PREVIOUS YEAR PAPER

UPPSC GIC Lecturer 2025 Prelims — Economics (TUKU-03)

UPPSC GIC Lecturer

78 of the paper's 120 questions · +2.5 for a correct answer, −0.83 for a wrong one · 120 minutes

Left out of the original paper: 42 (any question that needs a figure, a symbol or formatting we cannot show, or whose text did not read back cleanly from the booklet).

The official booklet is a scan with no text; ExamBharo typed this paper from it by hand. Report a typing slip through exambharo.com/contact/.

Questions from the Uttar Pradesh Public Service Commission's paper. Each question is followed by its answer, and the answer key is repeated on the last page.

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Economics

41. Open market operations conducted by Central Bank affects money by
    (a) Buying and selling government securities
    (b) Adjusting the demand for exports
    (c) Modifying the tax rate for the public
    (d) Changing the value of currency in circulation

    Answer: (a)

42. Engel's curve for luxury goods becomes
    (a) Concave to 'X' axis
    (b) Parallel to 'X' axis
    (c) Kinked curve
    (d) Convex to 'X' axis

    Answer: (a)

43. Which Committee has suggested doubling the agricultural income to the Government of India?
    (a) Vijay Patil Committee
    (b) Vaidynath Committee
    (c) Dalwai Committee
    (d) Vyas Committee

    Answer: (c)

44. Whose statement is this, "Extravagant, useless war and bad economic condition, produced from public debt"?
    (a) Adam Smith
    (b) Bastable
    (c) Ricardo
    (d) Dalton

    Answer: (a)

45. Which is NOT the measure to control inflation?

(a) Under utilization of resources

(b) Freezing wages

(c) Reducing budget deficit

(d) Squeezing credit

Answer: (a)

46. Special Drawing Rights (SDRs) are NOT used as

(a) an international units of account

(b) a currency

(c) a paper gold

(d) a means of payment

Answer: (b)

47. Match the theory of List-I with their respective definition in List-II.
List-I (Theory) - List-II (Definitions)
A. National Income - 1. Total expenditure on goods and services produced in an economy
B. Consumption function - 2. The relationship between total income and total consumption in the economy
C. Inflation - 3. The rate at which prices of goods and services rises in any economy
D. Investment function - 4. The relationship between investment and interest rate

(a) 3 1 4 2

(b) 2 3 4 1

(c) 3 4 1 2

(d) 1 2 3 4

Answer: (d)

48. Match the following Acts deal with the protection of intellectual property in India:
List-I - List-II
A. Trade Marks Act - 1. 2000
B. The Copyright Act - 2. 1957
C. The Protection of Plant Varieties and Farmer's Right Act - 3. 1999
D. The Information Technology Act - 4. 2001
Select the correct answer using the code given below:

(a) 3 2 4 1

(b) 4 1 2 3

(c) 1 2 3 4

(d) 2 3 1 4

Answer: (a)

49. Which one of the following periods is associated with the Rolling Plan of the Indian Economy?

(a) 1978 - 80

(b) 1980 - 85

(c) 2002 - 07

(d) 1966 - 69

Answer: (a)

51. Consider the following statements with reference to taxes.
1. Equity means justice in the distribution of tax burden.
2. Equity implies that direct money burden should be distributed in just manner.
Select the correct answer from the code given below:

(a) Only 2
(b) Both 1 and 2
(c) Neither 1 nor 2
(d) Only 1

Answer: (b)

52. Which of the following is NOT a part of Bank's investment policy?

(a) Liquidity
(b) Profitability
(c) Share capital
(d) Safety of funds

Answer: (c)

53. Which of the following equations was given by Pigou?
1. P = M/KY
2. P = KR/M
Select the correct answer in the code given below.

