

Combined Graduate Level Examination Tier II 2023 PAPER III

Roll Number	Join Telegram For Gk Gs
Candidate Name	Join Telegram For Gk Gs
Venue Name	iON Digital Zone iDZ Kanti
Exam Date	27/10/2023
Exam Time	2:00 PM - 4:00 PM
Subject	CGLE 2023 Tier II Paper III General Studies Finance and Economics

Section : Part-A-Finance and Accounts

Q.1 Income Statement of a charitable institution is known as:

- Ans
- ☐ 1. Receipts and Payments A/c
 - ☒ 2. Income and Expenditure A/c
 - ☐ 3. Statement of Affairs
 - ☐ 4. Profit and Loss A/c

Question ID : 264330183410

Option 1 ID : 264330719361

Option 2 ID : 264330719362

Option 3 ID : 264330719363

Option 4 ID : 264330719360

Status : Answered

Chosen Option : 3

Q.2 Which of the given options best describes the truthfulness of the following statements?

Statement-1: Under Self Balancing Ledger system each ledger is prepared under double entry system and a complete trial balance can also be prepared by taking up the balances of ledger accounts.

Statement-2: Under Self Balancing Ledger system three ledger accounts are prepared, viz, General Ledger Adjustment Account, which is maintained under Debtors Ledger and Creditors Ledger and Debtors or Sales Ledger Adjustment Account and Creditors or Purchase Ledger Adjustments Accounts, which are maintained under General Ledger.

- Ans
- ☐ 1. Only statement-2 is correct
 - ☐ 2. Only statement-1 is correct
 - ☒ 3. Both statement-1 and statement-2 are correct
 - ☐ 4. Both statement-1 and statement-2 are incorrect

Question ID : 264330183414

Option 1 ID : 264330719377

Option 2 ID : 264330719376

Option 3 ID : 264330719378

Option 4 ID : 264330719379

Status : Answered

Chosen Option : 3

Q.3 Which concept enables the accountant to carry forward the values of assets and liabilities from one accounting period to the other without asking the question about usefulness and worth of the assets and recoverability of the receivables?

- Ans**
- ☒ 1. Accounting Period Concept
 - ☒ 2. Going Concern Concept
 - ☒ 3. Business Entity Concept
 - ☒ 4. Money Measurement Concept

Question ID : 264330183380

Option 1 ID : 264330719242

Option 2 ID : 264330719240

Option 3 ID : 264330719243

Option 4 ID : 264330719241

Status : Answered

Chosen Option : 2

Q.4 Which of the following methods does NOT consider historical cost of inventory?

- Ans**
- ☒ 1. Weighted average
 - ☒ 2. Retail price method
 - ☒ 3. FIFO
 - ☒ 4. LIFO

Question ID : 264330183407

Option 1 ID : 264330719348

Option 2 ID : 264330719351

Option 3 ID : 264330719349

Option 4 ID : 264330719350

Status : Answered

Chosen Option : 2

Q.5 Which of the following methods of depreciation is prescribed by the Income Tax Act, 1961?

- Ans**
- ☒ 1. Double-declining balance method
 - ☒ 2. Sum-of-years-digits method
 - ☒ 3. Written-down value method
 - ☒ 4. Production hour method

Question ID : 264330183502

Option 1 ID : 264330719729

Option 2 ID : 264330719731

Option 3 ID : 264330719728

Option 4 ID : 264330719730

Status : Answered

Chosen Option : 3

Q.6 In relation to the single-entry system, which of the following statements is **INCORRECT**?

Ans ☒ 1.

The single-entry system of bookkeeping is easy to maintain and simple to understand.

☒ 2.

The single-entry system is a scientific and systematic system of recording and maintaining financial transactions.

☒ 3.

The single-entry system is considered as an incomplete bookkeeping system, as it does not record two aspects of financial transactions of a business.

☒ 4.

Since the single-entry system is not based on the principles of credit and debit, it fails to give the arithmetical accuracy of books of accounts.

Question ID : **264330183485**

Option 1 ID : **264330719660**

Option 2 ID : **264330719661**

Option 3 ID : **264330719662**

Option 4 ID : **264330719663**

Status : **Answered**

Chosen Option : **2**

Q.7 Which of the following statements is correct in relation to the bill of exchange?

Ans ☒ 1.

Endorser is the person in whose favour the bill is endorsed by the drawer.

☒ 2. Drawer is the buyer or debtor.

☒ 3. Payee is the person to whom the amount of bill is payable.

☒ 4. Drawee is the seller or creditor.

Question ID : **264330183512**

Option 1 ID : **264330719771**

Option 2 ID : **264330719768**

Option 3 ID : **264330719770**

Option 4 ID : **264330719769**

Status : **Answered**

Chosen Option : **3**

Q.8 When Bank Reconciliation Statement is started with favourable balance as per cash book, which of the following will be added?

