

Read the following passage and answer the question based on it

The study titled, "Monetary Policy Transparency and Anchoring of Inflation Expectation in India" constructs an index of monetary policy transparency for India and examines the role of transparency in anchoring inflation expectations. Empirical results show that the degree of policy transparency has indeed increased substantially since the adoption of Flexible Inflation Targeting (FIT) in 2016. Further, empirical evidence suggests that inflation expectations of professional forecasters and households were anchored, in weak-form, in the post-FIT period, though households' expectations did not necessarily lie within the inflation tolerance band. During the transition period (between the self-imposed disinflationary glide-path since 2014 and adoption of the FIT) both realized inflation and expectations followed a declining path, which resulted in a positive association between them. During the pre-transition period, when explicit inflation target was absent. Expectations were also reasonably anchored, albeit, at a higher level.

1. What happened to the anchoring of inflation expectations?
 - A. Inflation expectations anchored in a strong form
 - B. Inflation expectations anchored in a weak-form in the post FIT period
 - C. There was a negative association between realised and expected inflation
 - D. There was no association between realised and expected inflation

ANS: B

2. What has empirical evidence shown?
 - A. Actual inflation turned out to be high
 - B. Degree of policy transparency declined
 - C. Degree of policy transparency increased but after coming into force of FIT
 - D. Degree of policy transparency increased

ANS: C

3. Inflation expectations of which group was empirically tested?
 - A. Both of professional forecasters and Households
 - B. Neither of professional forecasters nor Households
 - C. Only of Households
 - D. Only of professional forecasters

ANS: A

4. Which of the following index has been constructed?
 - A. Index monetary policy transparency for India
 - B. Index of inflation expectations
 - C. Index of monetary policy
 - D. Index of transparency

ANS: A

5. Which time span has been described as the transition period of monetary policy?
 - A. 2000-2014

- B. 2008-2014,
- C. 2014-2016,
- D. 2016-2020

ANS: C

Read the given passage and answer the questions that follow

One argument of protection that stands up to close economic scrutiny is the infant-industry argument. It holds that a nation may have a potential comparative advantage in a commodity, but because of lack of knowledge and the initial small level of output, the industry cannot successfully compete with more established foreign firms. The infant-industry argument for protection is correct but requires several important qualifications. First, such an argument is more justified for developing nations, where capital markets may not function properly. Second, as experience has shown that protection, once given, is difficult to remove. Third, what trade protection in the form of import tariff can do an equivalent production subsidy to the infant industry can do better. The reason is that a purely domestic distortion such as this should be overcome with a purely domestic policy such as direct production subsidy to the infant industry. A production subsidy is also a more direct form of aid and it is easier to remove than an import tariff. A better policy would be to provide a direct subsidy to the industry. Similarly, a direct tax would also be better than a tariff to discourage activities that give rise to external diseconomies because the tax does not distort relative prices and consumption.

6. The obstacles for an industry to compete with more established foreign firms are due to:
- A. Lack of flexibility
 - B. Lack of human resources
 - C. Lack of know-how and initial small level of output
 - D. Lack of markets

ANS: C

7. Which of the following is a direct aid to domestic industry?
- A. Import controls
 - B. Import quota
 - C. Patent rights
 - D. Production subsidy

ANS: D

8. Developing countries are characterised by:
- A. Absence of both money markets and capital markets,
 - B. Absence of capital markets ,
 - C. Improper functioning of money markets
 - D. Improper functioning of the capital markets

ANS: D

9. Which of the following is effective in preventing external diseconomies

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- A. A direct tax
- B. Production subsidies
- C. Tariff
- D. Trade policies

ANS: A

10. Which is the most appropriate instrument of trade protection?
- A. Export tariff,
 - B. Import tariff
 - C. Non-tariff barriers
 - D. Production subsidy

ANS: D

11. Which of the following is TRUE for Bank Rate?
- A. Bank rate is a direct instrument of credit control,
 - B. Bank rate is a qualitative instrument,
 - C. Bank rate is the minimum rate at which the Central Bank provides credit to financial institutions against securities of the government
 - D. Increase in Bank rate by Central Bank would increase money supply keeping other factors constant

ANS: C

12. Given below are two statements, one is labelled as Assertion A and the other is labelled as Reason R

Assertion A: New capital accumulation is the vehicle of technical progress

Reason R: Technical progress is embodied in new machines

In light of the above statements, choose the correct answer from the options given below

- A. A is false but R is true
- B. A is true but R is false
- C. Both A and R are true and R is the correct explanation of A
- D. Both A and R are true but R is NOT the correct explanation of A

ANS: C

13. Which of the following statement is CORRECT for 'Atmanirbhar Bharat Rozgar Yojana' launched on November 12, 2020?
- A. Establishment will get a subsidy of Rs.10 crore for a period of 5 years
 - B. Establishment will get tax profit continuously for a period of 3 years
 - C. Establishment will get tax subsidy for 5 years.
 - D. Establishments which make new hires will get a subsidy to cover retirement fund contribution by employees and employers for 2 years

