d) Kelkar
39. Which one of the following is not a qualitative credit control measure of the RBI?  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) Fixing margin requirements  
(b) Variable interest rates  
(c) Open market operations  
(d) Credit rationing
40. The 13th Five Year Plan will be operative for the period.  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) 2010-2015 (b) 2011-2016  
(c) 2012-2017 (d) 2013-2018
41. The national income of a nation is the  
(SSC CGL 2<sup>nd</sup> Sit. 2012)
- (a) Government's annual revenue  
(b) Sum total of factor incomes  
(c) Surplus of public sector enterprises  
(d) Exports minus imports
42. Externality theory is the basic theory of the following branch of Economics:  
(SSC CGL 1<sup>st</sup> Sit. 2013)
- (a) Macro Economics (b) Environomics  
(c) Fiscal Economics (d) International Economics
43. Diamonds are priced higher than water because:  
(SSC CGL 1<sup>st</sup> Sit. 2013)
- (a) consumers do not buy them at lower prices.  
(b) they are sold by selected firms with monopolistic powers.  
(c) their marginal utility to buyers is higher than that of water  
(d) their total utility to buyers is higher than that of water

44. "Functional Finance" is associated with :  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Abba 'P' Lerner (b) Adolph Wogner  
(c) Adam Smith (d) Adams
45. Of the following land uses, which is restricted to Special Economic Zones ?  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Information Technology Companies  
(b) Educational Institutions  
(c) Free trade Centres  
(d) Marketing Centres
46. As per the TRIPS Agreement-1994, a good originating from a region with specific character/quality/reputation is covered/to a protected under the IPR as  
(SSC CGL 2<sup>nd</sup> Sit. 2013)  
(a) Patent  
(b) Trademark  
(c) Trade secret  
(d) GI (Geographical Indicator)
47. 'Gold' is mainly related to  
(SSC CGL 2<sup>nd</sup> Sit. 2011)  
(a) Local market (b) National market  
(c) International market (d) Regional market
48. The demand for labour is called  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Derived demand (b) Factory demand  
(c) Market demand (d) Direct demand
49. Which of the following is **not** an investment expenditure in goods and services?  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Purchase of machinery  
(b) An increase in business inventories  
(c) Expansion of the main plant of a company  
(d) Purchase of a house
50. Which one of the following represents the Savings of the Private Corporate Sector?  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Undistributed profits  
(b) Excess of income over expenditure  
(c) Dividends paid to shareholders  
(d) Total profits of a company
51. Social accounting system in India is classified into  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Assets, liabilities and debt position  
(b) Public sector, Private sector and Joint sector  
(c) Income, product and expenditure  
(d) Enterprise, households and government
52. Forced Savings refer to  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Compulsory deposits imposed on income tax payers  
(b) Provident fund contribution of private sector employees  
(c) Reduction of consumption consequent to a rise in prices  
(d) Taxes on individual income and wealth
53. High powered money is  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Banks reserves at Central Bank  
(b) All loans and advances of banks  
(c) Money held by banks  
(d) Currency held by public and reserves with the Central Bank
54. Hardening interest rate means  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) interest rate is remaining sticky  
(b) interest rate is very low  
(c) interest rate is increasing  
(d) interest rate is falling
55. "Dumping" is a situation when the seller  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) supplies more than the demand for products in the World Market.  
(b) supplies more in the Domestic Market.  
(c) sells a commodity at a lower price in the World Market and charges a higher price in the Domestic Market.  
(d) sells a commodity at a higher price in the World Market and charges a lower price in the Domestic Market.
56. Tick the correct option with regards to the contribution towards GDP (Gross Domestic Product) from Agriculture  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) During 1950–51 (GDP 51-88%) and 2011–12 (GDP 14-01%)  
(b) During 1950–51 (GDP 11-00%) and 2011–12 (GDP 25%)  
(c) During 1990–91 (GDP 29-53%) and 2011–12 (GDP 66-77%)  
(d) During 1980–81 (GDP 35-69%) and 2011–12 (GDP 20-69%)
57. The principle of maximum social advantage is the basic principle of  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Micro Economics  
(b) Macro Economics  
(c) Fiscal Economics  
(d) Environmental Economics
58. Which Five Year Plan is *not* correct among the following?  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) First 1951–56 (b) Second 1956–61  
(c) Third 1961–66 (d) Fourth 1966–71
59. An economic theory is a/an  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Axion (b) Proposition  
(c) Hypothesis (d) Tested hypothesis
60. Indian Special Economic Rules amendment came in the year  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) 2000 (b) 2002  
(c) 2004 (d) 2006
61. According to Marx, the source of value is  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Capital (b) Land  
(c) Labour (d) None of the above
62. The Community Development Programme was launched in the year  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) 1950 (b) 1952  
(c) 1951 (d) 1953
63. Prof. Milton Friedman was the leader of  
(SSC CGL 1<sup>st</sup> Sit. 2013)  
(a) Ohio school (b) Chicago school  
(c) Cambridge school (d) London school

64. Which one of the following is not a qualitative control of credit by the Central Bank of a country? **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- Rationing of credit
  - Regulation of consumer credit
  - Variation of the reserve ratio
  - Regulation of margin requirements
65. The market in which loans of money can be obtained is called **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- Reserve market
  - Institutional market
  - Money market
  - Exchange market
66. If the marginal return increases at a diminishing rate, the total return **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- increases
  - decreases
  - remains constant
  - becomes zero
67. The law of Increasing Returns means **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- increasing cost
  - decreasing cost
  - increasing production
  - increasing income
68. Which of the following is the Regulator of the credit rating agencies in India? **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- RBI
  - SBI
  - SIDBI
  - SEBI
69. Which is the first Indian Company to be listed in NASDAQ? **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- Reliance
  - TCS
  - HCL
  - Infosys
70. RRBs are owned by **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- Central Government
  - State Government
  - Sponsor Bank
  - Jointly by all of the above
71. The Monetary and Credit Policy is announced by which of the following? **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- Ministry of Finance of Centre
  - Reserve Bank of India
  - State Bank of India
  - Planning Commission of India
72. Which of the following method is not used in determining National Income of a country? **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- Income Method
  - Output Method
  - Input Method
  - Investment Method
73. What does the letter 'e' denotes in the term 'e-banking'? **(SSC CGL 1<sup>st</sup> Sit. 2014)**
- Essential Banking
  - Economic Banking
  - Electronic Banking
  - Expansion Banking
74. Which among the following is not a Bretton Woods Institution? **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- International Monetary Fund (IMF)
  - World Bank
  - Organisation of Economic Cooperation and Development (O.E.C.D.)
  - None of these
75. Equilibrium price in the market is determined by the **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- equality between total cost and total revenue
  - equality between average cost and average revenue.
  - equality between marginal cost and marginal revenue
  - equality between marginal cost and average cost.
76. In the national context which of the following indicates Macro Approach? **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- Sales of Bata Shoe Company
  - Exports of Mangoes to U.K.
  - Income from Railways
  - Inflation in India
77. Internal economies **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- arise in an economy as it makes progress
  - accrue to a firm when it expands its output
  - arise when there is expansion in internal trade
  - arise when there is expansion in an industry
78. One of the features of a free market economy is **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- public ownership of factors of production
  - rationing and price control
  - consumer's sovereignty
  - active state intervention
79. Gross National Product – Depreciation Allowance = ? **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- Gross Domestic Product
  - Personal Income
  - Net National Product
  - Per Capita Income
80. The Panchayat Samiti remains accountable for its functions to **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- The Gram Panchayats and Gram Sabhas
  - Zilla Parishads
  - Anchal Panchayats
  - Janpad Panchayats
81. The one rupee note bears the signature of : **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- Governor, Reserve Bank of India
  - Finance Minister
  - Secretary, Ministry of Finance
  - None of these
82. NABARD stands for **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- National business for Accounting and Reviewing
  - National Bank for Agriculture and Rural Development
  - National Bank for Aeronautics and Radar Development
  - National Bureau for Air and Road Transport
83. Surplus budget is recommended during : **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- Depression
  - Boom
  - War
  - Famines
84. Economic profit or normal profit is the same as : **(SSC CGL 1<sup>st</sup> Sit. 2015)**
- accounting profit
  - optimum profit
  - net profit
  - maximum profit
85. CENVAT is related to which of the following? **(SSC CGL 1<sup>st</sup> Sit. 2016)**
- Sales Tax
  - Excise Duty
  - Custom Duty
  - Service Tax
86. Malthusian theory is associated with which of the following? **(SSC CGL 1<sup>st</sup> Sit. 2016)**
- Poverty
  - Employment
  - Diseases
  - Population

