CUET PG Economics 2025 Exam
Final Exam Questions (With Answer Key)

1.	Which of the following is not correct about the steady-state equilibrium according to neoclassical growth theory	
A.	The growth rate of output is endogenously determined	B. The growth rate of output is equal to the population growth rate
C.	The growth rate of output is independent of the saving rate	D. Per-capita GDP and Per-capita capital are constant
Correct Answer: A. The growth rate of output is endogenously determined		

2.	Which of the following is excluded from headline inflation to arrive at core inflation	
A.	Energy Prices	B. Gold Prices
C.	Automobile Prices	D. Share Prices
Correct Answer: A. Energy Prices		

3.	An individual's utility function for two goods – milk (M) and butter (M) is given as U(M,B) = 5M – 10B and the cost of each of the two goods is Rs. 1 and the individual's weakly budget is Rs. 5. Find the individual's utility maximising choice	
A.	2.5 units of M and 2.5 units of B	B. 0 unit of M and 5 unit of B
C.	5 units of M and 5 units of B	D. 5 units of M and 0 units of B
Correct Answer: D. 5 units of M and 0 units of B		

4.	If the probability distribution for a random variable X is given as f(x) = (x+3) / 15 , where x =1,2,3. Find the sum of values of the probability distribution of x	
A.	0.75	B. 0.85
C.	0.95	D. 1
Correct Answer: D. 1		

5.	Arrange the following theories in chronological order starting from the oldest to the latest (A). Keynesian Theory of Demand for Money **(B).** Quantity Theory of Money (C) Cambridge Cash Balance Approach (D) Modern Quantity Theory of Money Choose the **correct** answer from the options give below	
A.	(B), (C), (D), (A)	B. (A), (C), (B), (D)
C.	(B), (C), (A), (D)	D. (C), (B), (D), (A)
Correct Answer: C. (B), (C), (A), (D)		

6.	What is the geometric mean of 2, 4 and 8	
A.	4.67	B. 3.43
C.	4	D. 4.5
Correct Answer: C. 4		

7.	The statement 'currency held in the hand yields no income' is given by	
A.	A.C.Pigou	B. A.Marshall
C.	I. Fisher	D. J.M.Keynes
Correct Answer: A. C.Pigou		

8.	In statistics, standard error measures the	
A.	Specification error of the model	B. Autocorrelation in the regression model
C.	Correlation between dependent and independent variable	D. Precision of an estimate
Correct Answer: D. Precision of an estimate		

9.	Which of the following are applicable to the individual's expenditure function (A). It is homogenous of degree zero in all prices (B). It represents the maximum expenditure to achieve a given level of utility (C). It is non-decreasing in prices (D). In is concave in prices Choose the **correct** answer from the options given below:	
A.	(A), (B), (C) and (D)	B. (A), (B) and (C) only
C.	(A) and (B) only	D. (C) and (D) only
Correct Answer: D. (C) and (D) only		

10.	Suppose that the random variable X takes on the values : -1, 0 and 2 with probability 1/8, 1/2 and 3/8. Find the expected value of X	
1.	6/8	2. 5/8
3.	7/8	4. 1
Correct Answer: 2. 5/8		

11.	Calculate the standard deviation for the following sample: 8, 7 and 9	
1.	$\sqrt{2}$	2. $\sqrt{2.15}$
3.	$\sqrt{1}$	4. $\sqrt{1.5}$
Correct Answer: Option 3		

12.	Which of the following is incorrect about the problem of externalities?	
1.	They may be reciprocal or unidirectional	2. They refer to an interdependence between two parties that operate outside the price mechanism
3.	They may be marginal or infra-marginal	4. The process of internalization of the negative externality requires that both parties must gain
Correct Answer: 4. The process of internalization of the negative externality requires that both parties must gain		

13.	Which of the following is NOT considered in the calculation of GDP?	
1.	Inventory Stock	2. Wages
3.	Brokerage / Commission on purchasing second-hand goods	4. Sale/Purchase of second-hand goods
Correct Answer: 4. Sale/Purchase of second-hand goods		

14.	If the marginal cost of a firm is given as the function of output C'Q) = $2e^{0.2Q}$ and if the fixed cost is 75, find the total cost function	
1.	$10\ e^{0.2Q} + 65$	2. $10\ e^{0.2Q}$
3.	$10\ e^{0.2Q} + 75$	4. $e^{0.2Q} + 75$
Correct Answer: 1. 10 e0.2Q + 65		