GEMS OF APPLE B
Congratulations!
2020 - Sept/Oct

Overall Results :
351+ NET & 50+ JRF

ECONOMICS

JRF	JRF	NFOBC	NFOBC							
CATHERINE RACHEL	SIDDHARTHA S	ANAS K T	MUHAMMED FAIZUDHEEN	ANNU GEORGE	ARUN D	ASHMITA KESAR	BABITA	CHRISTO MATHEW	DIBYANSHU	
GAIBUL PREET	GOPIKA P G	GAYATHRI B	KARISHMA	MALAVIKA	MINU ROSE	NEELIMA S	NEERAJ KUMAR	NOYEL SEBASTIAN	PAVITRA BALUNDAGI	
	PRIYANKA CHHABRA	PRIYANKA V	SOURADIPTA DAS	SUSHMITA MAITI	DAVIS (SECOND TIME)	SERENE LIZA (SECOND TIME)	GEETHU PAUL (THIRD TIME)	IRFANA P (THIRD TIME)		

COMMERCE

JRF	JRF									
JEENA JOY	LINCHU RAJAN	ABHIJITH	AMALA JOSE	ANEESHA M	ANITTA ABRAHAM	ARYA RAJU	EMMA JOSHY	HELGA JOSEPH	MARIYA JOSEPH	
	MEENAKSHI P	RAKHI R	REEJA SUSAN	SHANA XAVY	SURUMY	SWATHY S	TREESA MARY REJI			

MANAGEMENT

PAPER 1

JAIS V THOMAS	SONU THOMAS	ATHIRA T C	NEHA	RAPAKA SUSHMITHA	SAJIN SAHIB	POOJITHA

2019 - Dec

ANCY JOHN (JRF)	ARCHANA P (JRF)	BANILA C (JRF)	GAYATRI P (JRF)	MARIA SUNIL (JRF)	VISHAL KESARI (JRF)	ANUSREE A (JRF)	RENU SUSAN (JRF)	TISSA MARIA (JRF)	VRINDHA (JRF)	AISWARYA BABU	AISWARYA V	BHAVYALAKSHMI	CATHERINE RACHEL	DAVIS AUGUSTINE	DEVIKA GOPAN	DONA PIUS
GEORGE MATHEW	JENNY MARIA	JEFFRIN ANNA	JINISHA C V	KEERTHAN ROSE	LENNY ELSA (SECOND TIME)	NANDKTHA	NIMISHA	PARVANA G	SHANAVAS	SRL LIN JOHNS	SREEJITH T R	SREETHI KRISHNAN	SUNEERA K	ANN MIRIYAM (SECOND TIME)	EMILDA (SECOND TIME)	GEETHU PAUL (SECOND TIME)
IRFANA (SECOND TIME)	KRISHNA PM (SECOND TIME)	PRASEENA VP (SECOND TIME)	RASIK (SECOND TIME)	SIBIN JEFFRY (SECOND TIME)	BODHITHA	SANUSHA K V	PREETHA PRASAD	ANJANA SABU	ANJU AJAY	ANURAG	ARJUN SENAN	AMMU MARIYA	ARYA RAJU	GEETHU GOPI	GRACE ANTHONY	INDU V NAIR
LAKSHMI SABU	LINCHU RAJAN	MEGHA RAJ	NEENATHAMPI	SRUTHI G NAIR	TISHA MARY	HARITHA (SECOND TIME)	ANITTA MATHEW	FOUSIYA YOOSEF	NARMA S PRADEEP	SNEHA JOSEPH						

ANS: D

14. What is the CORRECT sequence of the following?

- Uruguay Round
- Kennedy Round
- Doha Round
- Geneva Round

Choose the correct answer from the options given below

- a, b, c, d,
- b, d, c, a,
- c, a, b, d,
- d, b, a, c,

ANS: D

15. Inequalities in income are measured by which of the following?

- Lorenz Ratio
- Theil's Index
- Palma Ratio
- Deprivation Ratio

Choose the correct answer from the options given below:

- a and b only
- a and d only
- a only,
- a, b and c only

ANS: D

16. Match List I with List II

List I	List II
A. Security Exchange Board of India (SEBI)	I. 1991
B. National Securities Depository Ltd (NSDL)	II. 1992
C. Credit Rating Information Service of India Ltd (CRISIL)	III. 1988
D. Investment Information and Credit Rating Agency of India (ICRA)	IV. 1996

- A - I, B - II, C - III, D - IV
- A - II, B - IV, C - III, D - I
- A - III, B - II, C - IV, D - I
- A - IV, B - III, C - II, D - I

ANS: B

17. The concept of 'money illusion' was first given by whom?

- A. Irving Fisher
- B. J. M. Keynes
- C. Milton Friedman,
- D. Robertson

ANS: A

18. General Economic Equilibrium is NOT related to which one of the following problems?

- A. Existence problem
- B. Moral Hazard problem
- C. Stability problem,
- D. Uniqueness problem

ANS: B

19. Which of the following is NOT a Commercial Bank?

- A. Co-operative Bank
- B. Private Sector Bank
- C. Public Sector Bank
- D. Regional Rural Bank

ANS: A

20. In the classical linear regression model, X_i and U_i are assumed to be:

- A. highly correlated
- B. negatively correlated
- C. not correlated
- D. positively correlated