(a) Only 2
(b) Both 1 and 2
(c) Neither 1 nor 2
(d) Only 1

Answer: (a)

54. Arrange the following States in the correct descending order according to the high minimum wage fixation under MGNREGA fund usage:
I. Nagaland
II. Kerala
III. Tamil Nadu
IV. Andhra Pradesh
Select the correct answer from the code given below:

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

Answer: (b)

55. Which of the following is an example of 'Public debt'?

(a) Revenue collected from direct taxes
(b) State government loans to private sectors
(c) Borrowing from citizens through government savings bonds
(d) Borrowing to international monetary fund

Answer: (c)

56. Which institution made green, amber and blue boxes in the agreement on agriculture?

(a) International Monetary Fund

(b) World Trade Organization

(c) International Development Association

(d) World Bank

Answer: (b)

57. Indian Industries faced challenges in the financial year 2023

(a) Heavy rainfall in South India

(b) Russian-Ukraine conflict

(c) Sharp rise in oil prices

(d) None of the above

Answer: (b)

58. Net National Product at factor cost is obtained by

(a) Gross Domestic Product (Factor Cost) - Consumption of fixed capital + Net indirect taxes + Net factor income from abroad

(b) Gross Domestic Product (Market Price) + Depreciation - Net indirect taxes - Net factor income from abroad

(c) Gross Domestic Product (Factor Cost) - Depreciation

(d) Gross Domestic Product (Market Price) - Consumption of fixed capital - Net indirect taxes + Net factor income from abroad

Answer: (d)

59. Which of the following Technologies ar[illegible]rt c[illegible]e Digital Agriculture Mission for transforming India's agricultural sector?
1. AI, drones, remote sensing
2. Block chain, genetic engineering, solar power
Select the correct answer from the code given below:

(a) Only 2

(b) Both 1 and 2

(c) Neither 1 nor 2

(d) Only 1

Answer: (d)

60. Match List-I with List-II and select the correct answer using the code given below.
List-I (Concepts) - List-II (Author)
A. Cardinal utility approach - 1. H.H. Gossen
B. Ordinal utility approach - 2. P.A. Samuelson
C. Revealed preference approach - 3. Alfred Marshall
D. Law of diminishing marginal utility - 4. J.R. Hicks

(a) 4 3 2 1

(b) 3 4 2 1

(c) 3 4 1 2

(d) 2 3 1 4

Answer: (b)

61. According to Purchasing Power Parity (PPP) theory, what determines the exchange rate between two currencies?

(a) The balance of trade between two countries

(b) The difference in interest rates

(c) The money supply in both countries

(d) The difference in inflation rate between two countries

Answer: (d)

62. Consider the following statements with reference to 'exchange rate'.
1. An increase in interest rate will improve the exchange rate of domestic currency.
2. An increase in money supply will worsen the exchange rate of domestic currency.
Select the correct answer from the code given below:

(a) Only 2

(b) Both 1 and 2

(c) Neither 1 nor 2

(d) Only 1

Answer: (b)

63. The success of Pump-priming depends on which of the following facts?
1. There should be deficit financing.
2. Loan should be taken from banks not from persons.
3. Employment opportunities should be increased by Public expenditure.

(a) 1 and 2 are correct

(b) 2 and 3 are correct

(c) 1, 2 and 3 are correct

(d) Only 1 is correct

Answer: (c)

64. Which of the following statements is true regarding demand?
1. Demand increases as wants become more diverse.
2. Demand only reflects those wants that can be satisfied with available resources.
Select the correct answer in the code given below.

(a) Only 2

(b) Both 1 and 2

(c) Neither 1 nor 2

(d) Only 1

Answer: (a)

65. 'Gurley and Shaw' have divided money in which two parts?

