PREVIOUS YEAR PAPER

DSSSB PGT Economics 2021 — 17 July 2021

DSSSB PGT · 17 July 2021

256 of the paper's 300 questions · +1 for a correct answer, −0.25 for a wrong one · 180 minutes

Left out of the original paper: 44 (any question that needs a figure, a symbol or formatting we cannot show, or whose text did not read back cleanly from the booklet).

Questions from the Delhi Subordinate Services Selection Board's paper of 17 July 2021. Each question is followed by its answer, and the answer key is repeated on the last page.

Take it as a timed practice test: exambharo.com/dsssb-pgt/previous-year-papers/dsssb-pgt-2021-economics-17-jul/

Mental Ability

1. A series is given with one term missing. Select the correct alternative from the given ones that will complete the series.
RNA, SLD, TJG, ?, VFM

(a) UIJ
(b) UHJ
(c) UHI
(d) UGJ

Answer: (b)

2. A series is given with one term missing. Select the rect alternative from the given ones that will complete the series.
VLM47, ZGH41, DBC9, ?, LRS49

(a) HWX57
(b) HIX41
(c) HXI41
(d) HWX55

Answer: (d)

3. In the following question, select the odd letter/letters from the given alternatives.

(a) GKO
(b) NRV
(c) AEI
(d) BFK

Answer: (d)

4. In the following question, select the related letters from the given alternatives.
AS : DX :: RK : ?

(a) VQ
(b) UQ
(c) UP
(d) VP

Answer: (c)

5. In the following question, a group of letters is given. The letters of each group are related with the letters of the same group by some Logic/Rule/Relation. From the given alternatives, select a group of letters which follows the same Logic/Rule/Relation.
(AMP, GHW, MCD)

(a) (LCW, RXD, XSL)

(b) (MKB, SFI, XAP)

(c) (IGT, OBA, UWH)

(d) (OPQ, UKX, AEE)

Answer: (c)

6. In a certain code language, 'GA + MB' is written as '23', 'TO + LK' is written as '58'. What is the code for 'GR + AZ' in that code language?

(a) 48

(b) 57

(c) 47

(d) 52

Answer: (d)

7. Seven girls A, B, C, D, E, F and G are sitting around a circular table facing towards the centre (not necessarily in the same order). A is third to the left of G. D is to the immediate left of A. B is second to the left of F. F is not an immediate neighbour of E. Who is sitting third to the left of C?

(a) A

(b) E

(c) D

(d) B

Answer: (d)

8. Marks of six girls F, L, M, P, R and T are compared. Marks of only two girls are less than P. Marks of R and T are more than P but less than F.
Marks of M are not more than anyone. No two girls obtained same marks. Which of the following statement is correct?

(a) Marks of L are more than P

(b) If marks of M are 70, then marks of P can be 72

(c) Marks of T are more than R

(d) Marks of two girls are more than R

Answer: (b)

9. Five persons P, Q, R, S and T worked in one bank from five banks B1, B2, B3, B4 and B5 (not necessarily in the same order). Each of them were posted in one location from L1, L2, L3, L4 and L5 (not necessarily in the same order). No two persons worked in same bank and not posted in same location. No two banks are at same location. R was not working in B3 and B4 and he was not posted in L1 and L5. T was working in B5 and he was not posted in L3 and L5. Q was posted in L2. B2 bank was located in L1. B3 bank was not located in L5. Q was not working in B4. S was not posted in L3. P was not posted in L4 and L5. Which of the following combination of person, bank, location is correct?

(a) R, B4, L3

(b) Q, B5, L2

(c) S, B4, L5

(d) R, B5, L4

Answer: (c)

10. In the following question below are given some statements followed by some conclusions based on those statements. Taking the given statements to be true even if they seem to be at variance from commonly known facts. Read all the conclusions and then decide which of the given conclusion logically follows the given statements.
Statements:
I. Some bike are car.
II. No truck is car.
Conclusions:
I. All truck are bike.
II. Some car are bike.

(a) Only conclusion I follows

(b) Only conclusion II follows

(c) Both conclusions I and II follows

(d) Neither conclusion follows

Answer: (b)

11. In the following question below are given some statements followed by some conclusions based on those statements. Taking the given statements to be true even if they seem to be at variance from commonly known facts. Read all the conclusions and then decide which of the given conclusion logically follows the given statements.
Statements:
I. All N are W.
II. No W is T.
Conclusions:
I. No T is N.
II. Some W are not T.
III. Some N are T.

(a) Both conclusions I and III follows

(b) Only conclusion III follows

(c) Both conclusions I and II follows

(d) Neither conclusion follows

Answer: (c)

12. In the following question, select the missing number from the given series.
24, 48, 96, ?, 384, 768

(a) 144
(b) 184
(c) 240
(d) 192

Answer: (d)

13. A series is given with one term wrong. Select that wrong term from the given alternatives.
136, 112, 248, 360, 618, 968

(a) 112
(b) 968
(c) 248
(d) 618

Answer: (d)

16. Rohan starts walking in north direction. He turns right and walks x kms. He turns left and walks y kms. He finally rotates by 45° in anticlockwise direction. In which direction is he facing now?

(a) South-west
(b) North-east
(c) North-west
(d) South-east

Answer: (c)

17. A is 15 km to the west of B. C is 10 km to the east of K. B is 20 km to the north of K. H is 5 km to the south of C. N is 27 km to the south of A.
How far is K from A and in which direction is H from B?

(a) 25 km, North-west
(b) 30 km, North-west
(c) 25 km, South-east
(d) 30 km, South-east

Answer: (c)

General Awareness

21. Kathakali is associated with _____.

(a) Uttar Pradesh
(b) Madhya Pradesh
(c) Maharashtra
(d) Kerala

Answer: (d)

22. Sonam Lochar festival is associated with _____.

(a) Sikkim

(b) Goa

(c) Kerala

(d) Rajasthan

Answer: (a)

23. Which of the following statement(s) is/are NOT true in respect of Issuance of currency in India?
I. Coins are minted by the Reserve Bank of India.
II. The Central government is the agent for distribution, issue and handling of coins.

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

24. Which of the following statement is not true about monopolistic competition?

(a) Number of firms is large

(b) Free entry of firms

(c) Goods produced by them are not homogeneous

(d) The demand curve faced by the firm is perfectly elastic

Answer: (d)

25. Which is the largest gland in the human body?

(a) Thyroid

(b) Pituitary

(c) Liver

(d) Thymus

Answer: (c)

26. Which of the following is a simple tissue?
I. Xylem
II. Phloem

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (d)

27. Which of the following pair of mirror – use is correct?
I. Convex – side view mirror
II. Concave – dentist

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

28. Which of the following pair is correct?
I. Endogenic force – Landslide II. Exogenic force – Volcano

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

29. Which of the following statement is correct?
I. Air pressure is lowest at sea level.
II. Air always moves from high to low pressure areas.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

30. Which of the following is a tributary of Indus?
I. Zaskar
II. Nubra
III. Shyok

(a) I and II
(b) II and III
(c) I and III
(d) I, II and III

Answer: (d)

31. Where did the Manuscripts were usually written?

(a) Palm leaf
(b) Stone
(c) Paper
(d) Rock

Answer: (a)

32. Where did the first cotton mill was setup in India?
    (a) Hyderabad
    (b) Bombay
    (c) Madras
    (d) Punjab
    Answer: (b)

33. In which year Battle of Buxar took place?
    (a) 1764
    (b) 1757
    (c) 1863
    (d) 1857
    Answer: (a)

34. Varuna 2021 naval exercise was held between India and _____.
    (a) Japan
    (b) France
    (c) Italy
    (d) U.S.A
    Answer: (b)

35. Who won the 2020 Booker Prize?
    (a) Douglas Stuart
    (b) Avni Doshi
    (c) Maaza Mengiste
    (d) Brandon Taylor
    Answer: (a)