ANS: C

21. According to Census 2011, which one of the following states has the highest share of rural population?

- A. Bihar
- B. Himachal Pradesh
- C. Odisha
- D. Uttar Pradesh

ANS: B

22. In the context of investments, which of the following statement(s) is/are CORRECT?

- a) According to the accelerator model, investment demand is proportional to change in income
- b) The higher the real interest rate, the higher is the rental cost of capital
- c) Investment is a stock variable

d) The real rate of interest is equal to the nominal rate of interest plus the inflation rate

Choose the correct answer from the options given below:

- A. a and b only
- B. a and d only
- C. b and c only
- D. c and d only

ANS: A

23. Which are the following correct features of matrices?

- a) An identity matrix is a square matrix
- b) An identity matrix when gets transposed remains an identity matrix
- c) $(A.B)^T = A^T . B^T$ where A and B are matrices
- d) $(A^{-1})^T = (A^T)^{-1}$ where A is a matrix

Choose the *correct* answer from the options given below:

- A. a and b only
- B. a and c only
- C. b and c only
- D. c and d only

ANS: A

24. As output expands, LAC curve falls. This is due to:

- A. Diseconomies of scale
- B. Economies of scale
- C. Law of diminishing returns
- D. Law of variable proportions

ANS: B

25. With reference to the programme 'NIDHI' which of the following statement(s) is/are CORRECT?

- a) The programme of 'NIDHI' was started for students to begin startups
- b) Its aim is to financially support 20 students for startups each year
- c) Its aim is to financially support 200 students for startups each year
- d) Its aim is to financially support only students of backward classes to start up each year

Choose the correct answer from the options given below:

- A. a, c and d only
- B. a and b only

- C. a and d only
- D. c and d only

ANS: B

26. Given below are two statements:

Statement I: One of the assumptions under OLS method states that the regression model is linear in the parameters, though it may or may not be linear in the variables.

Statement II: The variance of the error, or disturbance, term is not the same regardless of the value of the explanatory variable under OLS.

In light of the above statements, choose the most appropriate answer from the options given below

- A. Both statement I and statement II are correct
- B. Both statement I and statement II are incorrect
- C. Statement I is correct but statement II is incorrect
- D. Statement I is incorrect but statement II is correct

ANS: C

27. The independence of real variables from changes in money supply and nominal variables is called :

- A. Classical dichotomy
- B. Keynesian dichotomy
- C. Money illusion
- D. Money multiplier

ANS: A

28. Identify which of the following statements with respect to Linear Programming Problem (LPP) is CORRECT:

- A. A solution is unbounded in an LPP if all the feasible solutions of the problem fall within the boundary created by its constraints
- B. If A is a primal problem and B is its dual, then dual of B is not A
- C. If an LPP has two optimum solutions, then it has also infinite number of optimum solutions
- D. The constraints of an LPP in standard form is always expressed in less than and equal to form

ANS: C

29. Match List I with List II

List I	List II
A. Convex Function	I. Basic Variable

B. Input-Output Analysis	II. Use of Derivative
C. Linear Programming	III. Hawkins–Simon condition
D. Marginal Propensity to Consume	IV. Demand Curve

- A. A - II, B - III, C - I, D - IV,
B. A - III, B - IV, C - I, D - II,
C. A - IV, B - I, C - III, D - II,
D. A - IV, B - III, C - I, D - II,

ANS: D

30. Match List I with List II

List I	List II
A. NIRVIK	I. A project directed to provide piped cooking gas to millions of households
B. Ayushman Bharat	II. A scheme to enhance energy efficiency
C. Pradhan Mantri Urja Ganga (PMUG)	III. Export credit insurance scheme
D. Perform, Achieve and Trade (PAT)	IV. Programme related to health issues in the primary, secondary and tertiary sectors

Choose the correct answer from the options given below:

- A. A - II, B - III, C - I, D - IV
B. A - II, B - IV, C - III, D - I,
C. A - III, B - IV, C - I, D - II,
D. A - III, B - IV, C - II, D - I,

ANS: C

31. Arrange the introduction of the following taxes in India in chronological order.

- Service Tax
- Income Tax
- Banking Transaction Tax
- Gift Tax
- Goods and Services Tax

ECONOMICS

JRF

JRF

NFOBC

NFOBC



CATHERINE RACHEL



SIDDHARTHA S



ANAS KT



MUHAMMED FAIZUDHEEN



ANNU GEORGE



ARUN D



ASHMITA KESAR



BABITA



CHRISTO MATHEW



DIBYANSHU



GAIBUL PREET



GOIKA P G



GAYATHRI B



KARISHMA



MALAVIKA



MINU ROSE



NEELIMA S



NEERAJ KUMAR



NOYEL SEBASTIAN



PAVITRA BALUNDAGI



PRIYANKA CHHABRA



PRIYANKA V



SOURADIPTA DAS



SUSHMITA MAITI



DAVIS (SECOND TIME)



SERENE LIZA (SECOND TIME)



GEETHU PAUL (THIRD TIME)



IRFANA P (THIRD TIME)

JRF

JRF

COMMERCE



JEENA JOY



LINCCHU RAJAN



ABHIJITH



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ANITTA ABRAHAM



ARYA RAJU



EMMA JOSHY



HELGA JOSEPH



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MEENAKSHI P



RAKHI R



REEJA SUSAN



SHANA XAVY



SURUMY



SWATHY S



TREESA MARY REJI

MANAGEMENT

PAPER 1



JAIS V THOMAS



SONU THOMAS



ATHIRA T C



NEHA



RAPAKA SUSHMITHA



SAJIN SAHIB



POOJITHA

2019 - Dec



ANCY JOHN (JRF)



