Economics

51.   Opportunity costs are also Known as
    (a) Spill-over costs   (b) Money costs
    (c) Alternative costs   (d) External costs

52. Individual firm has no control on the price of the commodity in the   market is a condition of
    (a) Perfect competition   (b) Monopoly
    (c) Monopolistic competition   (d) Bilateral monopoly

53. A group of firms that gets together to make price and output decisions is called:
    (a) Cartel   (b) Price leadership
    (c) An oligopoly   (d) A concentrated industry

54.   Marginal Physical Product (MPP) multiplies by price gives
    (a) Marginal revenue   (b) Marginal output
    (c) Marginal revenue product   (d) Marginal income

55.   Difference between GNP and NNP equals to
    (a) Depreciation   (b) Subsidies
    (c) Indirect taxes   (d) Savings

56.   In classical theory which of the following is found in the economy:
    (a) Unemployment   (b) Involuntary unemployment
    (c) Less than full employment   (d) Full employment

57.   Equation of Exchange is associated with:
    (a) Pigou   (b) J.B.Say
    (c) Marshall   (d) Irving Fisher

58.   In classical theory the equality between saving and investment is brought about by:
    (a) Rate of interest   (b) Income
    (c) Consumption   (d) Multiplier

59.   When MPS = 0.2, MPC will be
    (a) 0.8   (b) 0.2   (c) 1.2   (d) 20

60. In the linear consumption function C = a + bY, coefficient 'a' denotes
    (a) MPC   (b) APC
    (c) Autonomous consumption   (d) Induced consumption

61. Keynesian three sector model consist of:
    (a) Business sector, service sector, external sector
    (b) Households, Business, Government
    (c) Government sector, Households, service sector
    (d) Government sector, private sector, open sector

62. If C = 20+0.90Y, then
    (a) Average Propensity to Consume is 20
    (b) Marginal Propensity to Consume is 20
    (c) Average Propensity to Save is 80
    (d) Autonomous Consumption is 20

63. Total utility will be a maximum when
    (a) Marginal utility equals total utility
    (b) Marginal utility is zero
    (c) Marginal utility equals average utility
    (d) Marginal utility is positive

64.   When total cost in a production is given by C = 4x + 500 then fixed
      cost is _____
      (a) 0   (b) 500   (c) 504   (d) 4

65. In the theory of Rostow's stages of economic growth the drive to
     maturity stage
    (a) Comes after the take-off stage
    (b) Follow the pre-condition to take-off stage
    (c) Completes the development process
    (d) Commences the development process

66. Income elasticity of demand for inferior goods is

    (a) Negative   (b) Positive   (c) Zero   (d) Unity

67. Education is an example of:
    (a) Public good   (b) Merit good
    (c) Club good   (d) Social good

68. The Law of Increasing State Activity was propounded by:
    (a) Musgrave   (b) Colin Clark
    (c) Adam Smith   (d) Adolph Wagner

69. In proportional tax system, the rates of tax remain:
    (a) Constant   (b) Increasing
    (c) Decreasing   (d) Zero

70. High powered money consists of

(a) Currency, reserves and other obligations of the Central Bank
(b) Currency and Demand deposit only
(c) All the liabilities of the Commercial Banks
(d) Demand and time deposit liabilities of the Banks

71. The Cash Reserve Ratio (CRR) is usually determined by
    (a) The free policy of market forces   (b) The commercial banks
    (c) The monetary authority   (d) All the three together

72. Disposable Income does not include:
    (a) Excise duty paid   (b) Income tax
    (c) Customs duty paid   (d) None of the above

73. An increase in money supply shifts
    (a) the LM curve to the right   (b) the IS curve to the left
    (c) the LM curve to the left   (d) the IS curve to the right

74. Milton Friedman restated the :
    (a) Labour Theory   (b) Profit Theory
    (c) Quantity Theory of Money   (d) Wage theory

75.   For controlling inflation the central bank should
       (a) Sell Govt. securities in open market
       (b) Lower the bank rate
       (c) Purchase the Govt. securities in open market
       (d) Lower the reserve ratio of the bank

76. Primary financial markets are also known as
    (a) New issue markets   (b) Market for Government Securities
    (c) Market for primary goods   (d) None of the above

77.   The price at which equity shares are traded in the stock market is
       their
       (a) Market value   (b) Book value
       (c) Stock value   (d) None of these