15.	Match List-I with List-II **List-I** / **List-II** **Type of Deficit** / **Level as a % of GDP for FY2021** (A). Revenue Deficit / (I). 1.2 (B). Fiscal Deficit / (II) 5.7 (C). Primary Deficit / (III). 9.2 (D). Current Account Deficit / (IV). 7.3 Choose the correct answer from the options given below	
1.	(A)-I, (B)-(II), (C)-(III), (D)-(IV)	2. (A)-IV, (B)-(III), (C)-(II), (D)-(I)
3.	(A)-I, (B)-(II), (C)-(IV), (D)-(III)	4. (A)-III, (B)-(IV), (C)-(I), (D)-(II)
Correct Answer: 2. (A)-IV, (B)-(III), (C)-(II), (D)-(I)		

16.	The Pareto Optimality criterion implies fulfilment of all the following conditions except	
1.	The marginal rate of transformation between any two goods is equal to the marginal rate of substitution between the same two goods	2. The economy is operating on its production possibility frontier
3.	Production techniques embody the most efficient technology	4. Income is distributed fairly among all individuals
Correct Answer: 4. Income is distributed fairly among all individuals		

17.	Which of the following does not hold at the equilibrium price and quantity in a perfectly competitive market	
1.	Total surplus gets maximised	2. Marginal benefit equals marginal cost
3.	Minimum willingness to pay equals minimum acceptable price	4. All competitive equilibria are Pareto Optimal
Correct Answer: 3. Minimum willingness to pay equals minimum acceptable price		

18.	Which of the following is not correct about the offer curves?	
1.	Offer curves were devised and introduced in international Economics by Marshall and Edgeworth	2. The offer curve of a nation shows the nation's willingness to import and export at various relative commodity prices
3.	The offer curve of a nation can be derived from a nation's production frontier	4. Offer curve of a nation bends towards the axis measuring the commodity of its comparative disadvantage
Correct Answer: 4. Offer curve of a nation bends towards the axis measuring the commodity of its comparative disadvantage		

19.	Which of the following is not correct about the effect of taxes of income and output	
1.	Income taxes lower the multiplier effect	2. Inclusion of taxes makes aggregate demand curve steeper and hence increases the multiplier
3.	Income taxes reduce the induced increase of consumption out of changes in income	4. Swings in investment demand have a smaller effect on output when automatic stabilisers such as proportional income tax are in place
Correct Answer: 2. Inclusion of taxes makes aggregate demand curve steeper and hence increases the multiplier		

20.	When A and B are symmetric matrices of the same order, which of the following is NOT correct ?	
1.	A+B is a symmetric matrix	2. AB + BA is a symmetric matrix
3.	$A + A^T$ and $B – B^T$ are symmetric matrices	4. AB – BA is a symmetric matrix
Correct Answer: 4. AB – BA is a symmetric matrix		

21.	Which of the following is not correct about the residential investment	
1.	It depends on the net real return obtained by owning housing	2. The combination of high nominal interest rates and high inflation strongly encourages housing investment
3.	The demand for housing is insensitive to the nominal interest rate	4. The cost of owning a house rises almost proportionately with real interest rate
Correct Answer: 3. The demand for housing is insensitive to the nominal interest rate		

22.	Arrange the following authors and their publications in chronological order starting from the oldest to the latest (A). P A Samuelson, "International Trade and Equalization of Factor Prices" (B). S B Liner, "An Essay on Trade and Transformation" (C). Eli Heckscher, "The effect of Foreign Trade on the Distribution of Income" (D). B Balassa, "Trade Creation and Trade Diversion in European Common Market" Choose the **correct** answer from the options give below:	
1.	(A), (D), (C), (B)	2. (C), (B), (A), (D)
3.	(C), (A), (B), (D)	4. (C), (D), (B), (A)
Correct Answer: 3. (C), (A), (B), (D)		

23.	In which of the following year India had a surplus in its current account?	
1.	2018-19	2. 2019-20
3.	2020-21	4. 2021-22
Correct Answer: 3. 2020-21		

24.	The direct tax-GDP ratio in India for the year 2022-23 is	
1.	5.23	2. 6.78
3.	5.97	4. 6.11
Correct Answer: 4. 6.11		

25.	The exports of goods of a country, G=G(t) has a growth rate of a/t, and its exports of services, S = S(t) has a growth rate of b/t. What is the growth rate of its total exports ?	
1.	a/t + b/t	2. a/G + b/S
3.	(a+b) / (G+S)	4. (Ga + Sb) / (tX)
Correct Answer: 4. (Ga + Sb) / (tX)		