(a) Inside money and outside money

(b) Legal tender money and optional money

(c) Commodity money and representative money

(d) Real money and ideal money

Answer: (a)

66. India's rank in Global Hunger Index 2024 is
(a) 39th rank
(b) 101st rank
(c) 105th rank
(d) 97th rank
Answer: (c)

67. Which of the following is NOT the part of service sector activities?
(a) Transportation, Storage and Communication
(b) Electricity, Gas and Water supply
(c) Banking, Finance and Insurance
(d) Trade, Hotel and Restaurant
Answer: (b)

68. Both time and factor reversal are satisfied by which of the following indices?
(a) Fisher's index
(b) Laspeyre's index
(c) Paasche's index
(d) Bowley's index
Answer: (a)

69. Which one of the following pair is NOT correctly matched in reference of 'Trade Cycle'?
(a) Over Investment theory - Hayek
(b) Psychological theory - Robinson
(c) Under Consumption theory - J. A. H
(d) Monetary theory - R. G. Hawtrey
Answer: (b)

70. In what type of economic situation compensatory expenditure is incurred?
(a) In a situation of inflation
(b) In a situation of recession
(c) In a situation of involuntary unemployment
(d) In a state of economic boom
Answer: (b)

71. Which of the following pair is NOT correctly matched?
(a) M2 = M1 + Post office saving bank deposits
(b) M3 = M2 + Time deposits with bank
(c) L1 = M3 + Post office deposits (including National Saving Certificates)
(d) M1 = Currency with public + deposits money of the public
Answer: (c)

72. Which of the following pair is NOT correctly matched?
(a) Purchasing power parity theory - Based on Purchasing Power
(b) Balance of payment theory - Demand and supply of foreign exchange
(c) Accounting rate - Based on goods and services
(d) Mint par parity theory - Money System based on Metallic Value

Answer: (c)

73. According to Marshall in marginal utility analysis, the marginal utility of money is
(a) constant
(b) decreases
(c) depend on consumption
(d) increases

Answer: (a)

74. Which of the following is NOT Adam Smith's cannon of taxation?
(a) Cannon of certainty
(b) Cannon of elasticity
(c) Cannon of convenience
(d) Cannon of equity

Answer: (b)

75. The circular flow of money is related with
(a) Equilibrium between savings and investment
(b) Equilibrium between demand and supply
(c) Equilibrium between total income and expenditure
(d) None of the above

Answer: (c)

76. In the case of a simple asymmetric distribution the relationship between the mean, median and mode is as follows
(a) M0 = 2 Md - 3 M
(b) M0 = Md + 3 M
(c) M0 = Md - 2 M
(d) M0 = 3 Md - 2 M

Answer: (d)

77. Which of the following is most likely to worsen a country's Balance of Payments (BoP) deficit in short run?
(a) Decreasing the value of its currency
(b) High domestic inflation relative to trading partners
(c) Expanding domestic manufacturing for exports
(d) Increasing tariffs on imports

Answer: (b)

78. Which of the following best describes the relationship between the Sum of Squared Errors (SSE) and the best fit line in linear regression?

(a) The SSE decreases as the best fit line moves closer to the data points

(b) The SSE remains constant regardless of the position of the line

(c) The SSE is irrelevant to the position of the best fit line

(d) The SSE increases as the best fit line moves away from the data points

Answer: (a)

79. The term 'effective revenue deficit' is used to indicate

(a) The sum of primary deficit and interest payment

(b) The portion of revenue deficit financed by borrowing

(c) The total fiscal deficit after including off-budget liabilities

(d) The revenue deficit excluding grants for creation of capital assets

Answer: (d)

80. Match List-I with List-II and select the correct answer using the code given below the list.
List-I (Concept) - List-II (Properties)
A. Boom - 1. Decreasing income and employment
B. Contraction - 2. Increasing income and employment
C. Slump - 3. Maximum income and employment
D. Recovery - 4. Minimum income and employment

(a) 3 2 4 1

(b) 1 3 4 2

(c) 1 3 2 4

(d) 3 1 4 2

Answer: (d)

81. Find out the correct statement.
1. Say's Law is based on the assumption that the people spend only a part of their income on the purchase of goods.
2. Classical economists believed that equality between saving and investment at full employment was brought about by the rate of interest.
Select the correct answer in the code given below.