Ans ☒ 1. Direct payment by customer in Pass Book only.

☒ 2.

Amount withdrawn from Bank not recorded in the Cash Book.

☒ 3. Cheques deposited in Bank, but not cleared.

☒ 4. Under-casting of credit side of the Pass Book.

Question ID : **264330183388**

Option 1 ID : **264330719275**

Option 2 ID : **264330719274**

Option 3 ID : **264330719272**

Option 4 ID : **264330719273**

Status : **Answered**

Chosen Option : **1**


Q.9 In relation to the ledger, which of the following statements is INCORRECT?

Ans  1.

A ledger is the collection of all the accounts— whether debited or credited — in the journal proper, excluding various special journals.

 2.

The net result of all the transactions in respect of a particular account on a given date can be ascertained only from the ledger.

 3. A ledger is the principal book of accounting system.

 4.

A ledger contains different accounts, wherein transactions relating to that account are recorded.

Question ID : 264330183490

Option 1 ID : 264330719682

Option 2 ID : 264330719683


Option 3 ID : 264330719680


Option 4 ID : 264330719681


Status : Answered


Chosen Option : 4

Q.10 _____ convention underlines the prudence of under-stating than over-stating the net income of an entity for a period and the net assets as on a particular date.

Ans  1. Historical cost

 2. Materiality

 3. Consistency

 4. Conservatism

Question ID : 264330183382

Option 1 ID : 264330719251

Option 2 ID : 264330719248


Option 3 ID : 264330719250


Option 4 ID : 264330719249


Status : Answered


Chosen Option : 4

Q.11 _____ method is especially suited to mines, oil wells, quarries, sandpits and similar assets of a wasting character.

Ans  1. Dilapidation

 2. Depletion

 3. Depreciation

 4. Amortisation

Question ID : 264330183403

Option 1 ID : 264330719334

Option 2 ID : 264330719333

Option 3 ID : 264330719332

Option 4 ID : 264330719335

Status : Answered

Chosen Option : 4

Q.12 The salary paid to Mr. Virat, a clerk, for the month of August 2023, debited to the furniture account instead of the salary account will be regarded as a/an _____.

- Ans**
- ☐ 1. error of commission
 - ☐ 2. error of omission
 - ☐ 3. compensating error
 - ☒ 4. error of principle

Question ID : 264330183493

Option 1 ID : 264330719693

Option 2 ID : 264330719695

Option 3 ID : 264330719692

Option 4 ID : 264330719694

Status : Answered

Chosen Option : 4

Q.13 In relation to limitations of financial accounting, which of the following statements is INCORRECT?

- Ans**
- ☒ 1. Financial accounting discloses the present value of the business.
 - ☐ 2. Financial accounting permits alternative treatments.
 - ☐ 3. Financial accounting ignores important non-monetary information.
 - ☐ 4. Financial accounting is influenced by personal judgements.

Question ID : 264330183478

Option 1 ID : 264330719635

Option 2 ID : 264330719632

Option 3 ID : 264330719634

Option 4 ID : 264330719633

Status : Answered

Chosen Option : 4

Q.14 Sunil owed Rohit ₹80,000. Rohit draws a bill on Sunil for that amount for 3 months on 1 April 2015. Sunil accepts it and returns it to Rohit. On 15 April 2015, Rohit discounts it with HFDC Bank at a discount of 12% p.a. What is the amount of discount?

- Ans**
- ☒ 1. ₹2,000
 - ☐ 2. ₹6,000
 - ☐ 3. ₹400
 - ☐ 4. ₹9,600

Question ID : 264330183413

Option 1 ID : 264330719373

Option 2 ID : 264330719374

Option 3 ID : 264330719372

Option 4 ID : 264330719375

Status : Answered

Chosen Option : 4

Q.15 _____ is defined as a statement or a list of all ledger account balances taken from various ledger books on a particular date to check the arithmetical accuracy.

- Ans**
- ☒ 1. Pass book
 - ☒ 2. Trial balance
 - ☒ 3. Compound posting
 - ☒ 4. General journal

Question ID : 264330183391
Option 1 ID : 264330719287
Option 2 ID : 264330719285
Option 3 ID : 264330719284
Option 4 ID : 264330719286
Status : Answered
Chosen Option : 2

Q.16 Which of the following is regarded as an accounting convention and NOT as an accounting concept?

- Ans**
- ☒ 1. Accounting period
 - ☒ 2. Going concern
 - ☒ 3. Money measurement
 - ☒ 4. Conservatism

Question ID : 264330183479
Option 1 ID : 264330719639
Option 2 ID : 264330719638
Option 3 ID : 264330719636
Option 4 ID : 264330719637
Status : Answered
Chosen Option : 1

Q.17 Which of the following items is recorded in profit and loss appropriation account?