26.	One of the conditions for national income or output to be in equilibrium is that the desired investment (I) must equal the realised investment (Ir). If I > Ir, the difference results in	
1.	Unintended inventory accumulation	2. Unintended inventory shortfall
3.	No change in inventory stock	4. Increasing tax rate
Correct Answer: 2. Unintended inventory shortfall		

27.	Arrange the following components of monetary aggregates in descending order as per liquidity (A). Currency Notes (B). Demand Deposits (C). Time Deposits (D). Money Market Mutual Fund Choose the **correct** answer from the options given below:	
1.	(A), (B), (C), (D)	2. (A), (B), (D), (C)
3.	(D), (A), (C), (B)	4. (D), (A), (B), (C)
Correct Answer: 2. (A), (B), (D), (C)		

28.	Assuming that the production function is homogenous of degree one and Euler's equation holds. If MP_L (marginal product of labour) is greater than AP_L (average product of labour), then	
1.	MP_L will be negative	2. MP_K will be zero
3.	MP_K will be negative	4. MP_L and MP_K will both be negative
Correct Answer: 3. MPK will be negative		

29.	In case of classical economics, an increase in the nominal money stock causes	
1.	An increase in output	2. Shift in the aggregate demand curve to the left
3.	No change in the price level	4. Shift in the aggregate demand curve to the right
Correct Answer: 4. Shift in the aggregate demand curve to the right		

30.	Arrange the following steps in the proper sequence concerning the solution of a linear programming problem (A). Graph each constraint as though it were binding, i.e., as if it held with strict equality (B). Find the feasible region, the area of the graph that simultaneously satisfies all constraints (C). Superimpose the contours of the objective function on the feasible region to determine the optimal corner of the region (D). Construct a graph, placing decision variable on each axis Choose the **correct** answer from options given below:	
1.	(A), (B), (C), (D)	2. (D), (A), (B), (C)
3.	(D), (B), (A), (C)	4. (C), (B), (D), (A)
Correct Answer: 2. (D), (A), (B), (C)		

31.	*Given two matrices* $A = \begin{bmatrix} 1 & 3 \\ 2 & 8 \\ 4 & 0 \end{bmatrix}$ *and* $B = \begin{bmatrix} 5 \\ 9 \end{bmatrix}$. *Find AB*

1.	$\begin{bmatrix} 32 \\ 82 \\ 20 \end{bmatrix}$	2. $\begin{bmatrix} 30 \\ 62 \\ 20 \end{bmatrix}$
3.	$\begin{bmatrix} 32 \\ 72 \\ 22 \end{bmatrix}$	4. $\begin{bmatrix} 20 \\ 82 \\ 32 \end{bmatrix}$

Correct Answer: Option 1

32.	In the context of the Keynesian concept of a multiplier, \$1 increase in government spending financed by \$1, increase in taxes will cause equilibrium income	
1.	unchanged	2. increased by \$1
3.	to change depending on the value of the marginal propensity to consume	4. decrease by \$1

Correct Answer: 2. increased by \$1

33.	Which of the following is not true about the Classical and Keynesian aggregate demand (AD) and aggregate supply schedules?	
1.	Classical AS schedule is vertical	2. Keynesian AS schedule slopes upward to the right
3.	Classical AD schedule depends only on the level of money supply	4. Keynesian AD schedule depends only on the existing capital stock

Correct Answer: 4. Keynesian AD schedule depends only on the existing capital stock

34.	According to the monetarist thought, the natural rate of unemployment and output is not determined by	
1.	Capital Stock	2. Size of labor force
3.	Level of technology	4. Aggregate demand

Correct Answer: 4. Aggregate demand

35.	Coefficient of determination measures (A). Correlation between the dependent and independent variable (B). The residual sum of squares as a proportion of total sum of squares (C). The explained sum of squares as a proportion of the total sum of squares (D). How well the sample regression fits the data Choose the **correct** answer from the options given below:	
1.	(A), (B) and (D) only	2. (A), (C) and (D) only
3.	(A) and (D) only	4. (C) and (D) only
Correct Answer: 4. (C) and (D) only		