36. Where are the headquarters of UNICEF located?
    (a) Milan
    (b) Paris
    (c) Geneva
    (d) New York
    Answer: (d)

37. Which of the following pair of schedule – contents of Indian constitution is correct?
I. Third – Allocation of seats in council of states
II. Eighth – Languages
    (a) Only I
    (b) Only II
    (c) Both I and II
    (d) Neither I nor II
    Answer: (b)

38. Article 361 of Indian constitution is related to _____.
(a) Effect of proclamation of emergency
(b) Protection of President, Governor and Rajpramukhs
(c) Proclamation of emergency
(d) Power of parliament to amend the constitution
Answer: (b)

39. Which country hosted the 2018 commonwealth games?
(a) Canada
(b) Australia
(c) New Zealand
(d) England
Answer: (b)

40. Which of the following pair of tournament – sports is correct?
I. Ryder Cup – Golf
II. UEFA Champions League – Football
(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II
Answer: (c)

Arithmetic Ability

41. What is the value of (1.17) 2 – (1.13) 2 ?
(a) 0.92
(b) 0.092
(c) 1.092
(d) 1.92
Answer: (b)

43. What is the value of 1.2 × 0.24 + 5 × 0.12 × 3.6?
(a) 24.48
(b) 2.448
(c) 12.48
(d) 144.714
Answer: (b)

44. For what values of M and N 7M5285N is divisible by both 8 and 9?
(a) (3, 6)
(b) (9, 6)
(c) (6, 6)
(d) (5, 3)
Answer: (a)

46. Marked price of an article is Rs. 3400. Selling price of the same article is Rs. 2720. What is the discount percentage?

(a) 15
(b) 20
(c) 12
(d) 25

Answer: (b)

47. 385 is what percent of 2750?

(a) 12
(b) 14
(c) 16
(d) 18

Answer: (b)

48. Raju spends 20 percent of his money. He deposits 60 percent of the remaining money in the bank. If Rs. 1120 are remaining with him, then how much money he had initially?

(a) Rs. 3400
(b) Rs. 3300
(c) Rs. 3200
(d) Rs. 3500

Answer: (d)

49. An article is sold for Rs. 1584 at loss of 12 perce If it is sold for Rs. 2070, then what is the profit percentage?

(a) 12
(b) 18
(c) 20
(d) 15

Answer: (d)

50. The ratio of two numbers is 5 : 9. If the sum of both the numbers is 420, then what is the smaller number among both the numbers?

(a) 150
(b) 270
(c) 420
(d) 30

Answer: (a)

51. If P : Q = 2 : 3, Q : R = 1 : 2 and R : S = 3 : 4, then what is the value of P : R : S?

(a) 1 : 4 : 4
(b) 1 : 3 : 4
(c) 4 : 3 : 1
(d) 3 : 4 : 1

Answer: (b)

52. A person lent certain sum of money at the annual rate of 12 percent on simple interest and the interest received in 7 years is Rs. 320 less than the sum lent. What is the sum lent?

(a) Rs. 1920
(b) Rs. 2660
(c) Rs. 1800
(d) Rs. 2000

Answer: (d)

53. A car left 18 minutes early than the scheduled time but in order to reach its destination 102 km away in time, it had to slow its usual speed by 9 km/hr. What is the usual speed of the car?

(a) 30 km/hr
(b) 60 km/hr
(c) 45 km/hr
(d) 75 km/hr

Answer: (b)

54. Which of the following statement is correct?
I. Length of a platform is 800 metres. If a 1200 meter train can cross it in 40 seconds, then speed of train is 180 km/hr.
II. If a car can cover 400 meter in 25 seconds, then the speed of car is 45 km/hr.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

General English

61. Find the part of the given sentence that has an error in it. If there is no error, choose 'No error'.
With the growing (1)/ expenses, I am not able (2)/ to meet the both ends. (3)/ No error (4)

(a) With the growing
(b) expenses, I am not able
(c) to meet the both ends.
(d) No error

Answer: (c)

62. Find the part of the given sentence that has an error in it. If there is no error, choose 'No error'.
Modern cities pulsate (1)/ of life, whatever the (2)/ time of the day. (3)/ No error (4)

(a) Modern cities pulsate
(b) of life, whatever the
(c) time of the day.
(d) No error

Answer: (b)

64. The following sentence has been divided into four parts as given in options. Select the option that represents the grammatically erroneous part of the sentence.
The Department of Commerce(1)/ organised (2)/ a four days seminar (3)/ from 21st March to 24th March. (4)

(a) The Department of Commerce

(b) a four days seminar

(c) organised

(d) from 21st March to 24th March.

Answer: (b)

65. A sentence has been given with a blank to be filled with an appropriate word. Choose the correct alternative.
Social workers are doing a great job by helping _____ children.

(a) notorious

(b) greedy

(c) unprivileged

(d) deficient

Answer: (c)

66. A sentence has been given with a blank to be filled with an appropriate word/words. Choose the correct alternative.
The _____ chapter in the science book is related to diseases.

(a) last

(b) least

(c) rear

(d) older

Answer: (a)

67. Rearrange the parts of the sentence in correct order.
Fair Trade coffee, part of the
P: particularly in the poorer regions of the coffee-growing world, are paid a fair price Q: ensure that coffee is harvested and processed without child R: labour and dangerous herbicides and pesticides and that growers and exporters S: larger Fair Trade movement, arose to

(a) RPSQ

(b) PSQR

(c) SQRP

(d) RQPS

Answer: (c)

68. Rearrange the parts of the sentence in the correct order.
P: and Great Britain have held sway—notably in Q: Taiwan, South Korea, the Philippines, and India R: flourished wherever the United States S: a local comics industry in native languages has

(a) SRPQ
(b) SPQR
(c) SRQP
(d) PQSR

Answer: (a)

69. Choose the word that means the same as the given word.
Bulky

(a) Soothe
(b) Tender
(c) Enormous
(d) Simplify

Answer: (c)

70. Choose the word that is opposite in meaning to the given word.
Articulate

(a) Loquacious
(b) Photogenic
(c) Halting
(d) Voluble

Answer: (c)

71. In the given question, four words are given out of which one word is correctly spelt. Choose the correctly spelt word.

(a) Straeght
(b) Straight
(c) Straightt
(d) Steraight

Answer: (b)

72. In the given question, four words are given out of which one word is incorrectly spelt. Choose the incorrectly spelt word.

(a) Hinge
(b) Brussels
(c) Drainage
(d) Comprehansion

Answer: (d)

73. In the following question, out of the given four alternatives, select the alternative which best expresses the meaning of the Idiom/Phrase.
To cry over split milk

(a) To be careless

(b) To lament over what cannot be changed

(c) To weep heavily, suddenly

(d) To die during war

Answer: (b)

74. In the following question, out of the given four alternatives, select the alternative which best expresses the meaning of the Idiom/Phrase.
A bull in a china shop

(a) A rough and clumsy person where care and skill are needed

(b) To endure the shock of

(c) To make a wrong choice

(d) To pass a judgment

Answer: (a)

75. Choose the word that can substitute the given sentence.
A group of applauders i.e. paid to clap

(a) Claque

(b) Community

(c) Brace

(d) Decorum

Answer: (a)

78. Which of the following is NOT the symptom of the Batten disease?

(a) Vision impairment

(b) Cardiovascular problems

(c) Loss of voluntary function

(d) Orderly sleep

Answer: (d)

79. Which of the following word best expresses the antonym of 'progression'?

(a) Relapse

(b) Attainment

(c) Advance

(d) Nexus

Answer: (a)

Discipline1

101. When an Indian citizen works temporarily in Canada, his production will be part of _____.

(a) Canada's GNP
(b) India's GNP
(c) Canada's NNP
(d) India's GDP

Answer: (b)

102. Net Domestic Product (NDP) is calculated using which of the following formulas?

(a) GDP + Depreciation
(b) GNP + Depreciation
(c) GDP – Depreciation
(d) GNP – Depreciation

Answer: (c)

103. Technically, national income is also called _____.

(a) NDP at factor cost
(b) GDP at market price
(c) NNP at factor cost
(d) GNP at market price

Answer: (c)

104. In the national income accounts, depreciation is (ed the:

(a) Injection of real income
(b) Consumption of fixed capital
(c) Variable component of commerce
(d) Leakages in capital investment

Answer: (b)

105. Which of the following is considered to be a better measure of economic well-being?

(a) Real GDP
(b) Potential GDP
(c) Nominal GDP
(d) Base GDP

Answer: (a)

106. Who generates the mixed income?

(a) Social entrepreneurs
(b) Non-corporate enterprises
(c) Government owned companies
(d) Quasi-corporate group of enterprises

Answer: (b)

107. Which of the following purposes is served by the income method of national income estimation?

(a) It is useful in planning allocation of resources.