87. Which is the parameter for the economic development ?  
(SSC CGL 1<sup>st</sup> Sit. 2016)
- Per capita monetary income
  - National income
  - Per capita rural income
  - Population
88. A 'Market Economy' is one which (SSC CGL 1<sup>st</sup> Sit. 2016)
- is controlled by the Government
  - is free from the Government control
  - is influenced by international market forces
  - All of these
89. Regional Rural Banks are sponsored by  
(SSC CGL 1<sup>st</sup> Sit. 2016)
- Nationalised Commercial Bank
  - Reserve Bank of India
  - State Bank of India
  - Government of India
90. Who is the Chief Economic Advisor to the Government of India?  
(SSC CGL 1<sup>st</sup> Sit. 2016)
- Raghu Ram Rajan
  - Arvind Subramanian
  - Rajiv Mahirishi
  - Arvind Pangariya
91. Which type of foreign investment is considered as unsafe?  
(SSC CGL 1<sup>st</sup> Sit. 2016)
- Foreign Direct Investment (FDI)
  - Portfolio investment
  - NRI deposits
  - External commercial borrowing
92. Which one of the following is not an instrument of Fiscal policy?  
(SSC CGL 1<sup>st</sup> Sit. 2016)
- Open Market Operations
  - Taxation
  - Public borrowing
  - Public expenditure
93. In which of the following market forms, a firm does not exercise control over price?  
(SSC CGL 1<sup>st</sup> Sit. 2016)
- Monopoly
  - Perfect competition
  - Oligopoly
  - Monopolistic competition
94. What is the name of portal launched by RBI recently to check illegal money collection?  
(SSC CGL 1<sup>st</sup> Sit. 2016)
- Sahyog
  - Sahayata
  - Sampark
  - Sachet
95. Fiscal policy in India is formulated by?  
(SSC CGL 1<sup>st</sup> Sit. 2016)
- Reserve Bank of India
  - Planning Commission
  - Finance Ministry
  - SEBI
96. Open market operation refers to : (SSC CHSL 2012)
- borrowing by scheduled banks to industry and trade
  - purchase and sale of government securities by the rbi
  - deposit mobilisation
  - borrowing by scheduled banks from the RBI
97. Who are the price-takers under Perfect Competition ?  
(SSC CHSL 2012)
- industry
  - government
  - firms
  - buyers
98. An employment situation where the marginal productivity of agricultural labour is zero is known as :  
(SSC CHSL 2012)
- Seasonal unemployment
  - Cyclical unemployment
  - Disguised unemployment
  - Disguised unemployment
99. Which one of the following is a raw material oriented industry ?  
(SSC CHSL 2012)
- Sugar industry
  - Petroleum refinery
  - Light engineering industry
  - Ship building
100. The basic object of all production is to (SSC CHSL 2013)
- increase physical output
  - satisfy human wants
  - provide employment
  - make profits
101. Inflation is caused by (SSC CHSL 2013)
- decrease in production
  - increase in money supply and decrease in production
  - increase in money supply
  - increase in production
102. Dumping is a form of price discrimination at (SSC CHSL 2013)
- local level
  - within industry
  - national level
  - international level
103. The equilibrium of a firm under perfect competition will be determined when (SSC CHSL 2013)
- Marginal Cost > Average Cost
  - Marginal Revenue > Average Cost
  - Marginal Revenue > Average Revenue
  - Marginal Revenue = Marginal Cost
104. Expenditure on advertisement and public relations by an enterprise is a part of its (SSC CHSL 2013)
- fixed capital
  - consumption of fixed capital
  - final consumption expenditure
  - intermediate consumption
105. Which of the following is not an economic problem ?  
(SSC CHSL 2014)
- Deciding between paid work and leisure.
  - Deciding between expenditure on one good and the other.
  - Deciding between alternative methods of personal saving.
  - Deciding between different ways of spending leisure time.

106. Which of the following occurs when labour productivity rises ? **(SSC CHSL 2014)**
- The equilibrium nominal wage falls
  - The equilibrium quantity of labour falls
  - Competitive firms will be induced to use more capital
  - The labour demand curve shifts to the right
107. Which of the following are consumer semi-durable goods ? **(SSC CHSL 2014)**
- Cars and television sets
  - Milk and milk products
  - Foodgrains and other food products
  - Electrical appliance like fans and electric irons
108. Which of the following statements is correct ? **(SSC CHSL 2014)**
- Most workers will work for less than their reservation wage.
  - The reservation wage is the maximum amount any firm will pay for a worker.
  - Economic rent is the difference between the market wage and the reservation wage.
  - Economic rent is the amount one must pay to enter a desirable labour market.
109. Other things being equal, a decrease in quantity demanded of a commodity can be caused by **(SSC CHSL 2014)**
- a rise in the price of the commodity
  - a rise in the income of the consumer
  - a fall in the price of a commodity
  - a fall in the income of the consumer
110. Lender of the Last Resort is : **(SSC CHSL 2015)**
- IDBI
  - NABARD
  - SBI
  - RBI
111. Perfectly inelastic demand is equal to : **(SSC CHSL 2015)**
- One
  - Zero
  - Infinite
  - Greater than one
112. When price of a substitute of commodity 'x' falls, the demand for 'x' **(SSC CHSL 2015)**
- remains unchanged
  - Increases at increasing rate
  - rises
  - falls
113. Mixed Economy means : **(SSC CHSL 2015)**
- Co-existence of public and private sectors
  - Co-existence of rich and poor
  - Co-existence of small and large Industries
  - Promoting both agriculture and Industries in the economy
114. By whom was the autonomous investment separated from induced investment ? **(SSC CHSL 2015)**
- Malthus
  - Joan Robinson
  - Adam Smith
  - Schumpeter
115. A demand curve will not shift: **(SSC CHSL 2015)**
- When only prices of substitute products change
  - When there is a change in advertisement expenditure
  - When only price of the commodity changes
  - When only income changes.
116. The time element in price analysis was introduced by **(SSC CHSL 2015)**
- Alfred Marshall
  - J.S. Mill
  - J.R. Hicks
  - J.M. Keynes
117. A camera in the hands of a professional photographer is a \_\_\_\_\_ good. **(SSC Multitasking 2013)**
- Capital
  - Free
  - Intermediary
  - Consumer
118. A portion of an individual's total income is spent on consumption. The remaining part is called **(SSC Multitasking 2014)**
- Savings
  - Deposits
  - Surplus
  - Excess
119. Phase of increasing returns is otherwise called **(SSC Multitasking 2014)**
- increasing cost
  - decreasing cost
  - increasing revenue
  - decreasing revenue
120. Monopoly refers to **(SSC Multitasking 2014)**
- competition among monopolists
  - absence of competition
  - a firm charging different prices to different customers
  - a market situation in which there is only one buyer of a commodity and one seller
121. Primary sector of an economy includes **(SSC Multitasking 2014)**
- Service sector rendering services like banking, transport, etc. which one of the primary importance
  - Important enterprises of the manufacturing sector
  - Industrial sector which is of primary importance for the economy
  - Agriculture and allied activities
122. Liquidity preference theory of interest is propounded by **(SSC Multitasking 2014)**
- J.S. Mill
  - A. Marshall
  - I. Fisher
  - J.M. Keynes
123. Which one of the following statements is correct? **(SSC Sub. Ins. 2012)**
- A commodity will have value if it is wanted by somebody.
  - A commodity will have value only if it is scarce relative to demand.
  - The value of a commodity depends upon its price.
  - The value of a commodity is entirely dependent upon the substitutes.
124. Which of the following formulae could be used for calculating the per capita income of a country? **(SSC Sub. Ins. 2012)**
- $$\frac{\text{Total family income}}{\text{Number of family members}}$$
  - $$\frac{\text{National income}}{\text{Total population}}$$
  - $$\frac{\text{Total income of various industries}}{\text{Total number of industrial workers}}$$
  - $$\frac{\text{Total Government Revenue}}{\text{Total population}}$$