36.	As per the Union Budget 2024-25, arrange the following sources of revenue in ascending order in terms of their contribution to the overall revenue of the central government for 2023-24. (A). GST and other related taxes (B). Income Taxes (C). Union Excise Duties (D). Corporation Tax Choose the **correct** answer from the options given below:	
1.	(A), (B), (C) and (D)	2. (D), (C), (B) and (A)
3.	(A), (C), (D) and (B)	4. (C), (D), (A) and (B)
Correct Answer: 4. (C), (D), (A) and (B)		

37.	Which of the following is not correct about the effectiveness of monetary and fiscal policies under perfect capital mobility	
1.	Under the fixed exchange rate, monetary policy is powerless to affect output	2. Under the fixed exchange rate, the central bank suns an independent monetary policy
3.	(Under the fixed exchange rate, fiscal policy is highly effective	4. Under the floating exchange rate, a monetary expansion leads to currency depreciation, increased exports and increased output
Correct Answer: 2. Under the fixed exchange rate, the central bank suns an independent monetary policy		

38.	Which of the following are correct in the context of monopolistic competition? (A). Monopolistic competitive firms may earn economic profits and incur losses in the short-run (B). The long-run equilibrium position of a monopolistically competitive producer is far more efficient than that of pure competition (C). The firms may strive to increase the demand for its product through product development and advertising (D). Consumers benefit from the wide variety of product choices that monopolistic competition provides Choose the **correct** answer from the options given below

1.	(A), (C) and (D) only	2. (A), (B) and (D) only
3.	(A), (B), (C) and (D)	4. (B), (C) and (D) only

Correct Answer: 1. (A), (C) and (D) only

39. Match **List-I** with **List-II**

List-I	**List-II**
Name of State	**Dependency Ratio for 2023-24**
(A). Andhra Pradesh	(I) 66.3
(B). Bihar	(II) 52.2
(C). Kerala	(III) 41.4
(D). Uttar Pradesh	(IV) 50.6

Choose the correct answer from the options given below:

1.	(A)-I, (B)-III, (C)-II, (D)-IV	2. (A)-IV, (B)-I, (C)-II, (D)-III
3.	(A)-III, (B)-I, (C)-IV, (D)-II	4. (A)-III, (B)-IV, (C)-I, (D)-II

Correct Answer: 3. (A)-III, (B)-I, (C)-IV, (D)-II

40.	Match **List-I** with **List-II**

List-I	List-II
Concept	**Their Meaning**
(A). Foreign Exchange Swaps	(I) is a forward contract for a standardised currency amounts and selected calendar dates traded on an organised market
(B). Forward Transaction	(II) refers to the avoidance of a foreign exchange risk of covering of an open position
(C). Foreign Exchange Futures	(III) refers to a spot sale of a currency combined with a forward repurchase of the same currency as part of a single transaction
(D). Hedging	(IV) refers to an agreement today to buy or sell a specified amount of a foreign currency at a specified future date at a rate agreed upon today

Choose the correct answer from the options given below:

1.	(A)-I, (B)-II, (C)-III, (D)-IV	2. (A)-I, (B)-III, (C)-II, (D)-IV
3.	(A)-I, (B)-II, (C)-IV, (D)-III	4. (A)-III, (B)-IV, (C)-I, (D)-II

Correct Answer: 4. (A)-III, (B)-IV, (C)-I, (D)-II

41.	With respect to the landholding pattern in India, “medium” farmer refers to those who have landholding in the range of	
1.	1 to 2 hectares	2. 2 to 4 hectares
3.	4 to 10 hectares	4. 10 to 15 hectares

Correct Answer: 3. 4 to 10 hectares

42.	Total foodgrain production (in million tonnes) in India for the year 2022-23 is	
1.	315.62	2. 329.69
3.	332.30	4. 310.74

Correct Answer: 2. 329.69

43.	According to the law of comparative advantage, trade will not be beneficial for both countries if (A). One nation is less efficient than other nation in the production of both commodities (B). One nation has an absolute advantage with respect to the other nation in the production of both commodities (C). The opportunity cost of producing both the commodities is the same in both countries (D). The absolute disadvantage that one nation has with respect to other nation is the same in both commodities Choose the **correct** answer from the options given below	
1.	(A) only	2. (A) and (B) only
3.	(C) and (D) only	4. (B) and (C) only
Correct Answer: 3. (C) and (D) only		

44.	If we twice flip a balanced coin, what is the probability of getting at least one head?	
1.	1/4	2. 2/4
3.	1/6	4. 3/4
Correct Answer: 4. 3/4		