(b) It predicts total remuneration available to an employee.

(c) It is useful in planning the reduction of inequalities.

(d) It indicates the potential of raising the standard of living in the future.

Answer: (c)

108. In which of the following conditions, inflation rate remains constant?

(a) When GDP is more than GNP.

(b) When natural real GDP is less than actual real GDP.

(c) When natural real GDP is equal to actual real GDP.

(d) When actual real GDP is less than natural real GDP.

Answer: (c)

109. Which of the following is NOT one of the components of GDP?

(a) Consumption

(b) Government purchases

(c) Net exports

(d) Expenditure

Answer: (d)

110. Net value added at factor cost (NVA) equals to: f

(a) Net value added at market price (NVA) – Sub ies + Indirect taxes mp

(b) Gross value added at market price (GVA) + sidies – Indirect taxes mp

(c) Net value added at market price (NV ect taxes + Subsidies mp

(d) Gross value added at market price (GVA) – Subsidies + Indirect taxes mp

Answer: (c)

111. Which of the following statements is/are correct regarding personal income?
I. It is the income that households and non-corporate businesses receive.
II. It does not include sales tax and other corporate income taxes in the evaluation.
III. Personal income includes the interest income that households receive from their holdings of government debt.

(a) I and II

(b) II and III

(c) Only III

(d) I, II and III

Answer: (d)

112. Given below are two statements. One is labelled as Assertion (A) and the other is labelled as Reason (R).
Assertion (A) : Child care provided in day-care centre is part of GDP.
Reason (R) : GDP uses market prices to value goods and services and excludes the value of almost everything that takes place outside markets.
In the context of the above two statements, which of the following option is correct?

(a) (A) is correct, but (R) is incorrect.

(b) (A) is incorrect, but (R) is correct.

(c) Both (A) and (R) are correct and (R) explains (A).

(d) Both (A) and (R) are incorrect.

Answer: (c)

113. For a particular year, the nominal GDP of India is 14,500 and real GDP is 5,000. What will be the value of GDP deflator?

(a) 190

(b) 290

(c) 195

(d) 185

Answer: (b)

114. When Marginal Propensity to consume and Marginal Propensity to save are added, then it gives _____.

(a) value equal to 1

(b) a negative value

(c) value more than 1

(d) zero value

Answer: (a)

115. The total personal income that households receive consists of the income created from production and _____.

(a) total expenditure on final product

(b) private domestic investment

(c) transfer payments from the government

(d) consumption expenditures

Answer: (c)

116. Which of the following results due to the decrease in Marginal Propensity to save?

(a) Increase in tax value

(b) Higher multiplier value

(c) Decrease in tax value

(d) Lower multiplier value

Answer: (b)

117. Which of the following statements regarding LM curve is NOT correct?

(a) An increase in the price level will shift the LM curve to the left.

(b) The LM curve is drawn for a fixed real supply of money.

(c) On the LM curve the demand for money equals the supply of money.

(d) The LM curve shifts to the left when the money supply increases.

Answer: (d)

118. According to New Keynesian economists, which of the following factors does NOT cause sticky prices?

(a) Aggregate demand externalities

(b) Menu costs

(c) Coordination failure

(d) Consumption expenditure

Answer: (d)

119. A family has an income of Rs. 8000 and spends Rs. 4000 on consumption. What will be the value of Average propensity consumption?

(a) 2

(b) 0.5

(c) 0.025

(d) 1.5

Answer: (b)

120. Which treasury bill replaced the 91-day tap tre ry bill in 1997?

(a) 270-day ITB

(b) 182-day ITB

(c) 14-day ITB

(d) 31-day ITB

Answer: (c)

Discipline2

121. Moral suasion is one of the techniques of _____.

(a) regulating banks

(b) monetary control

(c) reserving cash

(d) controlling inflation

Answer: (b)

122. Which of the following implies that the bond is valued at discount?

(a) coupon rate < discount rate

(b) value of the bond > par value

(c) coupon rate > discount rate

(d) value of the bond = par value

Answer: (a)

123. Which of the following correctly expresses 'Nominal Interest Rate'?

(a) Expected Inflation Rate ÷ Real Interest Rate

(b) Real Interest Rate + Expected Inflation Rate

(c) Expected Inflation Rate × Real Interest Rate

(d) Real Interest Rate – Expected Inflation Rate

Answer: (b)

124. Minimum reserves each bank must hold to customer deposits is called as _____.

(a) Cash Reserve Ratio

(b) Liquidity Adjustment Facility

(c) Statutory Liquidity Ratio

(d) Reverse Repo Rate

Answer: (a)

125. Which of the following was the first stock exchange in India to introduce screen-based automated ring less trading system?

(a) National Stock Exchange of India

(b) Bombay Stock Exchange

(c) Over-the-Counter Exchange of India

(d) Ahmedabad Stock Exchange Limited

Answer: (c)

126. Which of the following formulas is used to calcu e return on assets?

(a) Operating profit/ total assets

(b) Interest paid on deposit/ total asset

(c) Net profit/ total asset ratio

(d) Interest income/total assets

Answer: (c)

127. Which of the following correctly expresses the valuation ratio 'Yield'?

(a) (Dividend – price change) / Initial price

(b) (Dividend + price change) / Initial price

(c) (Dividend / price change) + Initial price

(d) (Dividend / price change) – Initial price

Answer: (b)

128. Which of the following is NOT one of the functions of SEBI?

(a) To prohibit insider trading in securities.

(b) To regulate the business in stock exchanges.

(c) To protect the interest of investors in securities.

(d) To review national trade policies.

Answer: (d)

129. Which of the following statements is/are correct regarding Financial leverage?
I. Financial leverage reduces earnings per share (EPS) and return on equity (ROE) when the return on assets is less than the cost of debt.
II. Financial leverage raises the variability or volatility of both EPS and ROE.
III. Financial leverage can have both positive and negative effects.

(a) I and II

(b) Only III

(c) II and III

(d) I,II and III

Answer: (d)

130. Suppose XYZ Ltd. paid a dividend of Rs. 4.00 per share for the last year. The dividend is expected to grow at the rate of 5 percent per year thereafter. If the required rate is 15 percent, then what will be the value per share?

(a) Rs. 42

(b) Rs. 47.11

(c) Rs. 21

(d) Rs. 38

Answer: (a)

132. In which year, IMF began its financial operations?

(a) 1947

(b) 1945

(c) 1944

(d) 1950

Answer: (a)

133. The opportunity cost theory of international trade was given by _____.

(a) Adam Smith

(b) Gottfried Haberler

(c) David Ricardo

(d) Jacob Viner

Answer: (b)

134. Intra-industry trade is dominant in _____.

(a) South-north trade

(b) South-south trade

(c) North-north trade

(d) East-West trade

Answer: (c)

135. The given expression represents the 'National output (Y) of a country'. What does 'M' represent in this expression?
Y = C + I + E + X − M

(a) Exports
(b) Domestic investment
(c) Government expenditure
(d) Imports

Answer: (d)

136. In which year, the GATT was expanded to form the WTO?

(a) 1947
(b) 1990
(c) 1995
(d) 1985

Answer: (c)

137. Payment of interest on loans and dividend payments are recorded in which of the following components of balance of payments?