125. For controlling inflation, the central bank should  
(SSC Sub. Ins. 2012)
- sell Government securities in the open market
  - lower the bank rate
  - purchase Government securities in the open market
  - lower the reserve ratio of the banks
126. There is no selling cost under (SSC Sub. Ins. 2012)
- Perfect competition
  - Monopolistic competition
  - Oligopoly
  - Duopoly
127. Which of the following is *not* a function of the Exim Bank of India?  
(SSC Sub. Ins. 2012)
- Financing of export and import of goods and services
  - Inspection of exported goods for quality assurance
  - Financing of joint ventures in foreign countries
  - Loans to Indian parties for contribution to share capital of joint ventures abroad
128. The Social Forestry Scheme was introduced during  
(SSC Sub. Ins. 2012)
- Fourth Five Year Plan
  - Eighth Five Year Plan
  - Second Five Year Plan
  - Sixth Five Year Plan
129. Which one of the following iron and steel works in India is *not* under public sector?  
(SSC Sub. Ins. 2012)
- Bokaro
  - Jamshedpur
  - Bhilai
  - Durgapur
130. If a firm is operating at loss in the short-period in perfect combination, it should;  
(SSC Sub. Ins. 2013)
- decrease the production and the price.
  - increase the production and the price
  - continue to operate as long as it covers even the variable costs.
  - shut-down and leave the industry
131. Which of the following is an indirect tax ?  
(SSC Sub. Ins. 2013)
- Capital Gains Tax
  - Excise Duty
  - Wealth Tax
  - Estate Duty
132. Taxes on professions can be levied by:  
(SSC Sub. Ins. 2013)
- State government only
  - both by state and union government
  - by panchayats only
  - Union government only
133. Which one is not a function of money?  
(SSC Sub. Ins. 2013)
- Transfer of value
  - Store of value
  - Price stabilisation
  - Value measurement
134. "Closed Economy" means: (SSC Sub. Ins. 2013)
- no provision for public sector
  - no provision for private sector
  - economy policy not well defined
  - a country having no imports and exports
135. At "Break-even point", (SSC Sub. Ins. 2013)
- the industry is in equilibrium in the long-run.
  - the producers suffers the minimum losses
  - the seller earns maximum profit
  - the firm is at zero-profit point
136. In the balance of payments account, unrequited receipts and payments are also regarded as (SSC Sub. Ins. 2014)
- bilateral transfers
  - unilateral transfers
  - capital account transfers
  - invisible transfers
137. Price and output are determinates in market structure other than (SSC Sub. Ins. 2014)
- monopoly
  - perfect competition
  - oligopoly
  - monopsony
138. If average cost falls, marginal cost (SSC Sub. Ins. 2014)
- increases at a higher rate
  - falls at the same rate
  - increases at a lower rate
  - falls at a higher rate
139. Which one of the following disburses long term loans to private industry in India ? (SSC Sub. Ins. 2014)
- Food Corporation of India
  - Life Insurance Corporation of India
  - Primary Credit Society
  - Land Development Banks
140. A low interest policy is also known as :  
(SSC Sub. Ins. 2015)
- investment policy
  - income generating policy
  - dear money policy
  - cheap money policy
141. The market equilibrium for a commodity is determined by:  
(SSC Sub. Ins. 2015)
- the balancing of the forces of demand and supply for the commodity.
  - the intervention of the Government.
  - the market demand of the commodity.
  - the market supply of the commodity.
142. "Economies" of a firm are: (SSC Sub. Ins. 2015)
- an increase in its profits
  - its dominance of the market
  - saving in its production costs
  - a reduction in its selling expenses
143. Regarding money supply situation in India it can be said that the:  
(SSC Sub. Ins. 2015)
- Currency with the public is almost equal to the deposits with the banks.
  - Currency with the public is inconvertible only.
  - Currency with the public is more than the deposits with the banks.
  - Currency with the public is less than the deposits with the banks.
144. The equilibrium price of a commodity will definitely rise of there is a/an:  
(SSC Sub. Ins. 2015)
- increase in supply combined with a decrease in demand.
  - increase in demand accompanied by a decrease in supply.
  - decrease in both demand and supply.
  - increase in both demand and supply.

145. Basic problems of an economy is/are  
(SSC Sub. Ins. 2016)
- Providing Social Security and employment to all.
  - Elimination of poverty and reduction of inequalities of income and wealth.
  - Providing basic requirements of life to all.
  - Decide as to what, how and for whom to produce.
146. Demand curve is indeterminate under  
(SSC Sub. Ins. 2016)
- duopoly
  - monopoly
  - pure competition
  - oligopoly
147. Marginal Revenue is  
(SSC Sub. Ins. 2016)
- Revenue realized on the sale of an extra units.
  - Revenue realized from the sale of all units.
  - The average revenue of a firm.
  - Revenue realized on every unit sold.
148. All economic goods are considered as .....in economics.  
(SSC Stenographer 2013)
- Wealth
  - Money
  - Capital
  - Materials
149. Total demand for goods and services at various levels of employment is called as  
(SSC Stenographer 2013)
- Effective demand
  - National demand
  - Market Demand
  - Employment demand
150. Relationship between price of related goods and quantity of a particular commodity is called as  
(SSC Stenographer 2013)
- Income - demand
  - Market - demand
  - Cross - demand
  - Price - demand
151. Devaluation means  
(SSC Stenographer 2014)
- reduction in the external value of currency
  - fall in valuation of the essentials in an economy
  - depreciation of the fixed assets
  - increase in the currency value in terms of foreign currency
152. Disguised unemployment means  
(SSC Stenographer 2014)
- willing to work and not getting the work
  - not getting work on all days
  - insufficiency of capital structure to absorb the large force
  - more people working, than required
153. The '3 B 's' - brokers, bankers and businessmen were responsible for  
(SSC Stenographer 2014)
- The Great Depression
  - Russian Revolution
  - French Revolution
  - First world war
154. ATM means  
(SSC Stenographer 2014)
- All Time Money
  - Automatic Teller Machine
  - Automated Teller Machine
  - Any Time Money
155. Which market forms allow free entry and exit of firms?  
(SSC Stenographer 2014)
- Perfect and Monopolistic
  - Perfect and Oligopoly
  - Oligopoly and Monopoly
  - Monopoly and Monopolistic
156. GNP differs from NNP due to  
(SSC Stenographer 2014)
- net indirect taxes
  - Direct taxes
  - interest on public debt
  - Depreciation
157. Which one of the following is an example of joint supply?  
(SSC Stenographer 2014)
- Petrol and Bus
  - Ink and Fountain pen
  - Sugar and Coffee
  - Wool and Cotton
158. Who fixes the REPO rate in India ?  
(SSC Stenographer 2016)
- WTO - World Trade Organization
  - SEBI - Securities and Exchange Board of India
  - RBI - Reserve Bank of India
  - IMF - International Monetary Fund
159. An indirect instrument of monetary policy is  
(SSC Stenographer 2016)
- Open market operations
  - Statutory liquidity ratio
  - Bank rate
  - Cash reserve ratio
160. One of the following is NOT a component of foreign exchange reserves in India  
(SSC Stenographer 2016)
- Gold stock of RBI
  - SDR holdings of government
  - Foreign exchange assets of RBI
  - Foreign exchange assets of government
161. The market system in which there are only two buyers facing a large number of sellers is called  
(SSC Stenographer 2016)
- monopsony
  - duopsony
  - duopoly
  - oligopoly
162. 'Investing opportunities model' was proposed by  
(SSC Stenographer 2016)
- Revenstein
  - Davis
  - E.S. Lee
  - S.A. Stouffer
163. A philosophy that the worker should share in industrial decisions is termed as  
(SSC Sub. Ins. 2014)
- industrial democracy
  - worker sovereignty
  - industrial socialism
  - worker dictatorship
164. At which rate, Reserve Bank of India borrows money from commercial banks?  
(SSC CGL 2017)
- Bank Rate
  - Repo Rate
  - Reverse Repo Rate
  - Statutory Liquidity Rate



165. Movement along the supply curve is known as \_\_\_\_\_.  
(SSC CGL 2017)
- Contraction of supply
  - Expansion of supply
  - Increase in supply
  - Expansion and contraction of supply
166. Which one of the following is a component of Food Security System?  
(SSC CGL 2017)
- Buffer stock
  - Minimum support price
  - Fair price shops
  - Mid day meals
167. What is the accepted average Calorie requirement for rural area in India?  
(SSC CGL 2017)
- 2100
  - 2200
  - 2300
  - 2400
168. Who gave the 'General Equilibrium Theory'?  
(SSC CGL 2017)
- J.M. Keynes
  - Leon Walras
  - David Ricardo
  - Adam Smith
169. Which of the following is not true about a Demand Draft?  
(SSC CGL 2017)
- It is a negotiable instrument.
  - It is a banker's cheque.
  - It may be dishonoured for lack of funds.
  - It is issued by a bank.
170. Which one of the following is not an instrument of credit control in India?  
(SSC CGL 2017)
- Rationing of credit
  - Direct Action
  - Open Market operations
  - Variable cost reserve ratios
171. Which among the following is an example of micro – economic variable?  
(SSC CGL 2017)
- National Income
  - Aggregate Supply
  - Employment
  - Consumer's Equilibrium
172. An increase of 1% per annum in the rate of growth of the money supply will increase inflation in the long run by \_\_\_\_\_.  
(SSC CHSL 2017)
- Zero percent
  - One percent
  - 0.5 percent
  - More than one percent
173. What is the full form of FDI?  
(SSC Sub. Ins. 2017)
- Foreign Direct Input
  - Foreign Direct Investment
  - Fiscal Direct Investment
  - Fiscal Direct Input
174. In which situation, wages and prices chase each other at a very quick speed?  
(SSC Sub. Ins. 2017)
- Disinflation
  - Reflation
  - Stagflation
  - Hyper-inflation
175. Banking comes under which of the following sector?  
(SSC Sub. Ins. 2017)
- Primary sector
  - Secondary sector
  - Tertiary sector
  - Both Secondary and Tertiary sectors
176. Which of the following is a basic characteristic of 'Oligopoly'?  
(SSC Sub. Ins. 2017)
- Many sellers, many buyers
  - Few sellers, few buyers
  - Few sellers, many buyers
  - Many sellers, few buyers
177. What was the main objective of the 5th Five Year Plan?  
(SSC Sub. Ins. 2017)
- Removal of poverty and achievement of self-reliance
  - Faster, more inclusive and sustainable growth
  - Inclusive growth
  - None of these
178. The state with largest gap in male and female literacy is :  
(SSC MTS 2017)
- Rajasthan
  - Kerala
  - Uttar Pradesh
  - Madhya Pradesh
179. The law of demand states that when :  
(SSC MTS 2017)
- income and price rises demand rises
  - price rises demand rises
  - price falls demand rises
  - income rises demand rises
180. Area which supports the economy and export trade of a sea port is called its:  
(SSC MTS 2017)
- economic zone
  - export basin
  - umland
  - hinter land
181. In an inflationary situation, which of the following statements is false for a country?  
(SSC MTS 2017)
- Cost of living rises
  - Profits rise faster than wages
  - Value of money falls
  - Country's export's become more competitive
182. Which one of the following statement is True regarding rate of interest:  
(SSC MTS 2017)
- Rate of interest may be zero
  - Rate of interest increases with economic growth
  - Rate of interest can not be zero
  - Rate of interest cannot be determined
183. What is GST?  
(SSC Steno. 2017)
- A direct tax
  - An indirect tax
  - A corporat tax
  - A municipal tax