- Ans**
- ☒ 1. Transfer to general reserve
 - ☒ 2. Bad debts
 - ☒ 3. Printing and stationery
 - ☒ 4. Accrued interest

Question ID : 264330183398
Option 1 ID : 264330719313
Option 2 ID : 264330719312
Option 3 ID : 264330719315
Option 4 ID : 264330719314
Status : Answered
Chosen Option : 1

Q.18 The main object of Manufacturing Account is to show:

- Ans
- ☐ 1. net profit
 - ☐ 2. gross profit
 - ☐ 3. cost of goods sold
 - ☒ 4. cost of finished goods produced

Question ID : 264330183395

Option 1 ID : 264330719303

Option 2 ID : 264330719302

Option 3 ID : 264330719300

Option 4 ID : 264330719301

Status : Answered

Chosen Option : 4

Q.19 Accounting is rightly referred to as the '_____ of business'.

- Ans
- ☒ 1. language
 - ☐ 2. perception
 - ☐ 3. mission
 - ☐ 4. vision

Question ID : 264330183476

Option 1 ID : 264330719625

Option 2 ID : 264330719624

Option 3 ID : 264330719627

Option 4 ID : 264330719626

Status : Answered

Chosen Option : 4

Q.20 Which of the following statements is INCORRECT?

- Ans
- ☒ 1. Those assets which cannot be seen or touched and have no volume but have value are called tangible assets.
 - ☐ 2. A balance sheet shows the nature and the value of assets and the nature and the amount of liabilities at a given date.
 - ☐ 3. A balance sheet is a summary of balances of those ledger accounts which have not been closed by transfer to the trading account and the profit and loss account.
 - ☐ 4. A balance sheet is prepared at a particular point of time and not for a particular period.

Question ID : 264330183499

Option 1 ID : 264330719719

Option 2 ID : 264330719718

Option 3 ID : 264330719717





Option 4 ID : 264330719716

Status : Answered

Chosen Option : 1





Q.21 "Each transaction is analysed into the debit aspect and the credit aspect. This helps to find out how each transaction will financially affect the business".

The given statement is regarded as which function of journal?

- Ans**  **1. Analytical function**
-  **2. Recording function**
-  **3. Historical function**
-  **4. Secondary function**

Question ID : **264330183389**
Option 1 ID : **264330719277**
Option 2 ID : **264330719278**
Option 3 ID : **264330719276**
Option 4 ID : **264330719279**
Status : **Answered**
Chosen Option : **1**

Q.22 Which of the following is NOT regarded as a revenue expenditure?

- Ans**  **1.**
Expenses incurred in connection with obtaining a licensee for starting a factory.
-  **2.**
Expenses incurred to change rings and pistons of an engine to get full efficiency.
-  **3. Expenses incurred for removal of stock to a new site.**
-  **4.**
Expenses incurred as lawyer's fee to defend a suit claiming that the firm's factory site belonged to the Plaintiff. The suit was not successful.

Question ID : **264330183401**
Option 1 ID : **264330719324**
Option 2 ID : **264330719326**
Option 3 ID : **264330719325**
Option 4 ID : **264330719327**
Status : **Answered**
Chosen Option : **3**

Q.23 _____ convention proposes that while accounting for various transactions, only those which may have significant effect on profitability or financial status of the business should have special consideration for reporting.

- Ans**  **1. Historical cost**
-  **2. Consistency**
-  **3. Conservatism**
-  **4. Materiality**

Question ID : **264330183381**
Option 1 ID : **264330719247**
Option 2 ID : **264330719246**
Option 3 ID : **264330719245**
Option 4 ID : **264330719244**
Status : **Answered**
Chosen Option : **4**

Q.24 Which of the following statements is correct?

Ans ☒ 1. The income and expenditure account is a real account.

☒ 2. Payment of honorarium is treated as a capital expenditure.

☒ 3.

The receipts and payments account is a summary of all the capital receipts and payments.

☒ 4.

Income and expenditure relating to special funds should not be dealt with in the income and expenditure account.

Question ID : 264330183508

Option 1 ID : 264330719752

Option 2 ID : 264330719754

Option 3 ID : 264330719753

Option 4 ID : 264330719755

Status : Answered

Chosen Option : 1

Q.25 Which of the following statements is correct?

Ans ☒ 1.

Book-debts are recorded in the credit column of the trial balance.

☒ 2.

The balance of the liabilities account is shown in the credit column of the trial balance.

☒ 3.

Cash in hand is recorded in the credit column of the trial balance.

☒ 4.

The trial balance contains balances of only personal and real accounts.

Question ID : 264330183491

Option 1 ID : 264330719686

Option 2 ID : 264330719685

Option 3 ID : 264330719687

Option 4 ID : 264330719684

Status : Answered

Chosen Option : 3

Q.26 In India, the _____, governs the provisions for bills of exchange.