(a) Official reserves account
(b) Current account
(c) Unilateral transfers account
(d) Capital account

Answer: (b)

138. If the tariff on a product in a country is [illegible] percent, it means that the government charges customs duty at the:

(a) rate less than 10 percent of the price
(b) rate more than 10 percent of the price
(c) rate of 5 percent of the price
(d) rate of 10 percent of the price

Answer: (d)

139. In which of the following condition a country has a comparative advantage in producing a good 'A'?

(a) If the overall cost of production of other competitive product is lower at home.
(b) If the opportunity cost of producing good 'A' is lower at home than in the other country.
(c) If the overall cost of producing good 'A' is higher at home than another country.
(d) If the opportunity cost of competitive product 'B' is higher at home than in the other country.

Answer: (b)

140. Which of the following currencies is NOT used to set the (Special Drawing Right) SDR value?

(a) US Dollar

(b) Pound Sterling

(c) Japanese Yen

(d) Russian Ruble

Answer: (d)

Discipline3

141. Which of the following statements states the correct assumption of H-O model?

(a) There are artificial barriers to trade.

(b) There is no transport cost.

(c) Factor supply is not fixed for each country.

(d) Factors of production are immobile within each country.

Answer: (b)

142. 10 units of labour is used to produce one unit of good A in country X and 20 units of labour is used to produce one unit of good A in country Y.
The unit of labour is reversed for both country X and Y to produce one unit of good B. Which of the following statement(s) is/are definitely correct?
I. Country Y has an absolute advantage in producing good A.
II. Country X has an absolute advantage in producing good A.
III. Either Country X or Country Y has an absolute advantage in producing both products.

(a) II and III

(b) Only II

(c) I and II

(d) Only III

Answer: (b)

143. In country A, supply of labour and supply of capital is 25 units and 20 units respectively. In country B, it is 12 units and 15 units respectively.
Considering the H-O model of international trade, which country is richly endowed with capital and what is its capital-labour ratio?

(a) Country B, 1.25

(b) Country A, 0.8

(c) Country B, 0.8

(d) Country A, 1.25

Answer: (a)

144. Which of the following scenarios does NOT violate the basic principles in the area of trade in goods in the WTO?

(a) A member can give lower tariff on a product to a country as a reward for receiving some aid or investment from that country.

(b) Developing countries may get special benefits from other countries and they may have special arrangements among themselves without others getting the benefits.

(c) A member can ask for a particular packaging for an imported product even if it does not ask for similar packaging for a like domestic product.

(d) Two countries or a group of countries cannot form regional trading arrangement among themselves and extend lower tariffs to one another.

Answer: (b)

145. Which of the following is correct regarding classical linear regression model?
I. Regressors are assumed to be non random.
II. Regression coefficients are assumed to be fixed numbers.

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

146. Confirmation or refutation of economic theories on the basis of sample evidence is based on a branch of statistical theory known as _____.

(a) statistical inference

(b) statistical postulates

(c) statistical proofs

(d) statistical interpretation

Answer: (a)

147. Which of the following is/are correct regarding the linear regression model?
I. The regression model is linear in the parameters, though it may or may not be linear in the variables.
II. The variance of the error, or disturbance term is the same regardless of the value of X.

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

149. Which of the following is a property of OLS estimator under the normality assumption (ui follows the normal distribution)?
I. OLS estimators are unbiased.
II. OLS estimators have minimum variance.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

150. Which of the following is correct regarding the Interval estimation?
I. α – confidence coefficient
II. (1 – α) – level of significance

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (d)

152. Which of the following is a factor of multi-collinearity?
I. Data collection method employed II. Constraint on the model

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

153. Which of the following is a test to detect heteroscedasticity?
I. Park Test
II. Glejser Test
III. Goldfeld–Quandt Test

(a) I and II
(b) II and III
(c) I and III
(d) I, II and III

Answer: (d)

154. Which of the following is correct regarding model specification errors?
I. Underfitting a model – omitting relevant variables II. Overfitting a model – including unnecessary variables

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

155. Which of the following methods is an orderly arrangement of data in columns and rows?

(a) Tabulation

(b) Classification

(c) Editing

(d) Coding

Answer: (a)

156. Which of the following pictorial techniques uses a cartoon format?

(a) Thematic apperception test

(b) Tomkins-Horn picture arrangement test

(c) Holtzman inkblot test

(d) Rosenzweig test

Answer: (d)

157. Which of the following formula was suggested by H.A. Sturges to determine the size of class interval while preparing data?

(a) i= R/ (1 – 3.3 log N)

(b) i= R × (1+3.3 log N)

(c) i= R/ (1+3.3 log N)

(d) i= R × (1 – 3.3 log N)

Answer: (c)

158. How many printed cards of inkblots are used in Rorschach test?

(a) 45

(b) 10

(c) 20

(d) 32

Answer: (b)

159. Which of the following is NOT one of the demerits of data collection through questionnaires?

(a) This method is slower in comparison to the other available methods.

(b) It can only be used for educated and cooperative respondents.

(c) There is a possibility of ambiguous replies.

(d) The cost increases as the number of respondent increases.

Answer: (d)

160. Which of the following is NOT a data adjusting method?

(a) Weight-assigning

(b) Scale Transformation

(c) Variable respecification

(d) Field editing

Answer: (d)

Discipline4

161. Which of the following statements is/are correct regarding the collection of secondary data?
I. Secondary data may either be published data or unpublished data.
II. Public records and historical documents act as a secondary data.
III. Secondary data can never be unsuitable or inadequate for a given problem.

(a) I and II
(b) Only III
(c) II and III
(d) I, II and III

Answer: (a)

162. In monopsony, there is _____.

(a) One seller
(b) One buyer
(c) Many seller
(d) Many buyer

Answer: (b)

163. Pollution by a firm in the course of its production which causes nuisance or harm to others is an example of _____.

(a) Positive Externalities
(b) Technological externalities
(c) Negative Externality
(d) Tragedy of the commons

Answer: (c)

165. Which criterion has used the loser's point of view for measuring the changes in social welfare?

(a) Max-min Criterion
(b) Samuelson's Criteria
(c) Scitovsky double criteria
(d) Hicks Criterion

Answer: (d)

166. A curve depicting all maximum output possibilities of two or more goods given a set of inputs is called _____.

(a) Product possibility frontier
(b) Contract curve
(c) Community indifference curve
(d) Laffer Curve

Answer: (a)

167. A natural monopoly occurs in a market where the:

(a) average cost curve is decreasing over the entire relevant range of outputs

(b) single company is not able to supply the entire market

(c) marginal cost curve is constant for all the given outputs

(d) capital cost is more than the average cost

Answer: (a)

168. Which of the following gives the correct example of common property resource type of externality?

(a) A property tycoon buying up a large number of houses in a town, causing prices to rise.

(b) A child buying a mobile phone for the first time and increasing its usefulness among other children.

(c) The harvesting by one fishing company in the open sea depletes the stock of available fish for the other companies.

(d) An individual planting an attractive garden in front of her house may benefit others living in the area.