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VISHAL KESARI (JRF)



ANUSREE A (JRF)



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AISWARYA BABU



AISWARYA V



BHAVYALAKSHMI



CATHERINE RACHEL



DAVIS AUGUSTINE



DEVIKA GOPAN



DONA PLUS



GEORGE MATHEW



JENNY MARIA



JEFFIN ANNA



JINISHA C V



KEERTHAN ROSE



LENNY ELSA (Second Time)



NANDITHA



NIMISHA



PARVANA G



SHANAVAS



SRI LIN JOHNS



SREEJITH T R



SREETHI KRISHNAN



SUNEERA K



ANN MIRIYAM (Second Time)



EMILDA (Second Time)



GEETHU PAUL (Second Time)



IRFANA (Second Time)



KRISHNA PM (Second Time)



PRASEENA VP (Second Time)



RASIK (Second Time)



SIBIN JERRY (Second Time)



BODHITHA



SANUSHA K V



PREETHA PRASAD



ANJANA SABU



ANJU AJAY



ANURAG



ARUN SENAN



AMMU MARIYA



ARYA RAJU



GEETHU GOPI



GRACE ANTONY



INDU V NAIR



LAKSHMI SABU



LINCCHU RAJAN



MEGHA RAJ



NEENATHAMPI



SRUTHI G NAIR



TISHA MARY



HARITHA (SECOND TIME)



ANITTA MATHEW



FOUSIYA YOOSEF



NARMA S PRADEEP



SNEHA JOSEPH

Choose the correct answer from the options given below

- A. b, a, c, e, d,
- B. b, c, a, d, e,
- C. b, d, a, c, e,
- D. d, b, a, c, e,

ANS: C

32. Assuming the probability of a male birth as 0.5, find the chances that a family of 3 children will have two boys and one girl

- A. 1/8
- B. 2/8
- C. 3/8
- D. 4/8

ANS: C

33. Match List I with List II

List I	List II
A. Adam Smith	I. Theory of Big Push
B. R. Rodan	II. Traditional Society
C. W. W. Rostow	III. Reserve army of labour
D. Karl Marx	IV. Division of labour

Choose the correct answer from the options given below:

- A. A - I, B - IV, C - III, D - II,
- B. A - II, B - III, C - I, D - IV,
- C. A - III, B - II, C - IV, D - I,
- D. A - IV, B - I, C - II, D - III,

ANS: D

34. Match List I with List II

List I	List II
A. Menu cost	I. Monetary Policy
B. Quantitative Easing	II. Inflation
C. Pump Priming	III. Phillips curve
D. Trade-off between inflation and unemployment	IV. Fiscal policy

Choose the correct answer from the options given below:

- A. A - I, B - II, C - III, D - IV,
- B. A - II, B - I, C - IV, D - III,
- C. A - III, B - IV, C - I, D - II,
- D. A - IV, B - III, C - II, D - I,

ANS: B

35. Which of the following sectors of the economy registered highest growth rate in the second quarter of 2020-21 as per estimate of NSO?

- A. Agriculture and Allied sectors,
- B. Electricity, Gas, Water supply and other Utility services
- C. General Administration
- D. Manufacturing

ANS: B

36. Identify which one of the following statements is CORRECT:

- A. A^{-1} is equal to $Adj(A)$ if the value of the determinant A is unity,
- B. If two columns of a determinant are interchanged, the sign of the determinant does not alter
- C. Law of division is allowed in matrix operations,
- D. The value of a determinant changes if the rows and columns are interchanged

ANS: A

37. The incidence of which of the following will entirely be on the monopolist?

- A. Lump-sum tax
- B. None of these
- C. Regulated monopoly pricing
- D. Specific tax

ANS: A

38. Match List I with List II

List I	List II
A. Perfect competition	I. Many real or perceived differences in products
B. Monopoly	II. Little or no difference in products
C. Monopolistic competition	III. Identical products
D. Oligopoly	IV. Product without close substitutes

Choose the correct answer from the options given below:

- A. A - II, B - IV, C - I, D - III,
- B. A - III, B - I, C - II, D - IV,
- C. A - III, B - IV, C - I, D - II,

D. A - III, B - IV, C - II, D - I,

ANS: C

39. Arrange the following committees appointed for the Banking sector in India in chronological order:

- a) Urjit Patel Committee
- b) Goiporia Committee
- c) Narasimham Committee-1
- d) Chakravarty Committee

Choose the correct answer from the options given below

- A. a, c, d, b,
- B. c, b, d, a,
- C. d, b, c, a,
- D. d, c, b, a,

ANS: C

40. If a production function admits both Harrod and Hicks neutral technical progress, the elasticity of substitution should be

- A. equal to infinity
- B. equal to one divided by two
- C. equal to one
- D. equal to zero

ANS: C

41. Which of the following are a source of market failure?

- a) The existence of public goods
- b) The presence of externalities
- c) The fact that some goods are rivals in consumption
- d) The existence of monopolies

Choose the correct answer from the options given below:

- A. a, b and c only
- B. a, b and d only
- C. a, c and d only
- D. b, c and d only