Ans ☒ 1. Companies Act, 2013

☒ 2. Negotiable Instruments Act, 1881

☒ 3. Income Tax Act, 1961

☒ 4. Partnership Act, 1932

Question ID : 264330183411

Option 1 ID : 264330719367

Option 2 ID : 264330719364

Option 3 ID : 264330719366

Option 4 ID : 264330719365

Status : Answered

Chosen Option : 2

Q.27 _____ is often referred to as book of prime entry or the book of original entry.

- Ans**
- ☐ 1. Capital book
 - ☐ 2. Book-keeping
 - ☒ 3. Journal
 - ☐ 4. Ledger

Question ID : 264330183386
Option 1 ID : 264330719267
Option 2 ID : 264330719266
Option 3 ID : 264330719264
Option 4 ID : 264330719265
Status : Answered
Chosen Option : 3

Q.28 The main focus of _____ is on recording and classifying monetary transactions in the books of accounts and preparation of financial statements at the end of every accounting period.

- Ans**
- ☒ 1. financial accounting
 - ☐ 2. cost accounting
 - ☐ 3. forensic accounting
 - ☐ 4. environmental accounting

Question ID : 264330183377
Option 1 ID : 264330719228
Option 2 ID : 264330719230
Option 3 ID : 264330719229
Option 4 ID : 264330719231
Status : Answered
Chosen Option : 1

Q.29 Which of the given options best describes the truthfulness of the following statements?





Statement-1: Generally Accepted Accounting Principles (GAAP) is to be followed by companies so that investors have an optimum level of consistency in the financial statements they use when analysing companies for investment purposes.

Statement-2: Generally Accepted Accounting Principles (GAAP) cover aspects like revenue recognition, balance sheet item classification and outstanding share measurements.

- Ans**
- ☐ 1. Both statement-1 and statement-2 are incorrect
 - ☒ 2. Both statement-1 and statement-2 are correct
 - ☐ 3. Only statement-1 is correct
 - ☐ 4. Only statement-2 is correct

Question ID : 264330183383
Option 1 ID : 264330719255
Option 2 ID : 264330719254
Option 3 ID : 264330719252
Option 4 ID : 264330719253
Status : Answered
Chosen Option : 2

Q.30 When starting balance is debit, i.e., favourable balance as per cash book, identify which of the following transactions will be added?

- Ans**  1. Wrong credit granted by the bank
-  2. Direct payment by the bank as per standing instruction
-  3. Cheque recorded but not deposited
-  4. Bill of exchange dishonoured

Question ID : 264330183387

Option 1 ID : 264330719269

Option 2 ID : 264330719270





Option 3 ID : 264330719271

Option 4 ID : 264330719268

Status : Answered

Chosen Option : 2

Q.31 Which of the following statements is INCORRECT?

- Ans**  1.
In the reducing balance method, the amount charged to depreciation declines.
-  2. Depreciation means decrease in the value of an asset.
-  3.
The amount of depreciation charged on a machinery item is debited to the depreciation account.
-  4. Depreciation is a cash item.

Question ID : 264330183504

Option 1 ID : 264330719737

Option 2 ID : 264330719736

Option 3 ID : 264330719738

Option 4 ID : 264330719739





Status : Answered

Chosen Option : 4

Q.32 Which of the following statements is/are correct?

Statement-1: In periods of rising prices, the cost of production is lower in case of the FIFO method.

Statement-2: In periods of falling prices, the ending inventory is valued in the FIFO method at a price lower than that in case of the LIFO method.

- Ans**  1. Both Statement-1 and Statement-2 are incorrect.
-  2. Only Statement-2 is correct.
-  3. Only Statement-1 is correct.
-  4. Both Statement-1 and Statement-2 are correct.

Question ID : 264330183506

Option 1 ID : 264330719747

Option 2 ID : 264330719745

Option 3 ID : 264330719744

Option 4 ID : 264330719746

Status : Answered

Chosen Option : 4

Q.33 The freight and insurance paid for acquiring goods or for making them saleable is _____.

- Ans**
- ☐ 1. debited to the profit and loss account
 - ☐ 2. credited to the profit and loss account
 - ☒ 3. debited to the trading account
 - ☐ 4. credited to the trading account

Question ID : 264330183496

Option 1 ID : 264330719707

Option 2 ID : 264330719706

Option 3 ID : 264330719705

Option 4 ID : 264330719704

Status : **Answered**

Chosen Option : 1

Q.34 Which of the following items is NOT recorded in profit and loss account?

- Ans**
- ☐ 1. Administrative expenses
 - ☐ 2. Depreciation of office assets
 - ☐ 3. Profit on sale of assets
 - ☒ 4. Return outward

Question ID : 264330183397

Option 1 ID : 264330719310

Option 2 ID : 264330719309

Option 3 ID : 264330719311

Option 4 ID : 264330719308

Status : **Answered**

Chosen Option : 2

Q.35 Which of the following statements is INCORRECT in relation to Self-Balancing Ledger system?