(a) Only 2

(b) Both 1 and 2

(c) Neither 1 nor 2

(d) Only 1

Answer: (a)

82. Match List-I and List-II and select the correct answer using the code given below the lists:
List-I (Organisations) - List-II (Established)
A. OECD - 1. 1964
B. IDA - 2. 1966
C. Asian Development Bank - 3. 1960
D. UNCTAD - 4. 1961

(a) 4 3 2 1
(b) 2 1 3 4
(c) 3 4 2 1
(d) 3 2 1 4

Answer: (a)

83. Which group of people is specifically targeted by the Targeted Public Distribution System (TPDS)?
1. Poor government employees.
2. Poor families falling below the poverty line.
Select the correct answer from the code given below:

(a) Only 2
(b) Both 1 and 2
(c) Neither 1 nor 2
(d) Only 1

Answer: (a)

84. In economic development of developing Nations ublic and Private sector are

(a) Rival to each other
(b) Complementary to each other
(c) Not related to each other
(d) Substitute to each other

Answer: (b)

85. Match List-I with List-II and select the correct answer using the code given below.
List-I (Curves) - List-II (Relationship)
A. Laffer Curve - 1. Income and Consumption
B. Engel Curve - 2. Unemployment and inflation
C. Kuznet's Curve - 3. Economic growth and inequality
D. Philips Curve - 4. Rate of taxation and tax income

(a) 1 3 4 2
(b) 4 1 3 2
(c) 4 3 1 2
(d) 1 2 3 4

Answer: (b)

86. Money serves as a 'Unit of account' when it

(a) facilitates transactions between buyers and sellers

(b) provides a standard measure for pricing goods and services

(c) becomes valuable during inflationary periods

(d) is stored for long-term value preservation

Answer: (b)

87. According to the life income cycle hypothesis, which formula represents Average Propensity to Consume (APC) in terms of lifetime income (Y) and the number of periods (T)?

(a) APC = 1/T

(b) APC = Y/T

(c) APC = C/T

(d) APC = C/Y

Answer: (a)

88. Which of the following data sets is most likely to have a large standard deviation?

(a) 10, 12, 14, 16, 18

(b) 3, 3, 3, 3, 3

(c) 100, 100, 100, 100, 100

(d) 5, 5, 5, 5, 5

Answer: (a)

89. Arrange the following States in descending order according to the greatest contributions to factory employment as per Economic Survey of India 2025-26.
I. Gujarat
II. Uttar Pradesh
III. Tamil Nadu
IV. Haryana
Select the correct answer from the code given below:

(a) I, II, IV, III

(b) II, III, I, IV

(c) IV, III, II, I

(d) III, I, II, IV

Answer: (d)

90. Which of the following is NOT an important Committee of WTO?

(a) Trade Policy Review Committee

(b) Multilateral Investment Guarantee Agency (MIGA)

(c) Commodity Trade Council

(d) Dispute Resolution Committee

Answer: (b)

91. Match List-I with List-II and select the correct answer using the code given below the lists.
List-I (Scale of measurement) - List-II (Variables)
A. Nominal scale - 1. Temperature
B. Ordinal scale - 2. Distance
C. Interval scale - 3. Grade
D. Ratio scale - 4. Colour

(a) 4 1 3 2
(b) 4 3 1 2
(c) 1 3 2 4
(d) 1 2 3 4

Answer: (b)

92. Which of the following statement is NOT related to near money?

(a) Near money assets are highly liquid
(b) Near money performs some function of money
(c) Near money depends on the liquidity
(d) Near money can be directly used for making transaction

Answer: (d)

93. Which among the following causes market failure?
1. Externality
2. Asymmetry of information
3. Perfect competition
Choose the correct answer from code given below.