Answer: (c)

169. Which of the following is an essential element of a game?
I. Players
II. Strategies
III. Pay offs

(a) I and II

(b) II and III

(c) I and III

(d) I, II and III

Answer: (d)

170. Which of the following pair is correct?
I. Cooperative games – joint action agreements are enforceable II. Non-cooperative games – joint action agreements are not enforceable

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

171. In zero sum games _____.

(a) one's gain is another's gain

(b) one's loss is another's loss

(c) one's loss is another's gain

(d) all players are at loss

Answer: (c)

173. In a repeat game the initial game which is repeated in every time period is called the _____ game.

(a) stage
(b) zero
(c) primary
(d) origin

Answer: (a)

174. Which of the following is NOT a reason for higher productivity in industrial sector?

(a) Existence of greater capital intensity
(b) Continuity of production
(c) No specialisation and no division of labour
(d) Less dependence on natural factors

Answer: (c)

175. Which of the following is an economic factor hindering the industralisation in developing countries?
I. Scarcity of capital
II. Absence of industries to use the byproducts of existing industries III. Adequate infrastructure facilities

(a) I and II
(b) II and III
(c) I and III
(d) I, II and III

Answer: (a)

176. Which of the following pair of good – type is correct?
I. Bicycle – Durable consumer good II. Beverages – Nondurable consumer good

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

177. In the presence of uncertain situations, people tend to show some behavioural traits. Which of the following is correct?
I. People often do not want to play actuarially fair games.
II. People won't necessarily play actuarially favourable games.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

178. Which of the following is a type of lottery?
I. Simple
II. Compound

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

179. Which of the following is correct regarding VNM expected utility theory?
I. 'u' represents the von Neumann-Morgenstern utility function II. 'U' represents the Bernoulli utility function

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (d)

Discipline5

181. If we want to have more of one of the goods, we will have less of the other good. Thus, there is always a cost of having a little more of one good in ter s of the amount of the other good that has to be forgone. This is known as the _____.

(a) Opportunity cost
(b) Actual cost
(c) Marginal cost
(d) Financing cost

Answer: (a)

182. Which one of the following is required for a person to make a rational decision?

(a) Choices that don't have trade-offs
(b) Choices that never change
(c) Choices that are consistent with a similar goal every time
(d) Logical choices without error

Answer: (c)

183. Which of the following statement is correct?
I. In positive economics we deal with scientific issues and questions II. In normative economics, disagreements among economists can never be resolved

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

184. Which one of the following is a disadvantage for allocating resources utilizing a market system?
I. Profits will be less
II. Uneven distribution of income may take place

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

185. Which branch of economic theory is associated with the difficulty of resources allocation?
I. Microeconomic theory
II. Macroeconomic theory

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

186. The creation of choice is done by _____.
I. scarcity of resources
II. the urgency of needs

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

187. Which law defines that the demand curve to slope downward?

(a) diminishing total utility
(b) total utility maximisation
(c) total utility minimisation
(d) diminishing marginal utility

Answer: (d)

188. Why are indifference curves convex to the origin?
I. Two goods are perfect complementary goods II. Two goods are imperfect substitutes

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

189. When the total utility is maximum, then the marginal utility is _____.

(a) 0
(b) 1
(c) Infinite
(d) minimum

Answer: (a)

190. Elasticity of demand is a _____.
I. Qualitative statement II. Quantitative statement

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

191. For Giffin goods, price elasticity of demand is _____.

(a) negative
(b) positive
(c) zero
(d) not known

Answer: (b)

192. Which of the following is the property of indiffe ce curve?
I. Two indifference curves can intersect each other
II. Indifference curve is concave to origin.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (d)

193. When the income of consumer rises, then the demand curve for an inferior good _____.

(a) becomes a horizontal straight line
(b) does not change
(c) shifts to the right
(d) shifts to the left

Answer: (d)

194. If supply curve is Perfectly Inelastic, the supply curve is _____.

(a) vertical
(b) horizontal
(c) at an angle of 45 degrees from X axis
(d) at an angle of 45 degrees from Y axis

Answer: (a)

195. Due to which of the following reasons the change in the supply of a good along with same supply curve may occur?
I. change in the price of the good
II. change in the prices of related goods

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

196. If the supply of a commodity is perfectly elastic, an increase in demand will result in _____.
I. Equilibrium price remaining constant
II. Increase in equilibrium quantity

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

197. Expansion in supply refers to a situation when the producers are willing to supply a _____ quantity of a good at an _____ price.

(a) larger, increased
(b) larger, same
(c) smaller, increase
(d) Larger, decreased

Answer: (a)

198. Production function shows _____ of a good.

(a) a technological relationship between inputs and cost
(b) the economic relationship between inputs and cost
(c) a technological relationship between inputs and output
(d) a technological relationship between inputs and price

Answer: (c)

199. Which of the following statements is correct?
I. In perfect competition, firms produce identical goods.
II. In monopolistic competition, firms produce slightly different goods.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

200. Which of the following is an example of a perfectly competitive firm's short-run decision?
I. The profit-maximizing level of output
II. How much to spend on advertising and sales promotion

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

Discipline6

201. Which of the following is a firm’s over-riding objective?
I. Maximise economic profit
II. Avoid an economic loss

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

202. Which of the following is correct regarding perfectly competitive market?
I. It consists of large number of buyers and sellers.
II. There are no barriers to entry.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

203. What does monopolistic competition have in common with monopoly?
I. A large number of firms
II. A downward sloping demand curve

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

204. Firms in monopolistic competition have demand curves that are _____.
I. U shaped
II. Downward slopping

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

205. A cartel is designed to _____ output and _____ prices.

(a) restrict; lower

(b) expand; lower

(c) restrict; raise

(d) expand; raise

Answer: (c)

206. When firms in monopolistic competition are making an economic profit then _____.
I. Firms will enter the industry
II. Demand will decrease for the original firms

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

207. A single-price monopoly must _____ if it wants to increase its sales.

(a) increase the price for all customers

(b) lower its price for only a few selected consumers

(c) do price discrimination

(d) lower the price for all customers

Answer: (d)

208. Which of the following statements is correct?
I. If a given quantity of a good is to be produced and supplied, the supply curve would indicate the minimum price of the good expected by each.
II. The demand function which expresses the functional relationship between the quantity demanded of a good and its own price is based on ceteris paribus assumptions.

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

209. A spray prevents mosquitos from biting. This spray is produced by competitive firms. Which of the following will be the outcome of the market?

(a) The market will demonstrate second welfare theorem

(b) Due to the uncaptured positive externality very small number of sprays are produced

(c) Due to the uncaptured positive externality very large number of sprays are produced

(d) Due to the uncaptured negative externality very large number of sprays are produced

Answer: (b)

210. Which of the following is required by the First Fundamental Theorem of Welfare Economics?
I. Producers and consumers to be price takers.
II. That there be an efficient market for every commodity.
III. That the economy operates at some point on the utility possibility curve.

(a) I and II

(b) II and III

(c) I and III

(d) I, II and III

Answer: (d)

211. Which of the following is correct regarding public goods?
I. They are non-rival in consumption II. Consumers cannot be excluded altogether from them

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

212. Due to which of the following reasons externalities can be positive?
I. Utility can be impacted positively as well as negatively II. Subsidies are positive externalities

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (a)

213. Which of the following is correct regarding Pigouvian subsidy?
I. It is the same thing as a Pigouvian tax II. It moves production to the socially optimal level of output

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (b)

214. Which method can help in obtaining a welfare improvement if externalities exist?
I. Regulation
II. Assigning property rights and permitting bargaining

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

215. According to Keynes, which of the following is a component of demand for money?
I. Transactions demand
II. Precautionary demand
III. Speculative demand

(a) I and II

(b) II and III

(c) I and III

(d) I, II and III

Answer: (d)

216. An important mechanism through which sellers and buyers deal with the problem of asymmetric information is _____.

(a) Market signaling

(b) Insurance Markets

(c) Moral Hazard

(d) Principal-Agent Problem

Answer: (a)

217. The concept of market signaling was first developed by _____.

(a) Michael Spence

(b) Kaldor

(c) Garrett Hardin

(d) Pareto

Answer: (a)

218. Which of the following is correct regarding money supply?
I. Exogenous - Money supply is determined outside the system
II. Endogenous - banking sector along with firms and households play an important role in influencing the money supply

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

219. In which of the following conditions does a positive consumption externality occur?
I. The social marginal cost is greater than the private marginal cost II. The social marginal benefit is greater than the private marginal benefit

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (b)

220. Which of the following statements is NOT correct regarding the changes in the price of a product in free market?
I. The change in the price is governed by the government
II. The change can provide an incentive to reallocate resources

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

Discipline7

221. Which of the following is correct regarding community surplus?

(a) Producer surplus – consumer surplus
(b) Producer surplus + profit
(c) Total utility + profit
(d) Producer surplus + Consumer surplus

Answer: (d)

222. Which of the following is correct regarding monopoly power in a market?
I. It leads to higher producer surplus
II. It leads to lower prices

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

223. Which of the following is correct regarding externality?
I. The existence of externality prevents the achievement of Pareto optimality even when perfect competition prevails.
II. An externality occurs when a decision causes benefits to individuals or groups other than the person making the decision.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

224. Which of the following does not provide an incentive to reduce a negative externality?
I. A merger with affected firms
II. Bargaining among firms

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (d)

225. A firm generating a negative externality has to reach an economically efficient output level. Which of the following condition is necessary?