45. Match **List-I** with **List-II**

List-I	**List-II**
Nature of Skewness for a Distribution	**Relationship between Arithmetic Mean (AM), Median and Mode**
(A). Positively Skewed	(I) AM = Median = Mode
(B). Moderately Skewed	(II) AM < Median < Mode
(C). Negatively Skewed	(III) AM – Mode = 3 (AM – Median)

	(D). Symmetric Distribution	(IV) AM > Median > Mode
	Choose the **correct** answer from the options given below:	
1.	(A)-(II), (B)-(I), (C)-(IV), (D)-(III)	2. (A)-(IV), (B)-(III), (C)-(II), (D)-(I)
3.	(A)-(I), (B)-(II), (C)-(III), (D)-(IV)	4. (A)-(III), (B)-(II), (C)-(IV), (D)-(I)
Correct Answer: 2. (A)-(IV), (B)-(III), (C)-(II), (D)-(I)		

46.	In Solow's growth model, the output per-capita is a function of	
1.	Capital labor ratio	2. Capital output ratio
3.	Labor output ratio	4. Technological progress
Correct Answer: 1. Capital labor ratio		

47.	Arrange the following financial institutions as per their year of establishment in chronological order, starting from the oldest to latest (A). National Bank for Agriculture and Rural Development (NABARD) (B). The Industrial Finance Corporation of India (IFCI) (C). The Industrial Reconstruction Bank of India (IRBI) (D). The Industrial Development Bank of India (IDBI) Choose the **correct** answer form the options given below:	
1.	(C), (B), (A), (D)	2. (A), (C), (B), (D)
3.	(C), (D), (A), (B)	4. (B), (D), (C), (A)
Correct Answer: 4. (B), (D), (C), (A)		

48.	Commercial banks in India are subject to a statutory liquidity requirement (SLR). Which of the following is NOT part of SLR?

1.	Required reserves	2. Treasury Bill
3.	Unencumbered government and other approved securities	4. Current Account Balance with other banks
Correct Answer: 1. Required reserves		

49.	In the Keynesian framework, determination of an equilibrium interest rate also implies (A). The rate that equates the supply of and demand for bonds (B). The rate that equates the supply of money with the demand for money (C). The rate that equates the supply of money and demand for investment (D). The rate that equates supply of labour and demand for labour Choose the **correct** answer from the options given below:

1.	(C) only	2. (C) and (D) only
3.	(A) and (B) only	4. (A), (B), (C) and (D)
Correct Answer: 3. (A) and (B) only		

50.	Arrange the following scholarly contributions in their chronological order starting from the oldest to the latest (A). Kaldor-Hicks Compensation Criterion (B). Bergson Social Welfare Function Criterion (C). Rawls Principle of Social Justice (D). Pareto Optimality Criterion Choose the **correct** answer from the options given below:

1.	(A), (B), (C), (D)	2. (B), (A), (C), (D)
3.	(B), (A), (D), (C)	4. (D), (B), (A), (C)
Correct Answer: 4. (D), (B), (A), (C)		

51.	In the correlation analysis, the two variables	
1.	Are treated with distinction	2. Are treated differently based on individual characteristics
3.	Are treated symmetrically	4. Are regressed
Correct Answer: 3. Are treated symmetrically		

52.	Which of the following is not the correct assumption of Heckscher-Ohlin theory of international trade	
1.	All resources are fully employed in both nations	2. Trade between the two countries is balanced
3.	Both commodities are produced under constant returns to scale in both countries	4. Demand preferences are not identical in both countries
Correct Answer: 4. Demand preferences are not identical in both countries		

53.	Life cycle theory of consumption postulates that (A). Consumption is constant throughout lifetime (B). Marginal propensity to consume out of permanent income is small (C). Marginal propensity to consume out of transitory income is large (D). It emphasizes how to maintain a stable standard of living over the course of life Choose the **correct** answer from the options given below:	
1.	(B) and (C) only	2. (A) and (D) only
3.	(B), (C) and (D) only	4. (A), (B), (C) and (D)
Correct Answer: 2. (A) and (D) only		

54.	Match **List-I** with **List-II**

List-I	List-II
Measures of Money Supply	**Relationship between Arithmetic Mean (AM), Median and Mode**
(A). M3	(I) Currency held by the public (C) + net demand deposits of banks (DD) + other deposits of RBI (OD)
(B). M2	(II) C + DD + OD + Net Time Deposits of Banks
(C). M1	(III) C + DD + OD + Saving deposits with post-office saving banks
(D). M4	(IV) C + DD + OD + Net time deposits of banks + total deposits with post-office savings organization (excluding National Saving Certificates)