(a) 1 and 2 are correct
(b) Only 1 is correct
(c) Only 3 is correct
(d) 1, 2 and 3 are correct

Answer: (a)

94. Which one of the following is NOT a continuous variable?

(a) Income (Rs.)
(b) Distance (Meter)
(c) Temperature (Degree celsius)
(d) Weight (Kg)

Answer: (a)

95. Which one of the following pairs is NOT correctly matched?

(a) PM SHRI - 2022
(b) NEP - 2020
(c) NISTHA - 2019
(d) PMe Vidya - 2024

Answer: (d)

96. Which of the following institution is called the 'soft loan window'?

(a) IDA

(b) IMF

(c) IBRD

(d) IFC

Answer: (a)

97. Allocative efficiency occurs, when

(a) Consumer's Surplus < Producer's Surplus

(b) Consumer's Surplus = Producer's Surplus

(c) Consumer's Surplus = 0 (Zero)

(d) Consumer's Surplus > Producer's Surplus

Answer: (b)

98. High powered money is also known by the name

(a) Reserve money

(b) Liquid money

(c) Credit money

(d) Near money

Answer: (a)

99. If the demand for a commodity is inelastic and su[illegible]y is elastic, then the burden of taxation will be relatively higher on

(a) Equal on both buyer and seller

(b) Buyer

(c) Seller

(d) None of the above

Answer: (b)

100. Given below are two statements, one is labelled as Assertion (A) and other as Reason (R).
Assertion (A): Price elasticity of non-durable goods are less in short-term.
Reason (R): In the short-run consumers have few options.
Select the correct answer using the code given below.

(a) Both (A) and (R) are true and (R) is correct explanation of (A)

(b) (A) is true, but (R) is false

(c) (A) is false, but (R) is true

(d) Both (A) and (R) are true, but (R) is not correct explanation of (A)

Answer: (a)

101. Full form of PQLI

(a) Product Quantity of Level Index

(b) Price Quota Level Index

(c) Polytechnic Quality Level of Index

(d) Physical Quality of Life Index

Answer: (d)

102. What does the IMF enforce regarding the exchange rate system on its member countries?
1. A uniform exchange rate system for all members.
2. A system where the currencies of all members must have declared par value, either in terms of Gold or US dollar.
Select the correct answer using the code given below:

(a) Only 2

(b) Both 1 and 2

(c) Neither 1 nor 2

(d) Only 1

Answer: (a)

103. Standard deviation of first 10 natural numbers

(a) 2.78

(b) 2.87

(c) 2.75

(d) 2.57

Answer: (b)

104. Match List-I with List-II and select the correct answer using the code given below the lists.
List-I (Assets) - List-II (Example)
A. Cash - 1. Cheque book
B. Money in current accounts - 2. Shares
C. Near money - 3. Dollar
D. Non-monetary financial assets - 4. Time/Fixed deposits

(a) 2 1 4 3

(b) 3 1 4 2

(c) 3 1 2 4

(d) 2 3 1 4

Answer: (b)

105. With reference to 'Dumping' consider the following statements.
1. The motive of dumping is to get rid of surplus production.
2. Dumping means selling goods at a lower price in foreign markets than in the home market.
Select the correct answer with the help of code.

(a) Only 2

(b) Both 1 and 2

(c) Neither 1 nor 2

(d) Only 1

Answer: (b)

106. Consider the following statement with reference to revenue.
1. Marginal Revenue is the net extra revenue earned by selling an additional unit of the product.
2. The average revenue equals price.
Select the correct answer from the code given below.

(a) Only 2
(b) Both 1 and 2
(c) Neither 1 nor 2
(d) Only 1

Answer: (b)

107. Which of the following is a part of GDP?
1. Public Education
2. National Defence
3. Insurance Services
4. Life Expectancy
Select the correct answer from the code given below:

(a) Both 1 and 2
(b) 1, 2 and 3
(c) 1, 2, 3 and 4
(d) Only 1

Answer: (b)

108. Which type of farming is practiced in area of hig' opulation pressure on land?

(a) Commercial farming
(b) Primitive sustainable farming
(c) Intensive subsistence farming
(d) Extensive sustainable farming

Answer: (c)

109. Dr. A. K. Khandelwal Committee associated with which of the following sector?

(a) Telecommunication companies
(b) Public sector banks
(c) Aviation sector companies
(d) Insurance companies