- Ans**
- ☐ 1. Various works can be done quickly as this system provides sub-division of work among the different employees.
 - ☐ 2. Committing fraud is minimised as different ledgers are prepared by different clerks.
 - ☒ 3. This system is particularly useful where there are a limited/smaller number of customers or suppliers.
 - ☐ 4. If ledgers are maintained under self-balancing system, it becomes very easy to locate errors.

Question ID : 264330183415

Option 1 ID : 264330719381

Option 2 ID : 264330719383

Option 3 ID : 264330719382


Option 4 ID : 264330719380


Status : **Answered**


Chosen Option : 3


Q.36 Which of the following are regarded as features of the single-entry system, generally maintained by small shopkeepers?

- (i) Maintenance of transactions related to personal accounts on the double entry basis and maintenance of transactions related to real and nominal accounts on the single entry basis.
- (ii) Maintenance of a cash book with mixed transactions. Normally, both personal and business transactions are mixed in a cash book.
- (iii) Form and accounting accuracy of the single-entry system differ from firm to firm.

Ans  1. All of (i), (ii) and (iii)

 2. Only (i) and (iii)

 3. Only (i) and (ii)

 4. Only (ii) and (iii)

Question ID : 264330183484

Option 1 ID : 264330719659

Option 2 ID : 264330719657

Option 3 ID : 264330719656

Option 4 ID : 264330719658

Status : **Answered**

Chosen Option : 1

Q.37 Which of the following is NOT regarded as a capital expenditure?

Ans  1.


The building of an extension of the club dressing room for ₹75,000.

 2.

The installation of a new coffee-making machine for ₹20,000.

 3.

The purchase of VCR and TV for the use in the club lounge for ₹55,000.

 4. The purchase of snacks and food stuff for ₹52,000.

Question ID : 264330183400

Option 1 ID : 264330719321

Option 2 ID : 264330719320

Option 3 ID : 264330719323

Option 4 ID : 264330719322


Status : **Answered**

Chosen Option : 4

Q.38 Which of the following statements is INCORRECT in relation to Non-Profit Organisations Accounts?

Ans  1.

All cash payments both capital and revenue during the period are credited to Receipt and Payment Account.

 2. Receipt and Payment Account is similar to cash book.

 3.

Receipt and Payment Account follows Nominal Account rules.

 4.

No provisions are recorded in Receipt and Payment Account.

Question ID : 264330183408

Option 1 ID : 264330719354

Option 2 ID : 264330719352

Option 3 ID : 264330719353

Option 4 ID : 264330719355

Status : **Answered**

Chosen Option : 4

Q.39

Classify the following errors.

- (i) Credit sale of ₹1,500 to Piyush was correctly recorded in sales book but not posted to Piyush's Account.
- (ii) Purchases book was undercast by ₹100.

Ans

- ☒ 1. (i) Errors of principle (ii) Errors of commission
- ☒ 2. (i) Errors of omission (ii) Errors of commission
- ☒ 3. (i) Errors of omission (ii) Errors of principle
- ☒ 4. (i) Errors of commission (ii) Errors of omission

Question ID : 264330183494

Option 1 ID : 264330719699

Option 2 ID : 264330719696

Option 3 ID : 264330719697

Option 4 ID : 264330719698

Status : Answered

Chosen Option : 2

Q.40

Valuing inventory at cost or net realisable value is based on which principle?

Ans

- ☒ 1. Going concern
- ☒ 2. Historical cost
- ☒ 3. Conservatism
- ☒ 4. Consistency

Question ID : 264330183406

Option 1 ID : 264330719346

Option 2 ID : 264330719347

Option 3 ID : 264330719345

Option 4 ID : 264330719344

Status : Answered

Chosen Option : 2

Section : Part-B-Economics and Governance

Q.1

In relation to Production Possibilities Curve (PPC), which of the following statements is INCORRECT?

Ans

☒ 1.

Any point that lies below the PPC curve is a possible combination. But if the economy is working below the PPC curve that indicates the unused resources 'or' unemployment.

☒ 2.

If the PPC curve is not a straight line, the opportunity cost is constant.

☒ 3. The PPC is also called production possibility boundary.

☒ 4. Shift of the PPC curve is nothing but economic growth.

Question ID : 264330183425

Option 1 ID : 264330719423

Option 2 ID : 264330719421

Option 3 ID : 264330719420

Option 4 ID : 264330719422

Status : Answered

Chosen Option : 2

Q.2 Under monopoly market, if the seller charges different prices from different customers on the basis of paying capacity of the consumer, it is said to be price discrimination of the _____.

- Ans**
- ☒ 1. first degree
 - ☐ 2. fourth degree
 - ☐ 3. third degree
 - ☐ 4. second degree

Question ID : 264330183445

Option 1 ID : 264330719500

Option 2 ID : 264330719503

Option 3 ID : 264330719502

Option 4 ID : 264330719501

Status : Answered

Chosen Option : 3

Q.3 Which of the following is NOT regarded as determinants of demand?