184. Which of the following is not a small-scale industry in India? **(SSC Steno. 2017)**  
 (a) Sugar Industry (b) Cotton Industry  
 (c) Petroleum Industry (d) Handloom Industry
185. Which of the following is known as market clearing price? **(SSC Steno. 2017)**  
 (a) Equilibrium price (b) Disequilibrium price  
 (c) Ceteris paribus (d) No option is correct
186. An economic condition when there is one buyer and many sellers is called \_\_\_\_\_. **(SSC CGL 2018)**  
 (a) Oligopoly (b) Monopoly  
 (c) Perfect Competition (d) Monopsony
187. What is the name given to the graph that shows all the combinations of two commodities that a consumer can afford at given market prices and within the particular income level in economic terms? **(SSC CGL 2018)**  
 (a) Demand Curve (b) Isocost Line  
 (c) Supply Curve (d) Budget Line
188. Which theory in economics proposes that countries export what they can most efficiently and plentifully produce? **(SSC CGL 2018)**  
 (a) Solow-Swan Model  
 (b) Heckscher-Ohlin Model  
 (c) Input-Output Model  
 (d) Cournot Competition
189. Which theory is used to make long-run predictions about exchange rates in a flexible exchange rate system? **(SSC CGL 2018)**  
 (a) Purchasing Power Parity Theory  
 (b) Balance of Payment Theory  
 (c) Interest Rate Approach  
 (d) Portfolio Balance Approach
190. Who among the following is also known as the founder of macroeconomics as a separate discipline? **(SSC CHSL 2018)**  
 (a) Adam Smith (b) Fischer Black  
 (c) Robert Merton (d) John Maynard Keynes
191. The Pradhan Mantri Kisan Samman Nidhi scheme, announced in the Interim Budget 2019, aims at : **(SSC CHSL 2018)**  
 (a) providing life insurance for small and marginal farmers  
 (b) ensuring effective implementation of minimum support prices for all edible crops  
 (c) providing medical insurance for small farmer families  
 (d) ensuring minimum income for farmer families who own up to two hectares of cultivable land
192. Which of the following best describe the nature of Indian economy? **(SSC Sub. Ins. 2018)**  
 (a) Mixed Economy (b) Socialist Economy  
 (c) Capitalistic Economy (d) Communist Economy
193. 'Red Tape' in an economy refers to: **(SSC Sub. Ins. 2018)**  
 (a) Rigid excise rules  
 (b) Rigid conformity to formal rules  
 (c) High Risk Market  
 (d) Low Risk Market
194. \_\_\_\_\_ is a support scheme of Odisha whose primary targets are small farmers, cultivators and landless agricultural labourers. **(SSC Sub. Ins. 2018)**  
 (a) Asha Assistance for Livelihood and Income Augmentation (AALIA)  
 (b) Aahar Yojana (AY)  
 (c) Khushi Scheme  
 (d) Krushak Assistance for Livelihood and Income Augmentation (KALIA)
195. What is India's ranking in the World Bank's Ease of Doing Business Index? **(SSC Stenographer 2018)**  
 (a) 77<sup>th</sup> (b) 97<sup>th</sup> (c) 67<sup>th</sup> (d) 87<sup>th</sup>
196. To which Indian state has the New Development Bank of the BRICS countries approved a USD 525-million loan for infrastructure projects in September 2018? **(SSC Stenographer 2018)**  
 (a) Madhya Pradesh  
 (b) Rajasthan  
 (c) Jharkhand  
 (d) Chhattisgarh
197. Which of the following is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin? **(SSC Stenographer 2018)**  
 (a) Geographical Indication  
 (b) Formal Indication  
 (c) Native Indication  
 (d) Historical Indication
198. Which of these institutions fixes the Repo Rate and the Reverse Repo Rate in India? **(SSC CGL 2019-20)**  
 (a) Ministry of Finance  
 (b) Comptroller and Auditor General of India  
 (c) State Bank of India  
 (d) Reserve Bank of India
199. What is the uniform GST rate that has been fixed up for lottery prizes by the GST Council? **(SSC CGL 2019-20)**  
 (a) 18% (b) 32%  
 (c) 28% (d) 10%
200. The total liability of the monetary authority of the country, Reserve Bank of India, is called: **(SSC CHSL 2020-21)**  
 (a) Grey money  
 (b) High powered money  
 (c) Cold cash  
 (d) Hot money

201. The mutual funds industry in India is regulated by which of the following organizations? **(SSC CHSL 2020-21)**  
 (a) Ministry of Commerce and SIDBI  
 (b) NITI Ayog and IIFCL  
 (c) SEBI and RBI  
 (d) IRDA and IFCI
202. 'Pradhan Mantri Awas Yojana (Urban)-PMAY (U)'s mission is to achieve the goal of Housing for All in urban areas by: **(SSC CHSL 2020-21)**  
 (a) 2022 (b) 2020 (c) 2023 (d) 2021
203. Which of the following helps borrowers to overcome the problem of lack of collateral? **(SSC MTS 2020-21)**  
 (a) Pressure Groups  
 (b) Non-Governmental Organization  
 (c) Self Help Groups  
 (d) Civil Societies
204. When was the Food Corporation of India (FCI) set up under the Food corporations Act, 1964 with the primary duty to purchase, store, move/transport, distribute and sell food grains and other foodstuffs? **(SSC Stenographer 2020-21)**  
 (a) 1967 (b) 1966 (c) 1965 (d) 1964
205. The Borlaug Award is given in the field of: **(SSC Stenographer 2020-21)**  
 (a) Science (b) Sports  
 (c) Films (d) Agriculture
206. Which Indian state was the highest contributor to the All India Nominal GDP in the financial year 2018-19? **(SSC Stenographer 2020-21)**  
 (a) Kerala (b) Karnataka  
 (c) Gujarat (d) Maharashtra
207. In 2019, the Export Credit Guarantee Corporation of India (ECGC) has introduced the Export Credit Insurance Scheme (ECIS) called \_\_\_\_\_. **(SSC Sub-Inspector 2020-21)**  
 (a) NIRANKUSH (b) NIRUKT  
 (c) NIRVAY (d) NIRVIK
208. \_\_\_\_\_ is a mandatory mark found on all processed fruit products sold in India - such as packaged fruit beverages, fruit-jams, crushes and squashes, pickles, dehydrated fruit products, and fruit extracts - as per the Food Safety and Standards Act of 2006. **(SSC Sub-Inspector 2020-21)**  
 (a) BEE Star Rating (b) ISI  
 (c) FPO (d) HALLMARK
209. The Union Budget of India 2020-21 allocated an amount of \_\_\_\_\_ crore for the education sector. **(SSC Sub-Inspector 2020-21)**  
 (a) ` 83,600 (b) ` 99,300  
 (c) ` 78,700 (d) ` 95,800

## HINTS & EXPLANATIONS

1. (a) A trade block is a type of intergovernmental agreement, often part of a regional intergovernmental organization, where regional barriers to trade, (tariffs and non-tariff barriers) are reduced or eliminated among the participating states.
2. (c) The national income of a country can be measured by three alternative methods:
  - (i) Product Method: In this method, national income is measured as a flow of goods and services. We calculate money value of all final goods and services produced in an economy during a year.
  - (ii) Income Method: Under this method, national income is measured as a flow of factor incomes. There are generally four factors of production labour, capital, land and entrepreneurship.
  - (iii) Expenditure Method: In this method, national income is measured as a flow of expenditure. GDP is sum-total of private consumption expenditure. Government consumption expenditure, gross capital formation (Government and private) and net exports (Export-Import).
3. (c) The Reserve Bank of India is India's central banking institution, which controls the monetary policy of the Indian rupee. It commenced its operations on 1 April 1935 during the British Rule in accordance with the provisions of the Reserve Bank of India Act, 1934.
4. (d) T-bills are issued to meet short-term mismatches in receipts and expenditure. Bonds of longer maturity are called dated securities.
5. (d) The World Trade Organization (WTO) is the only global international organization dealing with the rules of trade between nations. The WTO has many roles: it operates a global system of trade rules, it acts as a forum for negotiating trade agreements, it settles trade disputes between its members and it supports the needs of developing countries.
6. (b) Under the Monopolistic Competition, there are a large number of firms that produce differentiated products which are close substitutes for each other. In the presence of coercive government, monopolistic competition will fall into government-granted monopoly.
7. (d) Price theory is also known as Micro Economics. Microeconomics is the study of individuals, households and firms' behavior in decision making and allocation of resources. It generally applies to markets of goods and services and deals with individual and economic issues.
8. (b) A floating exchange rate is a regime where the currency price of a nation is set by the forex market based on supply and demand relative to other currencies. A