ANS: B

42. Given

$$I = 50 + 0.2y$$

$$S = -150 + 0.4Y$$

$G=50$

I = investment

S = savings

G = Government expenditure

Y = national income

What is equilibrium income

- A. 1250
- B. 1500
- C. 250
- D. 2500

ANS: A

43. Improvement in the balance of payments deficit may be effected through:

- a) Import controls
- b) Export promotion
- c) Foreign exchange control
- d) Devaluation

Choose the correct answer from the options given below:

- A. A and B only
- B. A, B and C only
- C. A, B, C and D
- D. C and D only

ANS:C

44. Which of the following are relevant conditions assumed by the Factor Price Equalization theorem?

- a) The countries are characterized by different factor endowments
- b) The countries are characterized by different production functions
- c) The industries are characterized by different factor intensities
- d) Each country will export the commodity which uses its abundant factor

Choose the correct answer from the options given below:

- A. A, B and C only
- B. A, B and D only
- C. A, C and D only
- D. B, C and D only

ANS: C

45. When the exchange rate changes from $1\$ = \text{Rs. } 72$ to $1\$ = \text{Rs. } 68$, then the:

- Rupee has depreciated
- Dollar has depreciated
- Rupee has appreciated
- Dollar has appreciated

Choose the correct answer from the options given below:

- A and B only
- A and D only
- B and C only
- C and D only

ANS: C

46. According to Ronald Coase, which of the following statements is CORRECT for pollution control

- Providing property rights to polluters and pollutees
- Providing property rights to the legal institutions
- Providing property rights to the state
- Providing property rights to Trade Unions

ANS: A

47. Match List I with List II

List I	List II
A. Conserving the Environment for benefit of the future generation	I. Indirect use value
B. Search of Alternative fuels is necessary because traditional sources are non-renewable	II. Option Value
C. Wood from the forest is useful as timber	III. Bequest Value
D. Insects are important as they help in pollination	IV. Use Value

Choose the correct answer from the options given below:

- A - I, B - II, C - III, D - IV
- A - II, B - IV, C - I, D - III
- A - III, B - II, C - IV, D - I,
- A - III, B - IV, C - II, D - I,

ANS: C

48. Given below are two statements, one is labelled as Assertion A and the other is labelled as Reason R

Assertion A: There is no incentive for a profit maximising producer to supply public goods

Reason R: If he produces it, he is unable to exclude people from consuming it and hence he cannot charge a price

In light of the above statements, choose the most appropriate answer from the options given below

- A. A is correct but R is not correct
- B. A is not correct but R is correct
- C. Both A and R are correct and R is the correct explanation of A
- D. Both A and R are correct but R is NOT the correct explanation of A

ANS: C

49. Match List I with List II

List I	List II
A. Supply side of International Trade	I. David Ricardo
B. Demand side of International Trade	II. Bastable and Alfred Marshall
C. Opportunity cost of International Trade	III. G. Haberler
D. Real cost theory of International Trade	IV. Alfred Marshall and Edgeworth

Choose the correct answer from the options given below:

- A. A - I, B - IV, C - II, D - III,
- B. A - I, B - IV, C - III, D - II,
- C. A - IV, B - I, C - II, D - III,
- D. A - IV, B - I, C - III, D - II,

ANS: B

50. Which of the following measures are used by a risk-averse person to minimize risk?

- a) Diversification of resources
- b) Insurance of risk event
- c) Total cost of resources
- d) Value of information of risk event

Choose the correct answer from the options given below:

- A. a, b and c only
- B. a, b and d only
- C. a, c and d only
- D. b, c and d only

ANS: B

51. In a situation of decision under uncertainty, if a consumer faces equal expected income from two alternatives, then s/he will take decision on the basis of
- A. Expected utility of both the alternatives
 - B. Mean of risk of each alternative
 - C. Probability of risk attached with each alternative
 - D. Variation of risk attached with each alternative,

ANS: D

52. Given below are two statements, one is labelled as Assertion A and the other is labelled as Reason R

Assertion A: A lumpsum tax imposed on a monopolist cannot be shifted to the consumers.

Reason R: The lumpsum tax becomes a part of his fixed cost and it does not affect the marginal cost of production.

In light of the above statements, choose the most appropriate answer from the options given below

- A. A is correct but R is not correct
- B. A is not correct but R is correct,
- C. Both A and R are correct and R is the correct explanation of A
- D. Both A and R are correct but R is NOT the correct explanation of A

ANS: C

53. Which of the following statement(s) is/are CORRECT for environmental evaluation?
- a) Travel cost method measures the recreational values of Environmental Resources
 - b) Hedonic pricing is used for environmental amenities associated with property values
 - c) Replacement cost method is used by substituting natural resources with a man-made equipment
 - d) Defensive expenditure deals with preventive measures

Choose the correct answer from the options given below:

- A. a and b only
- B. a, b, c and d
- C. b and c only
- D. c only

ANS: B

54. Which one of the following correctly describes the concept of 'Super Multiplier'?
- A. Employment multiplier
 - B. Interaction between multiplier and accelerator
 - C. Investment multiplier

D. Money multiplier

ANS: B

55. The 15th Finance Commission (FC) has recommended that the States be given what per cent of the divisible tax pool of the Centre during the period 2021-2022 to 2025-26?