- Ans**
- ☐ 1. Tastes and preferences of the consumer
 - ☐ 2. Prices of the substitute goods
 - ☐ 3. Prices of the complementary goods
 - ☒ 4. Investments of the consumer

Question ID : 264330183427

Option 1 ID : 264330719430

Option 2 ID : 264330719428

Option 3 ID : 264330719429

Option 4 ID : 264330719431

Status : Answered

Chosen Option : 4

Q.4 In the _____, the producer can determine the price of the commodity and hence, the producer is said to be the price maker in the market. Maximisation of profits is the sole objective.

- Ans**
- ☐ 1. oligopoly market
 - ☐ 2. perfect competition market
 - ☐ 3. duopoly market
 - ☒ 4. monopoly market

Question ID : 264330183543

Option 1 ID : 264330719894

Option 2 ID : 264330719892

Option 3 ID : 264330719893

Option 4 ID : 264330719895

Status : Answered

Chosen Option : 4

Q.5 In the case of necessary goods, the law of demand cannot be operated. This was observed by the British economist:

- Ans** ☒ 1. Sir Robert Giffen
☒ 2. John Maynard Keynes
☒ 3. Irving Fisher
☒ 4. Milton Friedman

Question ID : 264330183428

Option 1 ID : 264330719432

Option 2 ID : 264330719433

Option 3 ID : 264330719435

Option 4 ID : 264330719434

Status : Answered

Chosen Option : 2

Q.6 Which of the following is correct?

- Ans** ☒ 1.
Balance of Payment = Balance of Current Account + Balance of Capital Account + Balance of Financial Account
☒ 2.
Balance of Payment = Balance of Current Account – Balance of Capital Account – Balance of Financial Account
☒ 3.
Balance of Payment = Balance of Current Account + Balance of Capital Account – Balance of Financial Account
☒ 4.
Balance of Payment = Balance of Current Account – Balance of Capital Account + Balance of Financial Account

Question ID : 264330183472

Option 1 ID : 264330719609

Option 2 ID : 264330719611

Option 3 ID : 264330719608

Option 4 ID : 264330719610

Status : Answered

Chosen Option : 1

Q.7 The money value of all the final goods and services produced in an economy during a year, estimated at current prices is regarded as _____.

- Ans** ☒ 1. Nominal National Income
☒ 2. Closed National Income
☒ 3. Real National Income
☒ 4. Open National Income

Question ID : 264330183452

Option 1 ID : 264330719528

Option 2 ID : 264330719531

Option 3 ID : 264330719529

Option 4 ID : 264330719530

Status : Answered

Chosen Option : 3

Q.8 While usage of the information technology (IT) in banking contributes to efficiency, it brings along with it certain issues, such as:

- (i) Issues of technology selection with strategic, financial and compliance considerations
- (ii) Issues related to process management to ensure cost-effective and timely service delivery
- (iii) Issues related to security of customer and business data at access

- Ans**
- ☐ 1. Only (ii) and (iii)
 - ☐ 2. Only (i) and (iii)
 - ☒ 3. All of (i), (ii) and (iii)
 - ☐ 4. Only (i) and (ii)

Question ID : 264330183575
Option 1 ID : 264330720021
Option 2 ID : 264330720022
Option 3 ID : 264330720023
Option 4 ID : 264330720020
Status : Answered
Chosen Option : 3

Q.9 Which of the given options best describes the truthfulness of the following statements?

Statement-1: It is the duty of the Commission to make recommendations to the President as to the distribution between the Union and the States of the net proceeds of taxes which are to be, or may be, divided between them and the allocation between the States of the respective shares of such proceeds.

Statement-2: It is the duty of the Commission to make recommendations to the President as to the principles which should govern the grants-in-aid of the revenues of the States out of the Consolidated Fund of India.

- Ans**
- ☐ 1. Both statement-1 and statement-2 are incorrect
 - ☐ 2. Only statement-2 is correct
 - ☐ 3. Only statement-1 is correct
 - ☒ 4. Both statement-1 and statement-2 are correct

Question ID : 264330183419
Option 1 ID : 264330719399
Option 2 ID : 264330719397
Option 3 ID : 264330719396
Option 4 ID : 264330719398
Status : Answered
Chosen Option : 4

Q.10 The Comptroller and Auditor-General of India is assisted by the IA&AD to discharge his/her constitutional role. What does 'IA&AD' stand for?

- Ans**
- ☐ 1. Indian Audit and Auditor Department
 - ☐ 2. Indian Audit and Accounts Distribution
 - ☒ 3. Indian Audit and Accounts Department
 - ☐ 4. Internal Audit and Accounts Department

Question ID : 264330183516
Option 1 ID : 264330719786
Option 2 ID : 264330719787
Option 3 ID : 264330719785
Option 4 ID : 264330719784
Status : Answered
Chosen Option : 3

Q.11 _____ shows the relationship between inputs and outputs in the long period.