- currency that uses a floating exchange rate is known as a floating currency.
9. (b) National income is the total value a country's final output of all new goods and services produced in one year.
  10. (b) Economic Advisory Council to the Prime Minister (PMEAC) is a non-constitutional, non-permanent and independent body constituted to give economic advice to the Government of India, specifically the Prime Minister. The council serves to highlight key economic issues facing the country to the government of India from a neutral viewpoint.
  11. (d) India and U.S. have decided to finalise agreements related to trade and investment, intellectual property, traditional knowledge.
  12. (b) A bilateral trade is the exchange of goods between two countries that facilitates trade and investment by reducing or eliminating tariffs, import quotas, export restraints and other trade barriers.
  13. (d) A want becomes a demand only when it is backed by the utility of the product.
  14. (d) Ragnar Anton Kittil Frisch was a Norwegian economist and the co-recipient of the first Nobel Memorial Prize in Economic Sciences in 1969 (with Jan Tinbergen). He is known for having founded the discipline of econometrics, and for coining the widely used term pair macroeconomics /microeconomics in 1933.
  15. (a) Inflation refers to an increase in the price level that goes on for a long period of time months or even years on end. Inflation increases your cost of living. Inflation reduces the purchasing power of each unit of currency.
  16. (b) Industrial Sector is the biggest tax paying sector in India.
  17. (a) Normative economics (as opposed to positive economics) is a part of economics that expresses value or normative judgments about economic fairness or what the outcome of the economy or goals of public policy ought to be.
  18. (c) The excess of price a person is to pay rather than forego surplus.
  19. (c) When there is an official change in the exchange rate of domestic currency, than it is called revaluation.
  20. (d) Inflation redistributes income and wealth in favour of rich.
  21. (c) Fringe Benefit Tax (FBT) is fundamentally a tax that an employer has to pay in lieu of the benefits that are given to his/her employees. This is separate to income tax and is calculated on the taxable value of the fringe benefits provided. Fringe Benefit Tax was introduced in the budget of 2005-06.
  22. (d) Investment in securities, funds, by FII is Foreign Indirect Investment.
  23. (b) The act of selling the same article, product under a single control, at different prices to different buyers is known as price discrimination. Information on the price elasticity of demand can be used by business as part of a policy of price discrimination (also known as yield management).
  24. (a) Economic planning is an essential feature of socialism. The most prominent example of a planned economy was the economic system of the Soviet Union.
  25. (c) The Government of India decide to set up the Rashtriya Barh Ayog (National Flood Commission) in 1976 to evolve a coordinated, integrated and scientific approach to the flood control problems in the country.
  26. (b) According to Musgrave social wants are those wants which are satisfied by services that must be consumed in equal amounts by all. Low cost housing is an example for social wants.
  27. (c) Conspicuous consumption is the purchase of goods or services for the specific purpose of displaying one's wealth. It is a means to show ones social status.
  28. (b) Alfred Marshall was committed to partial equilibrium models over general equilibrium on the grounds that the inherently dynamical nature of economics made the former more practically useful.
  29. (a) These agreements give the right of taxation in respect of the income of the nature of interest, dividend, royalty and fees for technical services to the country of residence. It promotes bilateral trade and investment.
  30. (c) Brain drain can be described as the process in which a country loses its most educated and talented workers to other countries through migration. The main causes include seeking employment or higher paying jobs, political instability and to seek a better quality of life.
  31. (a) Demography is the statistical study of human populations and sub-populations. It encompasses the study of the size, structure, and distribution of these populations, and spatial and/or temporal changes in them in response to birth, migration, aging and death.
  32. (c) The BSE SENSEX is a free-float market-weighted stock market index of 30 well-established and financially sound companies listed on Bombay Stock Exchange. The 30 component companies which are some of the largest and most actively traded stocks, are Indian economy.
  33. (a) The funds raised by the government within the country is known as domestic budgetary source.
  34. (d) The Board for Industrial and Financial Reconstruction (BIFR) was an agency of the Government of India, part of the Department of Financial Services of the Ministry of Finance. It was set up in January 1987. Its objective was to determine sickness of industrial companies and to assist in reviving those that may be viable and shutting down the others.
  35. (d) A duopoly is a form of oligopoly occurring when two companies (or countries) control all or most of the market for a product or service. It was introduced by Cournot.
  36. (c) The model of monopolistic competition describes a common market structure in which firms have many competitors (group of firms), but each one sells a slightly different product.

37. (c) Mother's service is an example for a non-economic good.
38. (b) In order to raise the standards of the banks internationally, a number of committees were appointed by RBI. Among them Narasimham committee I (1991), Narasimham Committee II (1998) and Verma Committee (1999) were influential in improving international standards, and led to banking sector reforms, globally flexible to its deregulation, norms and conditions etc.
39. (c) An open market operation (OMO) is an activity by a central bank to give liquidity in its currency to a bank or a group of banks. The central bank can either buy or sell government bonds in the open market. A central bank uses OMO as the primary means of implementing monetary policy.
40. (\*) None of the above is correct, because the duration of five year plan was 2012-17. Niti Aayog was gearing up to launch the three-year action plan from April 1 after the end of 12th Five Year Plan on March 31.
41. (b) National income is the total value a country's final output of all new goods and services produced in one year.
42. (b) An externality is a consequence of an economic activity experienced by unrelated third parties; it can be either positive or negative. Pollution emitted by a factory that spoils the surrounding environment and affects the health of nearby residents is an example of a negative externality. The effect of a well-educated labor force on the productivity of a company is an example of a positive externality.
43. (c) Diamonds is priced higher than water because their marginal utility to buyers is higher than that of water.
44. (a) **Functional finance** is an economic theory proposed by Abba P. Lerner, based on effective demand principles and chartalism. It states that government should **finance** itself to meet explicit goals, such as taming the business cycle, achieving full employment, ensuring growth, and low inflation.
45. (c) A special economic zone (SEZ) is an area in which the business and trade laws are different from the rest of the country. The category 'SEZ' covers a broad range of more specific zone types, including free-trade zones (FTZ), export processing zones (EPZ), free zones (FZ), industrial estates (IE), free ports, urban enterprise zones and others.
46. (d) Geographical Indication (GI) means the name of a region or a locality, a specific place, or, in exceptional cases, a country, used to describe a product originating in that region, locality, specific place or country, which possesses a specific quality, reputation or other characteristics attributable to that geographical origin, and the production and/or processing and or preparation of which take place in the defined geographical area.
47. (c) Gold is mainly related to the international market as of all the precious metals, it is the most popular as an investment. Gold has been used throughout history as money and has been a relative standard for currency equivalents specific to economic regions or countries, until recent times. Gold price has shown a long term correlation with the price of crude oil.
48. (a) The demand for labour is "derived" from the production and demand for the product being demanded. If the demand for the product increases, either the price will increase or the demand for production labour will increase until the equilibrium price and production numbers are met.
49. (d) Investment expenditure refers to the expenditure incurred either by an individual or a firm or the government for the creation of new capital assets like machinery, building etc. The purchase of house cannot be considered as investment expenditure as it may be for personal use.
50. (a) For private corporate sector, retained profits adjusted for non operating surplus/ deficit is considered as its Net Saving. Retained profits are those which are ploughed back into business after making commitments to depreciation provision for various fixed assets, debts, government and to share-holders.
51. (c) Social accounting is a method by which a firm seeks to place a value on the impact on society of its operations. One social accounting system primarily attempts to measure National Income, final product, consumption and accumulation of capital.
52. (b) Forced saving is unlike when someone decides to put some of their income into a savings account or other form of investment.
53. (a) Bank's reserves at Central Bank
54. (a) Hardening interest rate is a term used to describe a price of commodity or futures contracts that is gradually stabilizing.
55. (c) Sells a commodity at lower price in the world market and charges a higher price in the domestic market
56. (a) During 1950-51 (GDP 51-88%) and 2011-12 (GDP 14-01%)
57. (c) The principle of maximum social advantage is the basic principle of Fiscal Economics.
58. (d) The duration of the 4<sup>th</sup> Five Year Plan is 1969-1974.
59. (b) Economic Theory provides an outlet for research in all areas of economics based on rigorous theoretical reasoning and on topics in mathematics that are supported by the analysis of economic problems.
60. (d) Indian Special Economic Rules amendment came in the year 2006.
61. (c) Marx gave to the "labor theory of value," which in his case was rather a value theory of labor. The issue is how relations of production and circulation are affected by the fact that labor takes the capitalist social form of producing value and surplus value embedded in "things," in commodities.
62. (b) Post Independence, the first major development programme launched in India was Community Development Programme, 1952. This programme was formulated to provide an administrative framework