(a) excise tax imposed on firm = firm's marginal cost
(b) excise tax imposed on firm = social marginal cost
(c) excise tax imposed on firm = social marginal cost – firm's marginal cost
(d) excise tax imposed on firm = social marginal cost + firm's marginal cost

Answer: (c)

226. The difference principle of justice requires that all economic inequalities be arranged so that they are _____.
I. beneficial to the least advantaged
II. attached to offices and positions open to all members under conditions of fair equality of opportunity

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

227. Who gave the impossibility theorem?

(a) Kenneth Arrow
(b) Friedrich Hayek
(c) David Ricardo
(d) Ludwig von Mises

Answer: (a)

228. Who has written 'The Tragedy of Commons'?

(a) Garrett Hardin
(b) Thomas Robert Malthus
(c) E. F. Schumacher
(d) Irving Fisher

Answer: (a)

229. Which of the following is correct?

(a) Real interest rate/Nominal Interest Rate = Expected Inflation Rate

(b) Nominal interest rate = Real Interest Rate – Expected Inflation Rate

(c) Real interest rate = Nominal Interest Rate – Expected Inflation Rate

(d) Real interest rate = Nominal Interest Rate

Answer: (c)

230. Ronald Coase asserted that under perfect competition private and social cost will be equal and addressed a well-known problem of market externalities, known as the _____ effect.

(a) razor

(b) overflow

(c) Spillover

(d) Pareto

Answer: (c)

231. Which of the following is an example of adverse selection?

(a) Purchasing a new air conditioner on basis of a friend's recommendation without seeing it

(b) High car insurance premiums resulting from the poor maintenance of the cars by people who buy these policies

(c) Pricing a high-quality wine more than the low-quality wine

(d) To purchase a low-priced item even though its quality is inferior

Answer: (b)

232. Which of the following statement is correct regarding Capital Output Ratio?
I. The Capital Output ratio shows the relationship between the Investment rates and GDP Growth in a country II. The higher capital output ratio denotes higher efficiency of the capital

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (a)

233. What is the meaning of 'Evergreening of Loans'?

(a) Waiving off the interest by the banks

(b) Banks give additional loans to its existing borrowers

(c) Loan approvals within 24 hours

(d) Government providing loans to banks to meet their losses

Answer: (b)

234. Which of the following is correct regarding the Outcome budget?
I. It reflects the itemised allocation of resources reflected under the last General Budget and prepared by ministries of the Government.
II. It was started in 2005.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

235. Which of the following is correct regarding the revision of the base year of National accounts from 2004-05 to 2011-12?
I. Headline growth rate will now be measured by GDP at constant market prices.
II. Earlier, growth was measured in terms of growth rate in GDP at factor cost at constant prices.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

236. Which of the following is correct regarding the MCA21 initiative launched by the Ministry of corporate affairs?
I. Easy and secure access to MCA services in an assi d manner for corporate entities, professionals, and general public.
II. It is designed to fully automate all processes rela to enforcement and compliance of the legal requirements under the Companies Act, 19

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

237. The difference between Gross Value of Output (GVO) and Gross Value Added (GVA) is called as _____.

(a) intermediate consumption
(b) final consumption
(c) original consumption
(d) marginal consumption

Answer: (a)

238. Which of the following is correct regarding Beti Bachao Beti Padhao (BBBP)?
I. The programme was launched on 22nd January, 2015 at Panipat, Haryana for promoting survival, protection and education of girl child.
II. It aims to address the issue of declining Child Sex Ratio (CSR) through a mass campaign targeted at changing social mind set and creating awareness about the criticality of the issue.
III. The overall goal of the BBBP programme is to prevent gender biased sex selective elimination, ensure survival and protection of the girl child and to ensure education and participation of the girl child.

(a) I and II
(b) II and III
(c) I and III
(d) I, II and III

Answer: (d)

239. What is Effective Revenue Deficit?

(a) It is obtained by adding Revenue Deficit with Capital Deficit
(b) It is equal to difference of revenue receipt and revenue expenditure
(c) It is the difference of revenue deficit and grant for the creation of capital assets
(d) It is the total grant to the creation of capital asset and revenue expenditure

Answer: (c)

240. Which of the following would lead a country to its ratings downgrade by the Rating Agencies?
I. High Fiscal Deficit and debt burden
II. High Current Account Deficit and low FOREX rese III. Weak and volatile Stock Market

(a) I and II
(b) II and III
(c) I and III
(d) I, II and III

Answer: (a)

Discipline8

241. For the horizontal distribution of taxes among the states, which among the following criteria has been adopted by the 15th Finance Commission?
I. Income Distance
II. Population (2011 Census)

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

242. Which of the following statement is correct regarding Pradhan Mantri Garib Kalyan Yojana?
I. Insurance scheme for healthcare workers
II. Cash transfers to poor and vulnerable sections
III. Benefits for the workers employed in organised sector

(a) I and II

(b) II and III

(c) I and III

(d) I, II and III

Answer: (a)

243. Which of the following is correct regarding the Kisan Credit Card scheme?
I. It was launched in 1988
II. Only commercial banks can implement it

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (d)

244. Which among the following is/are the initiatives started by NITI Aayog?
I. Sustainable Action for Transforming Human Capital (SATH) II. Ek Bharat Shreshtha Bharat
III. Composite Water Management Index

(a) I and II

(b) II and III

(c) I and III

(d) I, II and III

Answer: (c)

245. Which among the following International agencies publishes the Global Investment Trend Monitor Report?

(a) World Economic Forum

(b) United Nations Conference on Trade and Development

(c) International Monetary Fund

(d) World Bank

Answer: (b)

246. Which of the following statement is correct regarding the GST Compensation Mechanism?
I. The GST Compensation cess is used to compensate the states for any loss they incur within the first five years of GST implementation.
II. According to the GST Act, States are guaranteed compensation if the GST revenue growth is less than 14 percent.

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (c)

247. Which of the following statements regarding Small Finance Banks (SFBs) is correct?
I. The Small Finance Banks can accept deposits and lend loans only up to Rs. 1 lakh.
II. They are required to extend 75 percent of their loans towards the priority sectors.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

248. Which among the following are instruments of the RBI's Monetary policy?
I. Open market operations
II. Cash reserve ratio
III. Bank rate
IV. Reverse Repo rate

(a) I, II and III
(b) II, III and IV
(c) I, III and IV
(d) I, II, III, IV

Answer: (d)

249. Which of the following can be the likely reason for slowdown in the economy?
I. Rise in investment rates
II. Decrease in consumption expenditure
III. High policy rates

(a) I and II
(b) II and III
(c) I and III
(d) I, II and III

Answer: (b)

250. Who has written the book 'Fault Lines'?

(a) Bimal Jalan
(b) Guru Charan Das
(c) Raghuram G. Rajan
(d) Satish Y. Deodhar

Answer: (c)

251. A 'closed economy' is an economy in which _____.

(a) the money supply is fully controlled
(b) deficit financing takes place
(c) only exports take place
(d) neither exports nor imports take places

Answer: (d)

252. What does the term Free Market means?
I. It is a market where pricing is driven by the laws of supply and demand.
II. In free market things are available without restraints of the government.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

253. What is disinvestment?
I. Offloading of shares of private companies to government.
II. Offloading of government shares to private companies.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