- A. 31
- B. 41
- C. 51
- D. 61

ANS: B

56. Identify the proper sequence in the traditional econometric methodology of conducting research

- a) Data collection
- b) Policy prescription
- c) Testing of hypothesis
- d) Formulation of hypothesis

Choose the correct answer from the options given below

- A. a, b, c, d
- B. a, d, b, c
- C. d, a, b, c
- D. d, a, c, b,

ANS:D

57. The optimum tariff means:

- A. Maximises total export sales of the imposing country
- B. Must occur in the elastic range of the partner country's offer curve,
- C. Must occur in the elastic range of the tariff imposing home country's offer curve
- D. Takes account of the probability that the partner country will retaliate with protective measures of its own,

ANS: B

58. The sampling distribution of mean based on a sample of 13 units selected without replacement shows a variance of 5 units. If the population consists of 49 units, estimate the variance of the population

- A. 80.67
- B. 84.87,
- C. 86.67
- D. 86.87

ANS: C

59. Which of the following are NOT properties of Cobb-Douglas production function?

- a) Cobb-Douglas production function is a homogeneous production function
- b) Curves representing average and marginal productivity of inputs are not downward sloping
- c) Marginal productivity of labour and capital in Cobb-Douglas production function are functions of the capital-labour ratio
- d) Iso-quants of Cobb-Douglas production functions are positively sloped

Choose the correct answer from the options given below:

- A. a and b only
- B. b and c only c,
- C. b and d only,
- D. c and d only,

ANS: C

60. Which of the following would reduce the credit creation capacity of a Commercial Bank?

- a) Time and Demand deposits
- b) Loans
- c) Deposits with the Central Bank
- d) Cash in hand

Choose the correct answer from the options given below:

- A. a and b only
- B. a and d only
- C. b and c only
- D. c and d only

ANS: D

61. Which of the following are true for the Environmental Kuznets Curve (EKC)?

- a) The relationship between Income and Environmental damages take the shape of an inverted U
- b) EKC is applicable in case of irreversible environmental damage
- c) EKC holds true for global pollutants
- d) EKC hypothesis intends to represent a long term relationship between economic growth and pollution

Choose the correct answer from the options given below:

- A. a and b only
- B. a and d only,
- C. a, b, c and d
- D. c and d only,

ANS: B

62. Match List I with List II

List I	List II
A. Canons of Taxation	I. U. K. Hicks
B. Canons of Public Expenditure	II. Adam Smith
C. Effective Incidence of Tax	III. Findlay Shirras
D. Benefit received approach of Public Expenditure	IV. Erik Lindahl

Choose the correct answer from the options given below:

- A. A - I, B - II, C - III, D - IV,
- B. A - II, B - III, C - I, D - IV,
- C. A - II, B - III, C - IV, D - I,
- D. A - IV, B - I, C - II, D - III,

ANS: B

63. Arrange the following business cycles in ascending order in terms of their approximate duration.

- a) Kondratiev cycle
- b) Kitchin cycle
- c) Jugular cycle
- d) Kuznets cycle

Choose the correct answer from the options given below

- A. a, c, b, d,
- B. b, c, d, a,
- C. c, b, a, d,
- D. d, a, c, b,

ANS: B

64. Given below are two statements:

Statement I: Social Welfare Function (SWF) is a sort of social indifference map consisting of the Social Indifference Curves (SICs) which shows the various combination of utilities that gives the same level of social welfare (SW).

Statement II: Social Indifference Curves (SICs) may not be convex or concave to the origin

In light of the above statements, choose the most appropriate answer from the options given below

- A. Both Statement I and Statement II are correct
- B. Both Statement I and Statement II are incorrect
- C. Statement I is correct but Statement II is incorrect
- D. Statement I is incorrect but Statement II is correct

ANS: A

65. Which of the following are CORRECT?

- a) If observations are selected purposively, it is called a method of non-random sampling
- b) If observations are selected in an ad-hoc manner, it is called a method of non-random sampling
- c) If observations are selected in a systematic manner it is called a method of non-random sampling
- d) If observations are selected on the basis of judgment, it is called a method of non-random sampling

Choose the correct answer from the options given below:

- A. a, b and c only
- B. a, b and d only
- C. a, c and d only
- D. b, c and d only

ANS: B

66. Which one of the following measures of central tendency will be the most appropriate to use if the data relates to rates, proportions and ratios?

- A. Arithmetic Mean
- B. Geometric Mean
- C. Harmonic Mean
- D. Median

ANS: B

67. The items on the capital account of Balance of Payments are:

- A. Both Stock and Flow variables
- B. Changes in stock magnitudes
- C. Flow variables
- D. Stock variables

ANS: C

68. Which of the following is/are true?

- a) Ministry of Environment and Forests in India was established in 1985
- b) Central Pollution Control Board was established in 1984
- c) Environment Protection Act was enacted in 1990
- d) National Environment Appellate Authority Act was passed in 1977

Choose the correct answer from the options given below:

- A. a and d only,
- B. a, b, c and d only
- C. b only

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ANS: A

69. Arrange the following United Nations Framework Convention on Climate Change (UNFCCC) conferences in chronological order
- Copenhagen Conference
 - Doha Conference
 - Paris Conference
 - Katowice Conference