- through which the government might reach to the district, tehsil / taluka and village level.
63. (b) Milton Friedman (July 31, 1912 - November 16, 2006) was an American economist, statistician, and writer who taught at the University of Chicago for more than three decades. He was a recipient of the 1976 Nobel Prize in Economic Sciences, and is known for his research on consumption analysis, monetary history and theory, and the complexity of stabilization policy.
  64. (c) The qualitative or selective methods of credit control are adopted by the Reserve Bank in its pursuit of economic stabilization and as part of credit management. The four important methods are Margin Requirements, Credit Rationing, Regulation of Consumer Credit, Moral Suasion.
  65. (c) A segment of the financial market in which financial instruments with high liquidity and very short maturities are traded. The money market is used by participants as a means for borrowing and lending in the short term, from several days to just under a year.
  66. (a) In economics, diminishing returns is the decrease in the marginal (incremental) output of a production process as the amount of a single factor of production is incrementally increased, while the amounts of all other factors of production stay constant.
  67. (b) The law of increasing returns is the opposite of the law of decreasing returns. Where the law of diminishing returns operates, every additional investment of capital and labour yields less than proportionate returns. But, in the case of the law of increasing returns, the return is more than proportionate.
  68. (d) The Securities and Exchange Board of India (SEBI) is the regulator for the securities market in India. It was established in the year 1988 and given statutory powers on 12 April 1992 through the SEBI Act, 1992.
  69. (d) Infosys Ltd is an Indian multinational corporation that provides business consulting, information technology, software engineering and outsourcing services. It is headquartered in Bangalore, Karnataka.
  70. (d) Regional rural Banks (RRB) were established under the provisions of an ordinance passed on 26<sup>th</sup> September, 1975 and RRB Act 1976, to provide sufficient banking and credit facility for agriculture and other rural sectors. The RRBs were owned by the Central Govt., the State Government and the Sponsor Banks.
  71. (b) The Reserve Bank of India is India's Central Banking Institution, which controls the Monetary Policy of the Indian Rupee. It commenced its operations on 1 April 1935 during the British Rule in accordance with the provisions of the Reserve Bank of India Act, 1934.
  72. (d) The national income of a country can be measured by three alternative methods: (i) Product Method (ii) Income Method, and (iii) Expenditure Method.
  73. (c) For many people, electronic banking means 24-hour access to cash through an automated teller machine (ATM) or Direct Deposit of paychecks into checking or savings accounts. But electronic banking involves many different types of transactions, rights, responsibilities - and sometimes, fees.  
A method of banking in which the customer conducts transactions electronically via the Internet.
  74. (c) The Bretton Woods Institutions are the World Bank, and the International Monetary Fund (IMF). They were set up at a meeting of 43 countries in Bretton Woods, New Hampshire, USA in July 1944.
  75. (c) The price and output under monopoly are determined by equality between marginal cost and marginal revenue and not by the intersection of demand and supply curves.
  76. (d) Macroeconomics is a branch of economics dealing with the performance, structure, behavior, and decision-making of an economy as a whole, rather than individual markets. Macroeconomists develop models that explain the relationship between such factors as national income, output, consumption, unemployment, inflation etc.
  77. (d) Internal economies arise within the firm because of the expansion of the size of a particular firm. They are called the economies of scale.
  78. (c) In a free market economy there is a freedom of choice for the consumers to buy goods and services which suit their tastes and preferences. This is generally called the principle of consumer sovereignty. This means in a market economy the consumers are just like a king or sovereign who dictate what goods and services and what quantities of them are produced.
  79. (c) Net national product (NNP) refers to gross national product (GNP), i.e. the total market value of all final goods and services produced by the factors of production of a country or other polity during a given time period, minus depreciation.  
$$NNP = GNP - \text{Depreciation}$$
  80. (b) Zilla Parishad is the apex body of the PR (Panchayati Raj) system located at the district level. Chairpersons/ Presidents of Panchayat Samitis come within its jurisdiction.
  81. (c) The one rupee note bears the signature of secretary Ministry of Finance.
  82. (b) NABARD is set up as an apex Development Bank with a mandate for facilitating credit flow for promotion and development of agriculture, small-scale industries, cottage and village industries, handicrafts and other rural crafts. It was established on 12 July 1982 by a special act by the parliament
  83. (b) Surplus budget is the order of the economies in boom time.
  84. (b) Normal profit or Economic profit is an economic condition occurring when the difference between a firm's total revenue and total cost is equal to zero.
  85. (b) CENVAT or Central Value Added Tax is a modification of the previously functioning MODVAT (Modified Value Added Tax), and is a part of the central excise framework of the country.
  86. (d) The Malthusian theory explained that the population grows. The theory was proposed by Thomas Robert Malthus. He believed that a balance between population growth and food supply can be established through preventive and positive checks.

87. (b) National Income is the parameter for the economic development. National Income refers to the money value of all the goods and services produced in a country during a financial year.
88. (b) A market economy is an economic system in which economic decisions and the pricing of goods and services are guided solely by the aggregate interactions of a country's individual citizens and businesses.
89. (a) Regional Rural Banks are sponsored by Nationalized Rural Banks. They have been created with a view of serving primarily the rural areas of India with basic banking and financial services.
90. (b) Arvind Subramanian is the current Chief Economic Adviser to the Government of India, having taken charge of the position on 16 October 2014 succeeding Raghuram Rajan.
91. (b) The Foreign Direct Investment (FDI) refers to the direct investment into the production and management. Any investment in India which has its source any other country than India is Foreign Investment. FDI is a type of Foreign Investment which is considered as unsafe.
92. (a) The major instruments of fiscal policy are as follows: A. Budget B. Taxation C. Public Expenditure D. Public Works E. Public Debt.
93. (b) Perfect competition is a market structure that leads to the Pareto-efficient allocation of economic resources. Perfect competition also referred to as a pure competition, exists when there is no direct competition between the rivals and all sell identically the same products at a single price.
94. (d) The Reserve Bank of India (RBI) Governor, Raghuram Rajan, on 4 August 2016 launched Sachet portal, [sachet.rbi.org.in](http://sachet.rbi.org.in), to check illegal money collection.
95. (c) In India, Fiscal Policy is formulated by the Ministry of Finance. Fiscal policy is the use of government revenue collection (taxes or tax cuts) and expenditure (spending) to influence a country's economy. Fiscal policy also feeds into economic trends and influences monetary policy. When the government receives more than it spends, it has a surplus. Some of the major instruments of fiscal policy are as follows: Budget, Taxation, Public Expenditure, public revenue, Public Debt.
96. (b) Open Market Operation is an activity by a central bank to give liquidity in its currency to a bank or a group of banks. Open market operation refers to purchase and sale of government securities by the RBI.
97. (c) Perfect competition is an ideal type of market structure where all producers and consumers have full and symmetric information, no transaction costs, where there are a large number of producers and consumers competing with one another. Firms are the
98. (c) An employment situation where the marginal productivity of agricultural labour is zero is known as disguised unemployment. It is also known as hidden unemployment, this refers to a situation where labour that is employed in a job is not actually utilized for the production of goods and services.
99. (a) Sugar industry is a raw material oriented industry.
100. (b) The basic object of all production is to satisfy human wants. In terms of Economics, satisfaction of human wants comes first, second comes the provision of employment, third comes the profit motive and at last comes the increase of physical outputs.
101. (b) Inflation is caused by increase in money supply and decrease in production. In economics, inflation is a sustained increase in the general price level of goods and services in an economy over a period of time. It can be defined as too much money chasing too few goods. When the general price level rises, each unit of currency buys fewer goods and services.
102. (d) Dumping is a form of price discrimination at the international level. In economics, "dumping" is a kind of predatory pricing, especially in the context of international trade. It occurs when manufacturers export a product to another country at a price either below the price charged in its home market or below its cost of production.
103. (d) The equilibrium of a firm under perfect competition will be determined when marginal revenue equals marginal cost. In the short run, perfectly-competitive markets are not productively efficient as output will not occur where marginal cost is equal to average cost ( $MC = AC$ ). They are allocatively efficient, as output will always occur where marginal cost is equal to marginal revenue ( $MC = MR$ ).
104. (d) Expenditure on advertisement and public relation by an enterprise is a part of its intermediate consumption. Visibility through advertising and promotion builds an enterprise' reputation with the customer. Although most advertising is through word of mouth, that word of mouth starts with awareness that customers have gained about the enterprise through their advertising and promotions.
105. (d) Deciding between different ways of spending leisure time is not an economic problem.
106. (d) When labour productivity rises, the labour demand curve shifts to the right. As the productivity increases, the production function shifts up and simultaneously the labour demand curve shifts out and right. At a given real wage, more workers are hired and output increases.
107. (c) Semi durable consumer goods are products with durability of about one year. E.g., food grains and food products.
108. (c) Economic rent is the difference between the market wage and the reservation wage.