- Ans
- ☒ 1. Law of return to scale
 - ☐ 2. Law of increasing utility
 - ☐ 3. Law of quality relationship
 - ☐ 4. Law of diminishing utility

Question ID : 264330183441
Option 1 ID : 264330719486
Option 2 ID : 264330719484
Option 3 ID : 264330719487
Option 4 ID : 264330719485
Status : Answered
Chosen Option : 1

Q.12 Water supply, sanitation, health, and housing are examples of _____.

- Ans
- ☐ 1. economic infrastructure
 - ☐ 2. collateral infrastructure
 - ☐ 3. collusive infrastructure
 - ☒ 4. social infrastructure

Question ID : 264330183459
Option 1 ID : 264330719557
Option 2 ID : 264330719558
Option 3 ID : 264330719559
Option 4 ID : 264330719556
Status : Answered
Chosen Option : 4

Q.13 The primary function of _____ is to end the remote area debt culture and close the credit gap that existed between geographical regions.

- Ans
- ☐ 1. foreign banks
 - ☐ 2. private sector banks
 - ☒ 3. regional rural banks
 - ☐ 4. urban cooperative banks

Question ID : 264330183469
Option 1 ID : 264330719596
Option 2 ID : 264330719599
Option 3 ID : 264330719598
Option 4 ID : 264330719597
Status : Answered
Chosen Option : 3

Q.14 In relation to the scope of economics, which of the following statements is regarded as a traditional approach and NOT modern approach?

Ans ☒ 1. Economics is a social science.

☐ 2.

The scope of economics lies in analysing economic problems and suggesting policy measures.

☐ 3.

Welfare economics and growth economics are more normative than positive.

☐ 4.

Social problems can thus be explained by abstract theoretical tools or by empirical methods.

Question ID : 264330183421

Option 1 ID : 264330719404

Option 2 ID : 264330719405

Option 3 ID : 264330719407

Option 4 ID : 264330719406

Status : Answered

Chosen Option : 1

Q.15 If the proportionate change in the demand is equal to the proportionate change in the price, the demand is said to be:

Ans ☐ 1. relatively elastic demand

☐ 2. relatively inelastic demand

☐ 3. perfectly inelastic demand

☒ 4. unitary elastic demand

Question ID : 264330183530

Option 1 ID : 264330719842

Option 2 ID : 264330719841

Option 3 ID : 264330719843

Option 4 ID : 264330719840

Status : Answered

Chosen Option : 4

Q.16 In relation to the Fiscal Responsibility and Budget Management Act, 2003, '_____' means the gross domestic product reckoned at constant prices, as published by the Central Statistics Office from time to time.

Ans ☐ 1. Notional gross domestic product

☐ 2. Residual gross domestic product

☐ 3. Secondary gross domestic product

☒ 4. Real gross domestic product

Question ID : 264330183574

Option 1 ID : 264330720019

Option 2 ID : 264330720017

Option 3 ID : 264330720018

Option 4 ID : 264330720016

Status : Answered

Chosen Option : 4

Q.17 Which of the following agencies is responsible for formulating the fiscal policy of India?

- Ans**
- ☐ 1. Reserve Bank of India
 - ☐ 2. National Bank for Agricultural and Rural Development
 - ☒ 3. Ministry of Finance of the Government of India
 - ☐ 4. Securities and Exchange Board of India

Question ID : 264330183566
Option 1 ID : 264330719985
Option 2 ID : 264330719987
Option 3 ID : 264330719986
Option 4 ID : 264330719984
Status : Answered
Chosen Option : 3

Q.18 If the proportionate change in supply is more than proportionate change in the price, it is said to be:

- Ans**
- ☐ 1. unitary elastic supply
 - ☐ 2. perfectly elastic supply
 - ☐ 3. relatively inelastic supply
 - ☒ 4. relatively elastic supply

Question ID : 264330183437
Option 1 ID : 264330719469
Option 2 ID : 264330719470
Option 3 ID : 264330719468
Option 4 ID : 264330719471
Status : Answered
Chosen Option : 4

Q.19 _____ shows the proportionate change in demand with respect to proportionate change in income.

- Ans**
- ☐ 1. Price elasticity of demand
 - ☐ 2. Cross elasticity of demand
 - ☒ 3. Income elasticity of demand
 - ☐ 4. Product quality elasticity of demand

Question ID : 264330183431
Option 1 ID : 264330719444
Option 2 ID : 264330719446
Option 3 ID : 264330719445
Option 4 ID : 264330719447
Status : Answered
Chosen Option : 3

Q.20 निम्नलिखित में से किसे भारत में 1991 के आर्थिक सुधारों के सुधारोत्तर काल का प्रतिमान माना जाता है?