78.   The earlier name of WTO was
       (a) UNCTAD   (b) GATT
       (c) UNIDO   (d) OECD

79.   The assets known as gilt edged securities
       (a) Debenture   (b) Government securities
       (c) Bonds   (d) Gold

80. The terms of trade refer to

(a) The excess of import expenditures over export earnings
(b) Trade agreements
(c) The ratio between export prices and import prices
(d) Balance of Payment Account

81. The Finance Commission in India is appointed by:
(a) President   (b) Prime Minister
(c) Chief Minister   (d) Finance Minister

82. Who is the present Governor of RBI
(a) Hasmukh Adhia   (b) Raghuram Rajan
(c) Aravind Subramanian   (d) Shaktikanta Das

83. The characteristic features of Indian Agriculture are:

(1) Labour surplus economy
(2) Structural unemployment
(3) Large size of land holding
(4) Traditional technology of production
Select a correct answer from the codes given below:

(a) 1 and 2   (b) 2 and 3

(c) 1 and 4   (d) 3 and 4

84. What basic need does Pradhan Mantri Awaas Yojana is related to which of the following?

(a) Water   (b) Housing
(c) Sanitation   (d) Food

85. How many tiers are in the Panchayati Raj system of India?

(a) One tier   (b) Two tier
(c) Three tier   (d) Four tier

86. How many posts are reserved for women at all levels in Panchayati raj system.

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

87. Which one of the following economic principles helps a farmer to allocate his limited resources to two different enterprises?

(a) The law of variable proportions
(b) The law of comparative advantage
(c) The law of equimarginal returns
(d) The principles of fixed and variable costs

88. Expenditure on fertilizers is called:

(a) Fixed cost   (b) Variable cost
(c) Marginal cost   (d) Total cost

89. Which agency is responsible for procurement, distribution and storage of food grain production in India?
(a) Ministry of Agriculture   (b) Food Corporation of India

(c) NAFED   (d) TRIFED

90. Who approves the Fair and Remunerative Price (FRP) of sugarcane?

(a) Cabinet Committee on Economic Affairs
(b) Commission for Agricultural Costs and Prices
(c) Directorate of Marketing and Inspection, Ministry of Agriculture
(d) Agricultural Produce Market Committee

91. Which of the following enhances soil fertility ?

(a) Crop rotation   (b) Improved methods of agriculture
(c) Using new seed varieties   (d) Irrigation

92. The square of Standard Deviation is called
(a) Variance   (b) Co-efficient
(c) Mean   (d) None of these

93. Goodness of fit of a distribution is tested by
(a) t-test   (b) Chi-square test
(c) F-test   (d) None of the above

94. The given function $f(x) = ax^2 + bx + c$, is an example of _____ function:
(a) Quadratic   (b) Polynomial
(c) Linear   (d) Rational

95. The variable that stands alone on the left-hand side of the equation such as $y = 5x + 2$ is known as
(a) Dependent variable   (b) Independent variable
(c) Endogenous variable   (d) explained variable

96. A tentative proposition subject to test is
   (a) Variable   (b) Hypothesis
   (c) Data   (d) Concept

97. Failure to acknowledge the borrowed material is called
   (a) Acknowledgement   (b) Foot note
   (c) Index   (d) Plagiarism

98. Which among the following is not a descriptive statistics?
   (a) Mean   (b) Regression
   (c) Median   (d) Variance

99. Skewness refers to:
   (a) Symmetry   (b) Asymmetry
   (c) Flatness   (d) Peakedness

100. For the following correlation coefficients, which of the following
    indicates the strongest relation?
    (a) r = 0.5   (b) r = 0.09   (c) r = −0.6   (d) r = 0.2

Entrance Test for Admission to Ph.D. (FT/PT) – 2019-2020
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Economics – Key

Q.No	Answe	Q.No	Answe

	r			r
51	C		76	A
52	A		77	A
53	A		78	B
54	C		79	B
55	A		80	C
56	D		81	A
57	D		82	D
58	A		83	C
59	A		84	B
60	C		85	C
61	B		86	A
62	D		87	C
63	B		88	B
64	B		89	B
65	A		90	A
66	A		91	A
67	B		92	A
68	D		93	B
69	A		94	A
70	A		95	A
71	C		96	B
72	B		97	D
73	A		98	B
74	C		99	B
75	A		100	C