109. (a) Other things being equal, a decrease in quantity demanded of a commodity can be caused by a rise in the price of the commodity.
110. (d) As a Banker to Banks, the Reserve Bank of India acts as the "lender of the last resort".
111. (b) When the price elasticity of demand for a good is perfectly inelastic i.e.  $E_d = 0$ .
112. (d) It is because demand for goods which have substitutes is more elastic because when price of a substitute falls in relation to its commodity, the demand for the commodity also falls.
113. (a) Mixed economy means an economic system in which both the private enterprise and a degree of state monopoly (usually in public services, defense, infrastructure, and basic industries) coexist.
114. (d) Schumpeter's Theory of Innovation is in line with the other investment theories of the business cycle, which asserts that the change in investment accompanied by monetary expansion are the major factors behind the business fluctuations.
115. (b) A demand curve is a graph depicting the relationship between the price of a certain commodity and the quantity of that commodity that is demanded at that price. A demand curve will not shift when there is a change in advertisement expenditure.
116. (a) Alfred Marshall Propounded the theory that price is determined by both demand and supply and also gave great importance to the time element in the determination of price.
117. (a) Camera is a capital for a photographer because he earns his livelihood as it is his occupation
118. (a) If a portion of individuals income is spent on consumption, the remaining portion will be saving. Since whatever is not consumed must be saved, as soon as we specify a consumption function we have necessarily specified a savings function. "Function" just means that one thing depends on another thing or things.
119. (d) Phase of increasing returns is otherwise called decreasing revenue. If output increases by more than that proportional change in inputs, there are increasing returns to scale (IRS).
120. (b) A monopoly exists when a specific person or enterprise is the only supplier of a particular commodity. Monopolies are thus characterized by a lack of economic competition to produce the good or service and a lack of viable substitute goods.
121. (d) The primary sector of the economy is the sector of an economy making direct use of natural resources. This includes agriculture, forestry, fishing and mining. This is contrasted with the secondary sector, producing manufactured goods, and the tertiary sector, producing services.
122. (d) J.M. Keynes propounded what has come to be known as the liquidity preference theory of interest. According to this theory, the rate of interest is determined by the demand for and supply of money.
123. (b) A commodity will have value only if it is scarce relative to demand.
124. (b) Per capita income, more simply known as income per person, is the mean income within an economic aggregate such as a country or city. It is calculated by taking a measure of all sources of income in the aggregate (such as GDP or Gross national income) and dividing it by the total population.
125. (a) The Central Bank can use various different methods for reducing inflation. To control inflation, central bank sells the government securities to the public through the banks. This results in transfer of a part of bank deposits to central bank account and reduces credit creation capacity of the commercial banks.
126. (a) In perfect competition, there must be large number of buyers and sellers. According to Scitovsky buyers and sellers are price takers in the purely competitive market. Each seller (or firm) sells its products at the price determined by the market. Similarly, each buyer buys the commodity at the price determined by the market.
127. (b) Export-Import Bank of India is a finance institution in India. Exim Bank of India has been both a catalyst and a key player in the promotion of cross border trade and investment. The important functions of the EXIM Bank are as follows: Financing of export and import of goods and services both of India and of outside India, Providing finance for joint ventures in foreign countries, Undertaking merchant banking functions of companies engaged in foreign trade, Providing technical and administrative assistance to the parties engaged in export and import business.
128. (d) Social forestry means the management and protection of forests and afforestation on barren lands with the purpose of helping in the environmental, social and rural development. This scheme was introduced in Sixth Five Year Plan.
129. (b) At present all important steel plants except TISCO (Tata Iron and Steel co. Ltd) which is located in Jamshedpur are under public sector.
130. (c) The situation when a firm is operating at loss in the short period in perfect competition arises when the price is so low that total revenue is not even enough to cover the variable cost of production. Shut down point is that point at which the price is equal to average variable costs or the firm covers its variable costs. So it should operate as long as it covers even the variable costs.
131. (b) Some examples of indirect taxes include value added tax, excise duty, sales tax, stamp duty and custom duty levied on imports. These are taxes levied by the state on expenditure and consumption, but not on property or income.
132. (a) In India, the professional tax is imposed at the state level. However, not all the states impose this tax. Business owners, working individuals, merchants and people carrying out various occupations comes under the purview of this tax. Professional tax is levied by particular Municipal Corporations.

133. (c) Generally, economists have defined four types of functions of money which are as follows: (i) Medium of exchange (transfer of value) (ii) Measurement of value. (iii) Standard of deferred payments. and (iv) Store of value. Price stabilization is a function of monetary policy.
134. (d) Closed economy is an economy in which no activity is conducted with outside economies. A closed economy is self-sufficient, meaning that no imports are brought in and no exports are sent out. The goal is to provide consumers with everything that they need from within the economy's borders.
135. (d) The break-even point (BEP) is the point at which cost or expenses and revenue are equal: there is no net loss or gain, and one has "broken even." For businesses, reaching the break-even point is the first major step towards profitability.
136. (b) In the balance of payment accounts, unrequited payments or receipts (gifts) are regarded as unilateral transfers. In the balance-of-payments statement of a country, the accounts that show the amount of money sent or received as gifts.
137. (b) Price, output and perfect competition are the determinants of market structure. The demand curve of an individual firm under a purely competitive industry is perfectly elastic. This is the increase or decrease of the output of a single seller has no effect on the total supply and market place.
138. (b) Marginal cost and average cost curves are related. If average costs falls, marginal cost falls at the same rate.
139. (d) Land development bank (LDB) disburses long term loans to private industry in India. The main objective of the LDB is to promote the development of land, agriculture and increase the agricultural production. The LDB provides long-term finance to members directly through its branches
140. (d) Cheap Money policy is a monetary policy through which a bank sets low interest rates so that credit is easily achievable.
141. (a) Market equilibrium is a market state where the supply in the market is equal to the demand in the market.
142. (d) Economies of a firm are a reduction in its selling expenses.
143. (d) Regarding money supply situation in India it can be said that the currency with the public is less than the deposits with the banks.
144. (b) An equilibrium market price is the price at which there is no tendency for it to change. When price is lower than the equilibrium price, quantity demanded will be greater than quantity supplied. There will be tendency for the price to increase when price is higher than the equilibrium price, quantity supplied will be greater than quantity demanded. There will be a tendency for the price to decrease.
145. (d) Basic problems of an economy is/are decide as to what, how and for whom to produce.
146. (d) Oligopoly is the market organization in which there are a few or small number of firms in an industry and they produce the major share of the market. Demand curve is indeterminate under oligopoly. Under oligopoly, every organization keeps an eye on the actions of rivals and makes strategies accordingly.
147. (a) Marginal revenue (MR) is the additional revenue that will be generated by increasing product sales by one unit. Marginal revenue is calculated by dividing the change in total revenue by the change in production output quantity or the change in quantity sold.
148. (d) All economic goods are considered as materials in economics.
149. (c) Total demand for goods and services at various levels of employment is called as market demand. It is the sum of the individual demand for a product from buyers in the market. If more buyers enter the market and they have the ability to pay for items on sale, then market demand at each price level will rise.
150. (c) Cross elasticity of demand is an economic concept that measures the responsiveness in the quantity demand of one good when a change in price takes place in another good.
151. (a) Devaluation is an official lowering of the value of a country's currency within a fixed exchange-rate system, in which a monetary authority formally sets a lower exchange rate of the national currency in relation to a foreign reference currency or currency basket.
152. (b) Disguised unemployment refers to a situation where labour that is employed in a job is not actually utilised for the production of goods and services. Sometimes disguised unemployment could simply be a form of underemployment wherein the skills of a labour force are not utilised to their full capacity.
153. (a) The "3B's"- brokers, Bankers and businessmen were responsible for the great depression.
154. (c) An automated teller machine (ATM) is an electronic banking outlet, which allows customers to complete basic transactions without the aid of a branch representative or teller.
155. (a) Market structure or Market form describes the state of a market with respect to competition. There are five forms of market structure and they are as follows: Perfect Competition, Monopoly Market, Duopoly, Oligopoly, and Monopolistic Competition.
156. (d) GNP differs from NNP due to Depreciation .
157. (d) A joint supply is an economic term referring to a product or process that can yield two or more outputs. Common examples occur within the livestock industry: cows can be utilized for milk, beef and hide; sheep can be utilized for meat, wool and sheepskin. If the supply of cows increases, so will the supply of dairy and beef products.
158. (c) Repo rate is the rate at which the central bank of a country (Reserve Bank of India in case of India) lends money to commercial banks in the event of any shortfall of funds. Repo rate is used by monetary authorities to control inflation. Reserve Bank of India fixes the REPO rate in India.