Answer: (b)

111. The Theory of Sound Finance is related to

(a) Unbalanced budget
(b) Balanced budget
(c) Surplus budget
(d) Irrational financial adjustments

Answer: (b)

112. This is the simplest possible measure of dispersion and is defined as the difference between the values of the extreme items of a series. It is called

(a) Standard Deviation
(b) Range
(c) Harmonic mean
(d) Mean Deviation

Answer: (b)

113. Which among the following banks is known as 'Mother of Central Banks'?

(a) Bank of England
(b) Bank of France
(c) Bank of Russia
(d) Bank of Sweden

Answer: (a)

114. If the rate of technical substitution between two factors of production is zero, then it means that factors are

(a) Substitutes
(b) Complementary
(c) Both (a) and (b)
(d) None of the above

Answer: (b)

115. Which of the following is NOT the requisite of a good budget?

(a) Objectivity
(b) Integrity
(c) Authority
(d) Comprehensiveness

Answer: (c)

116. Which of the following methods is commonly used in descriptive statistics?
1. Hypothesis testing
2. Creating bar graphs and histograms
Select the correct answer from the code given below:

(a) Only 2
(b) Both 1 and 2
(c) Neither 1 nor 2
(d) Only 1

Answer: (a)

117. Kelkar report is related to

(a) Goods

(b) Cost

(c) Minimum Support Price (MSP)

(d) Tax

Answer: (d)

118. A shift in LM curve to the right is caused by
1. Increase in money supply
2. Rise in demand for money
Select the correct answer using the code given below.

(a) Only 2

(b) Both 1 and 2

(c) Neither 1 nor 2

(d) Only 1

Answer: (d)

119. What is the meaning of hedging?
1. Avoiding foreign exchange risk
2. Spot rate of exchange
Select the correct answer using the code given below:

(a) Only 2

(b) Both 1 and 2

(c) Neither 1 nor 2

(d) Only 1

Answer: (d)

120. What type of correlation exists in the following two variables?
X- 1, 2, 3, 4, 5, 6
Y- 10, 12, 14, 16, 18, 20

(a) r = 0

(b) r = + 1

(c) r ± 1

(d) r = - 1

Answer: (b)

Answer key

Answer key from the Uttar Pradesh Public Service Commission's official answer key for this sitting. "—" means the key gave none.

Economics

41	**(a)**	42	**(a)**	43	**(c)**	44	**(a)**	45	**(a)**	46	**(b)**	47	**(d)**	48	**(a)**
49	**(a)**	51	**(b)**	52	**(c)**	53	**(a)**	54	**(b)**	55	**(c)**	56	**(b)**	57	**(b)**
58	**(d)**	59	**(d)**	60	**(b)**	61	**(d)**	62	**(b)**	63	**(c)**	64	**(a)**	65	**(a)**
66	**(c)**	67	**(b)**	68	**(a)**	69	**(b)**	70	**(b)**	71	**(c)**	72	**(c)**	73	**(a)**
74	**(b)**	75	**(c)**	76	**(d)**	77	**(b)**	78	**(a)**	79	**(d)**	80	**(d)**	81	**(a)**
82	**(a)**	83	**(a)**	84	**(b)**	85	**(b)**	86	**(b)**	87	**(a)**	88	**(a)**	89	**(d)**
90	**(b)**	91	**(b)**	92	**(d)**	93	**(a)**	94	**(a)**	95	**(d)**	96	**(a)**	97	**(b)**
98	**(a)**	99	**(b)**	100	**(a)**	101	**(d)**	102	**(a)**	103	**(b)**	104	**(b)**	105	**(b)**
106	**(b)**	107	**(b)**	108	**(c)**	109	**(b)**	111	**(b)**	112	**(b)**	113	**(a)**	114	**(b)**
115	**(c)**	116	**(a)**	117	**(d)**	118	**(d)**	119	**(d)**	120	**(b)**				