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

1.	(A)-(II), (B)-(I), (C)-(IV), (D)-(III)	2. (A)-(II), (B)-(III), (C)-(I), (D)-(IV)
3.	(A)-(I), (B)-(II), (C)-(IV), (D)-(III)	4. (A)-(III), (B)-(IV), (C)-(I), (D)-(II)

Correct Answer: 2. (A)-(II), (B)-(III), (C)-(I), (D)-(IV)

55.	The decision by consumers to buy larger quantities of a good at each possible price can not be caused by	
1.	An increase in the number of buyers	2. A favourable change in the consumer tastes
3.	Consumer expectation that the prices will be higher in the future	4. Rising incomes if it is an inferior good

Correct Answer: 4. Rising incomes if it is an inferior good

56.	Which of the following statements are correct about the IS curve? A. It shows the combination of the interest rate and the level of income such that the money market is in equilibrium B. It is negatively sloped C. The smaller the multiplier and the more sensitive investment spending is to changes in the interest rate, the steeper is the IS curve

	D. An increase in government purchases shifts the IS curve to the right Choose the **correct** answer from the options given below:	
1.	(A), (B) and (D) only	2. (A), (B) and (C) only
3.	(C) and (D) only	4. (B) and (D) only
Correct Answer: 4. (B) and (D) only		

57.	Arrange the following chairman of the Finance Commission as per their year of appointment in chronological order (A). A M Khusro (B). N K Singh (C). Vijay Kelkar (D). N K P Salve Choose the **correct** answer from the options given below:	
1.	(A), (D), (C), (B)	2. (D), (A), (C), (B)
3.	(B), (A), (D), (C)	4. (C), (A), (D), (B)
Correct Answer: 2. (D), (A), (C), (B)		

58\. Match **List-I** with **List-II**

List-I	List-II
Type of Production Function	**Relationship between Arithmetic Mean (AM), Median and Mode**
(A). Translog Production Function	(I) $q = \prod_{i=1}^{n} x_i^{\alpha}$
(B). Generalised Leontief Production Function	(II) $q = [\sum \alpha_i x_i^{\rho}]^{\frac{\varepsilon}{\rho}}, \rho \leq 1$
(C). Cobb Douglas Production Function	(III) $q = \sum_{i=1}^{n} \sum_{j=1}^{n} \alpha_{ij} \sqrt{x_i x_j}$, where $\alpha_{ij} = \alpha_{ji}$
(D). Constant Elasticity of Substitution Production Function	(IV) $\ln q = a_0 + \sum_{i=1}^{n} \alpha_i \ln x_i + 0.5 \sum_{i=1}^{n} \sum_{j=1}^{n} \alpha_{ij} \ln x_i \ln x_j$ Where $\alpha_{ij} = \alpha_{ji}$

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

1.	(A)-(II), (B)-(I), (C)-(III), (D)-(IV)	2. (A)-(III), (B)-(II), (C)-(I), (D)-(IV)
3.	(A)-(IV), (B)-(III), (C)-(I), (D)-(II)	4. (A)-(III), (B)-(IV), (C)-(I), (D)-(II)
Correct Answer: 3. (A)-(IV), (B)-(III), (C)-(I), (D)-(II)		

59. Match **List-I** with **List-II**

List-I	**List-II**
Categories of Time Series Patterns	**Their Meaning**
(A). Seasonal Variation	(I) Movement in an economic variable that is periodic
(B). Random Fluctuation	(II) Steady Movement is an economic variable over time
(C). Business Cycle	(III) Movement in an economic variable that depends on the time of the year
(D). Trends	(IV) Movement in an economic variable that are due to unpredictable factors

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

1.	(A)-(III), (B)-(IV), (C)-(I), (D)-(II)	2. (A)-(III), (B)-(IV), (C)-(II), (D)-(I)
3.	(A)-(II), (B)-(I), (C)-(IV), (D)-(III)	4. (A)-(I), (B)-(II), (C)-(III), (D)-(IV)
Correct Answer: 1. (A)-(III), (B)-(IV), (C)-(I), (D)-(II)		

60. Arrange the following theories in chronological order, starting from the oldest to newest

(A) The Rybczynski Theorem (B) Product Cycle Model

(C) Technological Gap Model (D) Specific Factors Model

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

1.	(A), (C), (B), (D)	2. (A), (C), (D), (B)
3.	(A), (B), (D), (C)	4. (A), (D), (C), (B)