159. (a) The indirect instruments of monetary policy generally operate through repurchase (repos) and outright transactions in government securities (open market operations).
160. (c) Foreign exchange reserves are the foreign currencies held by Reserve Bank of India (RBI). They are also called foreign currency reserves or foreign reserves. Foreign exchange reserves assets can comprise banknotes, deposits, bonds, treasury bills and other government securities of the reserve currency.
161. (c) The market system in which there are only two buyers facing a large number of sellers is called duopoly.
162. (d) Theory of intervening opportunities attempts to describe the likelihood of migration. Its hypothesis is that this likelihood is influenced most by the opportunities to settle at the destination, less by distance or population pressure at the starting point. It was proposed by S. A. Stouffer.
163. (a) Industrial democracy is an arrangement which involves workers making decisions, sharing responsibility and authority in the workplace.
164. (c) The RBI borrows from the commercial banks as per the monetary demand & supply and to control the liquidity in the market. It borrows at an interest rate called the Reverse Repo Rate.
165. (d) The movement in supply curve can be of two types - extension and contraction. Extension in a supply curve is caused when there is increase in the price or quantity supplied of the commodity while contraction is caused due to decrease in the price or quantity supplied of the commodity.
166. (a) There are three major components of food security; Availability (Buffer stock), Access and utilization/consumption.
167. (d) The accepted average calorie requirement in India is 2400 calories per person per day in rural areas and 2100 calories per person per day in rural area.
168. (b) Leon Walras developed general equilibrium theory to solve a much-debated problem in economics.
169. (c) The Demand Draft is a pre-paid Negotiable Instrument, wherein the drawee bank undertakes to make payment in full when the instrument is presented by the payee for payment. So it may not be dishonored for lack of funds.
170. (b) Credit Control Instruments used by RBI are rationing of credit, Open Market operations, Variable cost reserve ratios, Bank rate policy, Statutory Liquidity Ratio (SLR), and Selective Credit Control (SCC). Direct action is not the credit control instrument used by RBI.
171. (d) Microeconomics is the study of the behaviour of the individual units (like an individual firm or an individual consumer) of the economy. Consumer's Equilibrium is the example of microeconomic variable.
172. (b) An increase of 1% per annum in the rate of growth of the money supply will increase inflation in the long run by 1 %.
173. (b) FDI full form is Foreign Direct Investment.
174. (d) Hyper-Inflation is a situation in which the price increases at a very high rate.
175. (c) Banking sector is a services sector. Therefore, it comes under Tertiary sector.
176. (c) Oligopoly is a market structure in which a small number of firms has the large majority of market share.
177. (a) The Fifth Five-year Plan (1974–1978) laid emphasis on employment, poverty and achievement of self reliance.
178. (a) Rajasthan is the state with largest gap in male and female literacy.
179. (c) In microeconomics, the law of demand states that, "Other things being equal, as the price of a good increases its demand decreases and vice versa."
180. (b) Export Basin is the area which supports the economy and export trade of a sea port.
181. (d) In an inflationary Situation, country's export's declines as the goods which were cheaply available earlier now becomes expensive.
182. (a) Rate of Interest may be zero is true regarding rate of interest.
183. (b) Goods and Services Tax is an indirect tax which was introduced in India on 1 July 2017 and was applicable throughout India, which replaced multiple cascading taxes levied by the central and state governments.
184. (c) The Petroleum Industry is not a small scale Industry. Small scale Enterprise is one in which the investment in plant and machinery is between ` 25 Lakhs to ` 10 crores.
185. (a) Equilibrium Price is the market price where the quantity of goods supplied is equal to the quantity of goods demanded. It is also known as market clearing Price.
186. (d) An economic condition when there is one buyer and many sellers is called Monopsony. Monopsony refers to control of the market through which specific goods or services are purchased. The term was first introduced by Joan Robinson in her influential book, The Economics of Imperfect Competition, published in 1933.
187. (d) The Budget Line shows all the combinations of two commodities that a consumer can afford at given market prices and within the particular income level. It is also called as Budget Constraint.
188. (b) The so-called Heckscher-Ohlin theory basically holds that a country will export those commodities that are produced by the factor that it has in relative abundance and that it will import products whose production requires factors of production where it has relatively less abundance.
189. (a) The Purchasing Power Parity (PPP) theory is used to make long-run predictions about exchange rates in a flexible exchange rate system. Its demand curve for foreign currency shifts faster than its supply curve.
190. (d) John Maynard Keynes (1883-1946) is known for an economic theory of total spending in the economy and its effects on output and inflation. Keynes stated for increased government expenditures and lower taxes to stimulate demand and pull the global economy out of the depression.
191. (d) Under the scheme, Pradhan Mantri Kisan Samman Nidhi an income support of ` . 6000/- per year in three equal instalments will be provided to small and

- marginal farmer families having combined land holding/ownership of upto 2 hectares.
192. (a) Since independence India has been a 'Mixed Economy'. Indian economy is basically based on the contribution of service sector (currently provides 60% share of GDP) and near about 53% of its population is dependent on the Agriculture.
193. (b) Red tape is an idiom that refers to excessive regulation or rigid conformity to formal rules that is considered redundant or bureaucratic and hinders or prevents action or decision-making. Things often described as "red tape" include filling out paperwork, obtaining licenses, having multiple people or committees approve a decision and various low-level rules that make conducting one's affairs slower, more difficult, or both.
194. (d) The government of Odisha has launched the Krushak Assistance for Livelihood and Income Augmentation (KALIA) scheme, which would benefit about 92% of the farmers in the State. The scheme will provide financial, livelihood, cultivation support along with insurance support to small, marginal and the landless farmers.
195. (a) India's rank in the World Bank's Ease of Doing Business 2019 survey climbed 23 places to 77 among 190 countries surveyed, making it the only country to rank among the top 10 improvers for the second consecutive year.
196. (a) The New Development Bank (NDB) of the BRICS countries has approved a USD 525-million loan to Madhya Pradesh for infrastructure projects. The Board of Directors of the NDB on Wednesday approved a USD 350-million loan for the Major District Roads Project II of Madhya Pradesh and USD 175 million for building and upgrading 350 bridges. The loan will be used by the Indian government for on-lending to the Madhya Pradesh government
197. (a) A geographical indication (GI) is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin. In order to function as a GI, a sign must identify a product as originating in a given place.
198. (d) The Repo Rate and Reverse Repo Rate in India is fixed and monitored by Reserve Bank of India. It allows the central bank to control liquidity, money supply, and inflation level in the country. When commercial banks approach the Reserve Bank of India for funds, they're charged a certain amount of interest. The rate at which RBI lends these finances to commercial banks is called the repo rate. Whereas Reverse repo rate is the interest offered by the RBI to banks who deposit funds into the treasury.
199. (c) The Goods and Services Tax (GST) Council has fixed a uniform tax rate of 28% on both state and private lottery. The New rate will come into effect from March 2020.
200. (b) The total liability of the monetary authority of the country, RBI, is called the monetary base or high-powered money. It consists of currency (notes and coins in circulation with the public and vault cash of commercial banks) and deposits held by the Government of India and commercial banks with RBI.
201. (c) Along with SEBI, mutual funds are regulated by RBI, Companies Act, Stock exchange, Indian Trust Act and Ministry of Finance.
202. (a) PMAY-Urban launched by the Ministry of Housing and Urban Poverty Alleviation (MoHUPA) in Mission mode. It envisions provision of Housing for All by 2022, when the Nation completes 75 years of its Independence.
203. (c) SHG (self help group) it is groups of people who invest their money or save for future use. It helps to the borrowers overcome the problem of lack of collateral because it provides them money in term of need without take any collateral or assets as compared to the bank or money lenders.
204. (c) Explanation: The Food Corporation of India (FCI) is a statutory body created and run by the Government of India. It is under the ownership of Ministry of Consumer Affairs, Food and Public Distribution, Government of India. It is formed by the enactment of Food Corporation Act, 1964 by the Parliament of India. It was set up in 1965 with its initial headquarters at Chennai. Later this was moved to New Delhi.
205. (d) Explanation: The Borlaug Award is an award recognition conferred by a fertilizer company, Coromandel International, for outstanding Indian scientists for their research and contributions in the field of agriculture and environment. The award was created in 1972 and named in honour of Nobel Laureate Norman E. Borlaug. It carries a cash prize of Rs 500,000, a gold medal, and a citation.
206. (d) Explanation: Maharashtra has the highest GSDP among 33 Indian States and Union Territories. As of the FY 2018-19, Maharashtra contributes 13.88% of India's GDP at current prices, followed by Tamil Nadu (8.59%) and the most populous state Uttar Pradesh (8.35%). Other states in top 5 are Gujarat (7.92%) and Karnataka (7.87%).
207. (d) NIRVIK is the Ministry of Commerce & Industry through Export Credit Guarantee Corporation (ECGC) has launched a new Export Credit Insurance Scheme (ECIS) called NIRVIK to increase the loan availability and to facilitate the lending process.
208. (c) The FPO mark is a certification mark mandatory on all processed fruit products sold in India such as packaged fruit beverages, fruit-jams, crushes, squashes, syrups, vinegar, pickles, dehydrated fruit products, and fruit extracts, following the Food Safety and Standards Act of 2006. The FPO mark guarantees and ascertains that the product was manufactured in a hygienic 'food-safe' environment, thus ensuring that the product is edible fit for consumption.
209. (b) Rs. 99,300 crores have been allocated for the education sector in 2020-21, Rs. 3000 crores for Skill Development. There has been an overall increase of Rs. 3308.37 cr (5.85%) in the Budget Allocation of Department of School Education & Literacy.