Choose the correct answer from the options given below

- a, b, c, d
- b, c, d, a,
- c, d, b, a,
- d, c, b, a,

ANS: A

70. The movement from old level of expenditure and taxation to a new and higher level is called:
- All of the above
 - Concentration effect
 - Displacement effect
 - Inspection effect

ANS: C

71. In case of indifference curve of two goods X and Y, as consumption of X increases:
- First MRS_{XY} increases but later on MRS_{XY} decreases
 - MRS_{XY} Increases
 - MRS_{XY} decreases
 - MRS_{XY} remain the same

ANS: C

72. Which method can help in obtaining a welfare improvement, if externalities exist?
- All of the above
 - Assigning property rights and permitting bargaining
 - Pigovian taxes
 - Regulation

ANS: A

73. Arrange the following Committees of poverty estimation in chronological order:
- Alagh Committee
 - Lakdawala Committee
 - Tendulkar Committee

d) Rangarajan Committee

Choose the correct answer from the options given below

- A. a, b, c, d
- B. a, c, b, d,
- C. b, a, c, d,
- D. b, c, a, d,

ANS: A

74. Zero Based Budgeting (ZBB) lays emphasis on:

- a) Allocation of resources based on cost-benefit terms
- b) Unlimited deficit financing
- c) Preparing a new budget right from the scratch
- d) Preparing the budget, neglecting the history of expenditure

Choose the correct answer from the options given below:

- A. a, b and c only
- B. a, b and d only
- C. a, c and d only
- D. b, c and d only

ANS: C

75. Which among the following is NOT part of the neoclassical theory of growth?

- A. Meade's Model
- B. Pasinetti Model
- C. Solow Model
- D. Swan Model

ANS: B

76. Liquidity Adjustment Facility (LAF) was recommended by

- A. Bimal Jalan Committee
- B. Rangarajan Committee
- C. Narasimham Committee - II
- D. Raghuram Rajan Committee

ANS: C

77. Consider some of the schemes/programs introduced by the Government of India to enhance agriculture productivity and farmer's income. Arrange them in chronological order of their appearance.

- a) Soil Health Card Scheme
- b) Kisan Credit Card Scheme
- c) Pradhan Mantri FasalBima Yojana

d) Doubling Farmers' income program

Choose the correct answer from the options given below

- A. a, b, c, d
- B. b, a, c, d
- C. b, a, d, c,
- D. b, c, a, d,

ANS: B

78. A sudden shift from import tariffs to free trade may induce short-term unemployment in:

- A. Import competing industries
- B. Industries that are only exporters
- C. Industries that neither import or export
- D. Industries that sell domestically as well as export,

ANS: A

79. The total population of city 'X' in 2011 was 28 lakhs and the total number of live births was 50 thousand. Find out crude birth rate per 1000 population

- A. 0.17857
- B. 1.7857
- C. 17.857
- D. 178.57

ANS: C

80. Which of the following conditions hold true for factor pricing when factor market is perfectly competitive and product market is monopolistic?

- a) $VMP > MRP$
- b) Both VMP and MRP decreasing
- c) $VMP < MRP$
- d) $MRPL = W$

Choose the correct answer from the options given below:

- A. a, b and c only
- B. a, b and d only
- C. a, c and d only
- D. b, c and d only

ANS: B

81. The efficiency condition in the production of pure public good requires that the production be carried out up to a point when:

{where MB_i represents Marginal Benefit of the ' i^{th} ' individual and MB_j represents Marginal Benefits that accrue to the ' j^{th} ' individual and MC is the marginal cost}

- A. $MB_i + \sum_{j=1}^{n-1} MB_j = \frac{MC}{MB_i} + \sum_{i=1}^{n-1} MB_j = MC$
 B. $MB_i + \sum_{j=1}^{n-1} MB_j > MC / MB_i + \sum_{i=1}^{n-1} MB_j > MC$
 C. $MB_i + \sum_{j=1}^{n-1} MB_j < MC / MB_i + \sum_{i=1}^{n-1} MB_j < MC$ $MB_i + \sum_{i=1}^{n-1} MB_j > MC$
 D. $MB_i + \sum_{j=1}^{n-1} MB_j > MC / MB_i + \sum_{i=1}^{n-1} MB_j > MC$

ANS: A

82. Which of the following statements are relevant for Gender Budgeting?

- Preparing a separate budget for women
- Gender budget is not practised by the Government of India
- Evaluating budgetary provisions with a gender perspective
- Gender budgeting is a tool for Gender Empowerment

Choose the correct answer from the options given below:

- a and d only
- a only
- a, b, c and d
- c and d only

ANS: D

83. Which of the following statements are CORRECT for welfare economics?

- Any competitive equilibrium leads to a Pareto efficient allocation of resources
- Competitive equilibrium does not lead to Pareto efficient allocation of resources
- Any efficient allocation can be attained by a competitive equilibrium given the market mechanism leading to redistribution
- There will be no Pareto efficient allocation of resources in the society

Choose the correct answer from the options given below:

- a and c only,
- a, b and c only
- b and c only
- c and d only

ANS: A

84. At present, for the estimation of GDP in India at constant prices, which one of the following years is used as the base year?