Correct Answer: 1. (A), (C), (B), (D)

61.	Let the total cost (TC) = C = f(X) for a firm in the short-run, which of the following expressions represent the correct relationship between marginal cost (MC) and average cost (AC)	
1.	$Slope\ of\ AC = \frac{\frac{1}{X}}{[AC - MC]}$	2. $Slope\ of\ AC = \frac{1}{X}[AC - MC]$
3.	MC = AC + {X} {Slope of AC}	4. X^2 {Slope of AC} = X^2 . MC – C
Correct Answer: 3. MC = AC + {X} {Slope of AC}		

62.	Which of the following is NOT a type of non-random sampling?	
1.	Convenience Sampling	2. Cluster Sampling
3.	Quota Sampling	4. Snowball Sampling
Correct Answer: 2. Cluster Sampling		

63.	Which of the following does not constitute liabilities of commercial banks in India?	
1.	Paid-up capital and reserves	2. Time and demand deposits
3.	Money at call and short notice	4. Borrowings
Correct Answer: 3. Money at call and short notice		

64.	Which of the following statements are correct about the contrast between pure public and pure private goods? (A). The total provision of pure private goods is the sum of private consumption, whereas the total provision pure public goods is equal between individuals (B). The consumer in general pays the same prices and consumes different quantities of the good when there is efficient provision of pure private goods (C). Atomistic markets ensure efficient provisioning for both pure private and pure public goods

	Choose the **correct** answer from the options given below	
1.	(A), (B) and (D) only	2. (A), (B), and (C) only
3.	(B), (C) and (D) only	4. (A), (B), (C) and (D)
Correct Answer: 2. (A), (B), and (C) only		

65.	Match **List-I** with **List-II**	
	List-I	**List-II**
	Books	**Authors**
	(A). The Economics of Imperfect Competition	(I) F.H Knight
	(B). Theory of Monopolistic Competition	(II) H. Von Stackelberg
	(C). Risk, Uncertainty and Profit	(III) Edward H Chamberlin
	(D). The Theory of Market Economy	(IV) Joan Robinson
	Choose the **correct** answer from the options given below:	
1.	(A)-(IV), (B)-(III), (C)-(II), (D)-(I)	2. (A)-(I), (B)-(II), (C)-(III), (D)-(IV)
3.	(A)-(I), (B)-(II), (C)-(IV), (D)-(III)	4. (A)-(IV), (B)-(III), (C)-(I), (D)-(II)
Correct Answer: 4. (A)-(IV), (B)-(III), (C)-(I), (D)-(II)		

66.	Which of the following statements are correct about the money multiplier A. It is the ratio of the stock of money to the stock of high powered money B. It is always smaller than one C. Its value depends on the reserve ratio and currency-deposit ratio D. It is inversely related to the reverse ratio Choose the **correct** answer from the options given below:	
1.	(A), (B) and (D) only	2. (A), (B) and (C) only

3.	(A), (C) and (D) only	4. (A), (B), (C) and (D)
Correct Answer: 3. (A), (C) and (D) only		

67.	Arrange the following sectors in descending order as per the union government capital expenditure amount for FY 2023-24 (A). Defence Services (B). Railways (C). Road Transport and Highways (D). Telecommunications Choose the **correct** answer from the options given below	
1.	(A), (D), (C), (B)	2. (C), (B), (A), (D)
3.	(B), (A), (D), (C)	4. (C), (B), (D), (A)
Correct Answer: 2. (C), (B), (A), (D)		

68.	Which of the following statements is not correct?	
1.	If f(x) is quasiconcave, then – f(x) is quasiconvex	2. If f(x) is a linear function, then it is quasiconcave as well as quasiconvex
3.	Any concave function is quasiconcave but the converse is not true	4. Any convex function is quasiconvex but the converse is not true
Correct Answer: 4. Any convex function is quasiconvex but the converse is not true		

69.	Expenditure towards the maintenance of embassies and diplomatic missions are included in which of the following account of the balance of payments	
1.	Current Account	2. Capital Account
3.	Official Reserves Account	4. Errors and Omissions Account
Correct Answer: 1. Current Account		