254. Which of following is correct about the Primary deficit?

(a) Capital Receipts + Interest Payment
(b) Capital Receipts – Interest Payment
(c) Fiscal Deficit – Interest Payment
(d) Fiscal Deficit + Interest Payment

Answer: (c)

255. Which of the following are correct regarding austerity measures taken by a country going through adverse economy conditions?
I. These measures include an increase in tax.
II. These measures include reduction in budget deficit.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

256. Which of the following is part of Human Development Index?
I. Literacy rates
II. Life expectancy at birth
III. GNI per head at real purchasing power

(a) I and II
(b) II and III
(c) I and III
(d) I, II and III

Answer: (b)

257. Which of the following will contribute to a higher current account deficit?
I. Increased exports of rice
II. Rise in import of mobile phones

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

258. Which of the following are components of internal debt in India?
I. Compensation and Other Bonds
II. 14 Day Intermediate Treasury Bills
III. Securities issued to International Financial Institutions

(a) I and II
(b) II and III
(c) I and III
(d) I, II and III

Answer: (d)

259. In India, deficit financing is used for raising resources for _____.
I. reducing the foreign debt
II. economic development

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

260. Which of the following reasons account for lower rural income in India?
I. Lower investment in agriculture
II. Lower prices of primary products

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

Discipline9

261. Which of the following best explains the Cascading Effect of taxation?
I. When tax imposition leads to a disproportionate increase in prices by an extent more than the rise in the tax.
II. When tax imposition leads to a disproportionate decrease in prices by an extent more than the rise in the tax.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

262. GDP deflator is used to _____.

(a) measure the relative reduction in GDP growth rate of a country
(b) measure the inflation in a country
(c) compare the GDP of a country vis- a- vis other countries of the world
(d) estimate the purchasing power of the citizen of a country

Answer: (b)

263. What is a benefit of implementing Goods and Services Tax (GST) in India?
I. GST is expected to bring buoyancy to the Government Revenue by widening the tax base and improving the taxpayer compliance.
II. The removal of cascading of taxes and increased transparency will make the citizens more informed about the taxes they pay while purchasing goods or services.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

264. What does the term 'Green shoots' represent in an Economy?
I. Signs of economic recovery during an economy downturn II. Signs of growth of agriculture sector in a declining economy

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

265. Which of the following is correct regarding poverty measurement?
I. Head count ratio measures incidence of poverty.
II. Poverty gap index measures both incidence as well as severity of poverty.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

266. Which of the following statements is true?
I. Higher growth in GDP and population can occur together.
II. Per capita income always decreases with high population growth.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

267. Price discrimination is said to be personal under which condition?

(a) When different prices are charged for different uses for a commodity
(b) When different prices are charged to different persons
(c) When same prices are charged to different persons
(d) When different prices are charged for the same person

Answer: (b)

268. In the Cournot Duopoly model, Conjectural Variation (CV) of each firm is _____.

(a) less than zero
(b) more than one
(c) one
(d) zero

Answer: (d)

269. In a monopolistic competition market structure ___.

(a) there is a single buyer
(b) the products are not different at all
(c) there is free entry and exit
(d) the size of the market is very small

Answer: (c)

270. In which of the following non-collusive oligopolistic model, one firm acts as the leader and the other as follower?

(a) Sticky Price Model
(b) Bertrand mode
(c) Stackelberg model
(d) Cournot model

Answer: (c)

271. Which of the following ways can be adopted by the monopolist to create entry barrier so that rivals cannot enter the industry, in the long run?

(a) Product patent or process patent
(b) Charging high prices
(c) Maximising use of raw material
(d) Sharing exclusive rights to few products

Answer: (a)

272. Which of the following statement is correct regarding bilateral monopoly?
I. The market structure where there is a single seller and a single buyer for a product.
II. With bilateral monopoly the market price and output are indeterminate.
III. The price and quantity of the product is decided by negotiation.

(a) I and III

(b) Only II

(c) I and II

(d) I, II and III

Answer: (d)

273. According to Bertrand model of duopoly, if a firm B sets its price as P and firm A sets its price as P and C represents the marginal cost of each B A
firm, then under which condition firm A will be losing the market to firm B?

(a) When P is greater than P and both are greater than C. A B

(b) When P is smaller than P and both are greater than C. A B

(c) When P is greater than P and both are smaller than C. A B

(d) When P is equal to P and both are smaller than C. A B

Answer: (a)

274. Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R).
Assertion (A) : The long-run equilibrium for the perfect[illegible] competitive firm occurs at the minimum point of LAC.
Reason (R) : In perfect competition, any new firm is [illegible] to set up production in the market if it wishes to, and any existing firm can leave the indus[illegible].
In the context of the above two statements [illegible]ich [illegible]the following is correct?

(a) (A) is correct, but (R) is incorrect.

(b) (A) is incorrect, but (R) is correct.

(c) Both (A) and (R) are correct and (R) explains (A).

(d) Both (A) and (R) are incorrect.

Answer: (c)

275. According to Musgrave, the total social benefit is maximum, where the net social benefit is _____.

(a) One

(b) Zero

(c) Maximum

(d) Minimum

Answer: (b)

276. Which of the following is correct regarding the voluntary exchange theory?
I. Resources should be allocated to the public sector in a manner analogous to that of the market and its pricing system.
II. Every individual should get the public good for free.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (a)

277. Which of the following statements is correct?
I. According to the unanimity rule, only those public goods on which there is complete agreement should be produced.
II. A voter externality cost, refers to the cost incurred by a voter who has voted against a fiscal choice which has been approved.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

278. Direct and Indirect taxes may be compared with each other in respect of _____.
I. Allocation of resources
II. Distributional effects

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

279. Which of the following is a principle of public debt management?
I. The cost of servicing public debt should be the minimum.
II. If the debt is redeemed by issuing new currency, it may create inflation.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

280. Which of the following tax is levied by a municipal corporation?
I. Property tax
II. Octroi and terminal tax

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

Teaching Methodology

281. Which of the following dominant approach(es) is/are followed by the theories and practices of teaching – learning processes?
I. Behaviour Modification
II. Problem Solving

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

282. Learning of which of the following helps the child perform different activities in their real life?
I. Mathematics
II. Science
III. Social Science

(a) II and III
(b) I and II
(c) I and III
(d) I, II and III

Answer: (d)

283. Which of the following is not correct about Inclusive Education?

(a) It is all about effective learning by all the children
(b) It is based on social model of equality of opportunity
(c) It is about mounting the confidence among the children
(d) It is about building external strength

Answer: (d)

284. If variety of materials are used, then any child would fully participate in the learning process. To satisfy the above statement which of the following material(s) a teacher can use to support learning?
I. Visual materials in the form of pictures or photographs.
II. Tactual materials in the form of real objects. For example, using a real mango to explain its qualities.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

285. How can a school modify the physical environment for the students?
I. The student who has difficulty seeing in bright light should be seated in a place where direct light is not falling on the face.
II. A student getting distracted easily must be given a place away from the corridor, window or door.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

286. Which of the following is/are the fundamental pr ,ple(s) of the visual art?
I. Perspective
II. Balance
III. Harmony
IV. Rhythm

(a) I, III and IV
(b) I, II and IV
(c) I, II and III
(d) I, II, III and IV

Answer: (d)

287. By using different art materials as a means of expression, children should be encouraged to develop a sense of proportion, depth, light, shade and tactile feeling.Which of the following is/are those art material(s)?
I. Pencil
II. Colour
III. Adhesive

(a) I and III
(b) II and III
(c) I, II and III
(d) Only II

Answer: (c)

288. Education should be _____ and _____.

(a) continuous; restricted

(b) continuous; comprehensive

(c) comprehensive; discontinuous

(d) discontinuous; restricted

Answer: (b)

289. Which of the following statement(s) is/are not correct about Reading?
I. Reading is to be able to understand the text, follow its logic and its premises.
II. Reading is to be absorb meaning from the written information or symbols.