- 2000-01
- 2010-11

- C. 2011-12
D. 2014-15

ANS: C

85. Match List I with List II

List I	List II
A. Carl Friedrich Gauss	I. Central Tendency
B. Multicollinearity	II. OLS
C. Mode	III. Karl Pearson
D. Correlation coefficient	IV. Relationship among explanatory variables

- A. A - II, B - IV, C - I, D - III,
B. A - II, B - IV, C - III, D - I,
C. A - III, B - IV, C - I, D - II,
D. A - IV, B - I, C - II, D - III

ANS: A

86. Arrange the following concepts of consumer behaviour in chronological order

- a) Law of diminishing marginal utility
b) Law of demand
c) Revealed Preference Analysis
d) Indifference Curve Analysis

Choose the correct answer from the options given below

- A. a, b, c, d
B. a, b, d, c
C. b, a, c, d
D. b, a, d, c

ANS: D

87. Arrange the following in chronological order in which they were introduced:

- a) SDGs
b) MPI
c) PQLI
d) HDI

Choose the correct answer from the options given below

- A. c, b, a, d,
B. c, d, b, a
C. d, c, a, b

D. d, c, b, a

ANS: B

88. What type of relationship the Phillips curve postulates between the rate of unemployment and the rate of increase of money wages?
- A. Direct and proportional
 - B. Direct
 - C. Inverse and proportional
 - D. Inverse

ANS: D

89. Human Development Index (HDI) currently, as published by the UNDP is calculated by using which of the following?
- A. Arithmetic Mean
 - B. Geometric Mean
 - C. Harmonic Mean
 - D. Quadratic Mean

ANS: B

90. The Net Barter terms of trade refer to:
- A. The excess of import expenditures over export earnings
 - B. The ratio between export prices and import prices
 - C. The terms and conditions on which a country is offered a loan in the event of balance of payments difficulties
 - D. Trade agreements

ANS: B

91. In which of the following ways have there been structural changes in agricultural and rural areas in India?
- a) Crop diversification within agriculture sector
 - b) Diversification from livestock to crop husbandry
 - c) Diversification from non-commercial crops to commercial crops
 - d) Diversification from traditional inputs to modern inputs

Choose the correct answer from the options given below:

- A. a, b and c only
- B. a, b and d only
- C. a, c and d only
- D. b, c and d only

ANS: C

92. Given $Y = X^3 - 12X^2 + 36X + 8$ identify which one of the following is correct

- A. Y is maximum at $X=6$ and minimum at $X=2$
- B. Y is minimum at $X=6$ and maximum at $X=2$
- C. Y has two inflexion points at $X=2$ and $X=6$
- D. Point of optimality is indeterminate

ANS: B

93. Which of the following functions will result in an investment multiplier of value 4?

- a) $C = 50 + .25 Y$
- b) $C = 50 + .75 Y$
- c) $S = -50 + .25 Y$
- d) $I = 50 + .75 Y$

Choose the correct answer from the options given below:

- A. a and c only,
- B. a and d only
- C. b and c only
- D. c and d only

ANS: C

94. Identify which one of the following statements is INCORRECT?

- A. If $X \cap Y = \emptyset$, then $X - Y \neq X$
- B. $X - Y = X \cap \bar{Y}$
- C. Complement of a Universal set is a null set
- D. Intersection of two disjoint sets is a null set

ANS: A

95. Which of the following measures would result in an increase in the money supply in the economy?

- a) Purchase of government securities from the public by Central Bank
- b) Deposit of currency in Commercial Banks by the public
- c) Borrowing by the government from the Central Bank
- d) Sale of government securities to the public by the Central Bank
- e) Minting of more money by the Central Bank for circulation

Choose the correct answer from the options given below:

- A. a, b and c only
- B. a, c and e only
- C. b, c and d only
- D. b, d and e only

ANS: B

96. Consider the following statements about the rational expectations model :

- a) Monetary policy cannot affect output and employment
- b) Unanticipated changes will not affect real variables in the very short run
- c) There is equilibrium in the markets
- d) Economic agents use all relevant available information to form their expectations

Choose the correct answer from the options given below:

- A. a, b and c only
- B. a, b, c and d
- C. a, c and d only
- D. b, c and d only

ANS: C

97. Which of the following statements are CORRECT in regard to FDI in India in FY 2020?

- a) Share of services sector is highest
- b) Share of infrastructure activities is highest
- c) Share of computer hardware and software is in the second position
- d) Share of telecommunications is highest

Choose the correct answer from the options given below:

- A. a and c only
- B. b and c only
- C. b only
- D. c and d only

ANS; A

98. Harrod-neutral technical progress is necessarily:

- A. Capital augmenting
- B. Growth augmenting
- C. Labour augmenting
- D. Resource augmenting

ANS: C

99. Which of the following statements are CORRECT for correlation analysis?

- a) Degree of linear association is measured between two variables
- b) Predictability is not part of correlation analysis
- c) Spearman has no contribution to correlation analysis
- d) Cause and effect relationship is established through correlation analysis

Choose the correct answer from the options given below:

- A. a and c only
- B. a and b only
- C. a and d only

D. b and c only

ANS: B

- 100.** In the short-run production function, which one of the following is CORRECT?
- A. Technology is assumed to be constant for a given production function relationship
 - B. Technology is assumed to change as capital stock changes
 - C. Technology is assumed to change as labour input changes
 - D. Technology is assumed to change positively until diminishing returns set in

ANS:A

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