70.	Match **List-I** with **List-II**

List-I	List-II
Type of Interval for Variable X	**Mathematical Representation (Given a,b ∈ ℜ with b > a**
(A). Closed Interval	(I) [a,b)= {x ∈ **ℜ : a ≤ x ≤b** }
(B). Open Interval	(II) [a,b]= {x ∈ **ℜ : a ≤ x ≤ b** }
(C). Unbounded Interval	(III) [a,∞)= {x ∈ **ℜ : a ≤ x** }
(D). Half Open Interval	(IV) (a,b)= {x ∈ **ℜ : a < x < b** }

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

1.	(A)-(I), (B)-(IV), (C)-(III), (D)-(II)	2. (A)-(II), (B)-(IV), (C)-(III), (D)-(I)
3.	(A)-(II), (B)-(III), (C)-(IV), (D)-(I)	4. (A)-(III), (B)-(IV), (C)-(I), (D)-(II)

Correct Answer: 2. (A)-(II), (B)-(IV), (C)-(III), (D)-(I)

71.	If the demand function is given as P = 110 – Q^2, and market equilibrium is attained at P_0 = 29 and Q_0=9, calculate the consumer surplus	
1.	460	2. 456
3.	466	4. 486

Correct Answer: 4. 486

72.	Match **List-I** with **List-II**

List-I	List-II
Concepts	**Formula**
(A). Weighted Mean	(I) $\sqrt[n]{\prod_{i=1}^{n} x_i}$

	(B). Grand Mean of Combined Data	(II) $\frac{n}{\sum_{i=1}^{n} \frac{1}{a_i}}$
	(C). Harmonic Mean	(III) $\frac{\sum w.x}{\sum w}$
	(D). Geometric Mean	(IV) $\frac{\sum n\bar{x}}{\sum n}$

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

1.	(A)-(IV), (B)-(II), (C)-(III), (D)-(I)	2. (A)-(II), (B)-(I), (C)-(IV), (D)-(III)
3.	(A)-(I), (B)-(II), (C)-(IV), (D)-(III)	4. (A)-(III), (B)-(IV), (C)-(II), (D)-(I)

Correct Answer: 4. (A)-(III), (B)-(IV), (C)-(II), (D)-(I)

73.	Linear regression model is	
1.	Linear in explanatory variables but may not be linear in the parameters	2. Non-linear in parameters and must be linear in variables
3.	Linear in parameters and must be linear in variables	4. Linear in parameters and may be linear in variables

Correct Answer: 4. Linear in parameters and may be linear in variables

74.	The following are the reasons for firms to hold stock of inventories except	
1.	To meet the future demand for goods	2. It is more costly for a firm to order goods less frequently in large quantities than to order small quantities frequently
3.	To smoothen the production process	4. Some inventories are held as an unavoidable part of the production process

Correct Answer: 2. It is more costly for a firm to order goods less frequently in large quantities than to order small quantities frequently

75.	The Kinked demand curve model can explain (A). The level at which price will be set by firms to maximise profits (B). The level of price at which the kink will occur as well as the height of the kink (C). The price rigidity in the face of changing costs and of high rivalry (D). The implications for the volume of output owing to changing market demand Choose the **correct** answer from the options given below	
1.	A and (B) only	2. (C) and (D) only
3.	(A), (B) and (D) only	4. (B), (C) and (D) only
Correct Answer: 2. (C) and (D) only		

Previous Years Toppers	**https://testonomics.in/toppers-at-testonomics/**

Toppers' Testimonials	**https://testonomics.in/testimonials-what-our-students-say-about-testonomics/**

You may also benefit from:

CUET PG Econ Test Series	https://testonomics.in/courses/cuet-pg-economics-mock-test-series/

CUET PG Econ + IIT JAM Econ Video Course	https://testonomics.in/courses/cuet-pg-iit-jam-economics-coaching/

UGC NET-JRF Econ Test Series	https://testonomics.in/courses/ugc-net-jrf-economics-test-series/

RBI DEPR (RBI Economist) Phase-1 Test Series	https://testonomics.in/courses/rbi-depr-exam-test-series/

RBI DEPR (RBI Economist) Video Course	https://testonomics.in/courses/rbi-depr-exam-online-course/

Indian Economic Service Video Course	https://testonomics.in/courses/indian-economic-service-ies-online-course/

Statistics and Econometrics Detailed Course	https://testonomics.in/courses/statistics-and-econometrics/

Exams

RBI DEPR (RBI Economist)	https://testonomics.in/rbi-depr-exam/

Indian Economic Service	https://testonomics.in/indian-economic-service-exam/

MA Econ Entrance	https://testonomics.in/ma-economics/