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (d)

290. Which of the following is/are the major language abilities that a teacher may asses of the students?
I. Listening and speaking
II. Reading with comprehension
III. Writing
IV. Expression

(a) II, III and IV

(b) I and III

(c) II and IV

(d) I, II, III and IV

Answer: (d)

291. The defining feature(s) of inclusion that can be used to identify high quality early childhood programs and services is/are _____.
I. Access
II. Participation
III. Supports

(a) Only I

(b) Only II

(c) Only III

(d) I, II and III

Answer: (d)

292. Which of the following is/are the broad objective(s) of early childhood care and education programme?
I. Imbibe good nutrition routines, health habits, hygiene practices and self help skills.
II. Enable children for effective communication and foster both receptive and expressive language.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (c)

293. Which of the following statement(s) shows the relation of mathematics with science?
I. Trigonometry helps in finding the height of a mountain.
II. With the increase in air pressure, the boiling point of water also increases.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (b)

294. The problem solving ability of the learner is dependent on the acquisition of _____ knowledge.

(a) social
(b) cultural
(c) historical
(d) mathematical

Answer: (d)

295. When children start learning English, by which of the following ways a teacher can present a new language orally to the children?
I. Through the children
II. Using a mascot
III. Puppets

(a) Only I
(b) II and III
(c) Only II
(d) I, II and III

Answer: (d)

296. Which of the following is/are the similarity(es) between social sciences and social studies?
I. Both are studied through pragmatic approach.
II. Both seeks social utility.

(a) Only I
(b) Only II
(c) Both I and II
(d) Neither I nor II

Answer: (d)

297. Which of the following subject(s) comes under the semi social sciences branch of social sciences?
I. Philosophy
II. Psychology
III. Ethics

(a) I and III

(b) Only II

(c) Only III

(d) I, II and III

Answer: (d)

298. Which of the following is the advantages of Expository approach of teaching?

(a) Rote memorization is encouraged

(b) Students depend on teacher all the time

(c) There is no scope for the creativity of the students

(d) Gestaltic view of the subject is presented to the students resulting into meaningful verbal learning

Answer: (d)

299. Which of the following statement(s) is/are not correct about environment studies?
I. It helps children develop a holistic understanding of their environment including socio-cultural environment.
II. It helps children in maintaining a multidisciplinary p pective to understanding of our environmental issues.

(a) Only I

(b) Only II

(c) Both I and II

(d) Neither I nor II

Answer: (d)

Answer key

Answer key from the Delhi Subordinate Services Selection Board's official answer key for this sitting. "—" means the key gave none.

Mental Ability

1	**(b)**	2	**(d)**	3	**(d)**	4	**(c)**	5	**(c)**	6	**(d)**	7	**(d)**	8	**(b)**
9	**(c)**	10	**(b)**	11	**(c)**	12	**(d)**	13	**(d)**	16	**(c)**	17	**(c)**		

General Awareness

21	**(d)**	22	**(a)**	23	**(c)**	24	**(d)**	25	**(c)**	26	**(d)**	27	**(c)**	28	**(a)**
29	**(b)**	30	**(d)**	31	**(a)**	32	**(b)**	33	**(a)**	34	**(b)**	35	**(a)**	36	**(d)**
37	**(b)**	38	**(b)**	39	**(b)**	40	**(c)**								

Arithmetic Ability

41	**(b)**	43	**(b)**	44	**(a)**	46	**(b)**	47	**(b)**	48	**(d)**	49	**(d)**	50	**(a)**
51	**(b)**	52	**(d)**	53	**(b)**	54	**(a)**								

General English

61	**(c)**	62	**(b)**	64	**(b)**	65	**(c)**	66	**(a)**	67	**(c)**	68	**(a)**	69	**(c)**
70	**(c)**	71	**(b)**	72	**(d)**	73	**(b)**	74	**(a)**	75	**(a)**	78	**(d)**	79	**(a)**

Discipline1

101	**(b)**	102	**(c)**	103	**(c)**	104	**(b)**	[illegible]	**(a)**	106	**(b)**	107	**(c)**	108	**(c)**
109	**(d)**	110	**(c)**	111	**(d)**	112	[illegible]	113	**(b)**	114	**(a)**	115	**(c)**	116	**(b)**
117	**(d)**	118	**(d)**	119	**(b)**	120	**(c)**								

Discipline2

121	**(b)**	122	**(a)**	123	**(b)**	124	**(a)**	125	**(c)**	126	**(c)**	127	**(b)**	128	**(d)**
129	**(d)**	130	**(a)**	132	**(a)**	133	**(b)**	134	**(c)**	135	**(d)**	136	**(c)**	137	**(b)**
138	**(d)**	139	**(b)**	140	**(d)**										

Discipline3

141	**(b)**	142	**(b)**	143	**(a)**	144	**(b)**	145	**(c)**	146	**(a)**	147	**(c)**	149	**(c)**
150	**(d)**	152	**(c)**	153	**(d)**	154	**(c)**	155	**(a)**	156	**(d)**	157	**(c)**	158	**(b)**
159	**(d)**	160	**(d)**												

Discipline4

161	**(a)**	162	**(b)**	163	**(c)**	165	**(d)**	166	**(a)**	167	**(a)**	168	**(c)**	169	**(d)**
170	**(c)**	171	**(c)**	173	**(a)**	174	**(c)**	175	**(a)**	176	**(c)**	177	**(c)**	178	**(c)**
179	**(d)**														

Discipline5

181	**(a)**	182	**(c)**	183	**(c)**	184	**(b)**	185	**(a)**	186	**(a)**
187	**(d)**	188	**(b)**	189	**(a)**	190	**(b)**	191	**(b)**	192	**(d)**
193	**(d)**	194	**(a)**	195	**(a)**	196	**(c)**	197	**(a)**	198	**(c)**
199	**(c)**	200	**(a)**								

Discipline6

201	**(a)**	202	**(c)**	203	**(b)**	204	**(b)**	205	**(c)**	206	**(c)**
207	**(d)**	208	**(c)**	209	**(b)**	210	**(d)**	211	**(c)**	212	**(a)**
213	**(b)**	214	**(c)**	215	**(d)**	216	**(a)**	217	**(a)**	218	**(c)**
219	**(b)**	220	**(a)**								

Discipline7

221	**(d)**	222	**(a)**	223	**(c)**	224	**(d)**	225	**(c)**	226	**(c)**
227	**(a)**	228	**(a)**	229	**(c)**	230	**(c)**	231	**(b)**	232	**(a)**
233	**(b)**	234	**(c)**	235	**(c)**	236	**(c)**	237	**(a)**	238	**(d)**
239	**(c)**	240	**(a)**								

Discipline8

241	**(c)**	242	**(a)**	243	**(d)**	244	**(c)**	245	**(b)**	246	**(c)**
247	**(b)**	248	**(d)**	249	**(b)**	250	**(c)**	251	**(d)**	252	**(c)**
253	**(b)**	254	**(c)**	255	**(c)**	256	**(b)**	257	**(b)**	258	**(d)**
259	**(b)**	260	**(c)**								

Discipline9

261	**(a)**	262	**(b)**	263	**(c)**	264	**(a)**	[illegible]	**(c)**	266	**(a)**
267	**(b)**	268	**(d)**	269	**(c)**	270	**(c)**	271	**(a)**	272	**(d)**
[illegible]3	**(a)**	274	**(c)**	275	**(b)**	276	**(a)**	277	**(c)**	278	**(c)**
279	**(c)**	280	[illegible]								

Teaching Methodology

281	**(c)**	282	**(d)**	283	**(d)**	284	**(c)**	285	**(c)**	286	**(d)**
287	**(c)**	288	**(b)**	289	**(d)**	290	**(d)**	291	**(d)**	292	**(c)**
293	**(b)**	294	**(d)**	295	**(d)**	296	**(d)**	297	**(d)**	298	**(d)**
299	**(d)**										