Ans

- ☐ 1. आयात प्रतिस्थापन और प्राथमिक वस्तुओं का निर्यात
- ☐ 2. विदेशी मुद्रा नियंत्रण, रुपये की अपरिवर्तनीयता
- ☐ 3. बंद अर्थव्यवस्था
- ☒ 4.

राज्य के एकाधिकार की समाप्ति, निजीकरण और विनिवेश

Question ID : 264330183464

Option 1 ID : 264330719579

Option 2 ID : 264330719576

Option 3 ID : 264330719577

Option 4 ID : 264330719578

Status : Answered

Chosen Option : 4

Q.21 In a competitive market, _____ is the price maker.

Ans

- ☐ 1. firm
- ☐ 2. consumer
- ☐ 3. trade association
- ☒ 4. industry

Question ID : 264330183443

Option 1 ID : 264330719492

Option 2 ID : 264330719494

Option 3 ID : 264330719495

Option 4 ID : 264330719493

Status : Answered

Chosen Option : 2

Q.22 Which of the following is NOT an example of economic infrastructure?

Ans

- ☐ 1. Irrigation
- ☒ 2. Water supply
- ☐ 3. Transportation
- ☐ 4. Power

Question ID : 264330183559

Option 1 ID : 264330719959

Option 2 ID : 264330719957

Option 3 ID : 264330719958

Option 4 ID : 264330719956

Status : Answered

Chosen Option : 2

Q.23 Which of the following is NOT a type of elasticity of demand?

- Ans ☒ 1. Product quality elasticity of demand
- ☐ 2. Cross elasticity of demand
- ☐ 3. Income elasticity of demand
- ☐ 4. Price elasticity of demand

Question ID : 264330183429

Option 1 ID : 264330719439

Option 2 ID : 264330719438

Option 3 ID : 264330719437

Option 4 ID : 264330719436

Status : Answered

Chosen Option : 1

Q.24 In relation to the term 'Supply', which of the following statements is INCORRECT?

- Ans ☒ 1. Supply is not identified for a specified time period.
- ☐ 2. Supply requires both willingness and the ability to supply.
- ☐ 3. Supply is a flow.
- ☐ 4. Supply refers to what a firm offers for sale in market.

Question ID : 264330183435

Option 1 ID : 264330719462

Option 2 ID : 264330719461

Option 3 ID : 264330719463

Option 4 ID : 264330719460

Status : Answered

Chosen Option : 1

Q.25 In economics, _____ involves the creation of goods and services by using resources.

- Ans ☒ 1. production
- ☐ 2. exchange
- ☐ 3. distribution
- ☐ 4. consumption

Question ID : 264330183420

Option 1 ID : 264330719400

Option 2 ID : 264330719401

Option 3 ID : 264330719402

Option 4 ID : 264330719403

Status : Answered

Chosen Option : 1

Q.26 The largest employment generating sector in India is the:

- Ans**
- ✓ 1. primary sector
 - ✗ 2. manufacturing sector
 - ✗ 3. service sector
 - ✗ 4. secondary sector

Question ID : 264330183448
Option 1 ID : 264330719512
Option 2 ID : 264330719514
Option 3 ID : 264330719515
Option 4 ID : 264330719513
Status : Answered
Chosen Option : 1

Q.27 With respect to the monetary policy, which of the following statements is INCORRECT?

- Ans**
- ✗ 1. The contractionary policy decreases the total supply of money in the economy by increasing the interest rates.
 - ✓ 2. The contractionary policy boosts the economic activity during slowdowns or recessions.
 - ✗ 3. The expansionary policy works by increasing the total supply of money in the economy.
 - ✗ 4. There are two types of monetary policy, that is, expansionary policy and contractionary policy.

Question ID : 264330183565
Option 1 ID : 264330719982
Option 2 ID : 264330719981
Option 3 ID : 264330719983
Option 4 ID : 264330719980
Status : Answered
Chosen Option : 2

Q.28 The supply of any commodity depends upon some factors. This is called _____.

- Ans**
- ✗ 1. products of supply
 - ✓ 2. determinants of the supply
 - ✗ 3. elasticity of supply
 - ✗ 4. law of supply

Question ID : 264330183436
Option 1 ID : 264330719467
Option 2 ID : 264330719465
Option 3 ID : 264330719464
Option 4 ID : 264330719466
Status : Answered
Chosen Option : 2

Q.29 The meaning of _____ is freedom for economic decisions, which means that all the producers, owners and consumers of factors of production are free to take their decisions to promote their self-interest.

- Ans**
- ☒ 1. economic liberalisation
 - ☐ 2. privatisation
 - ☐ 3. globalisation
 - ☐ 4. corporatisation

Question ID : 264330183564
Option 1 ID : 264330719976
Option 2 ID : 264330719978
Option 3 ID : 264330719977
Option 4 ID : 264330719979
Status : Answered
Chosen Option : 1

Q.30 The money value of all the final goods and services produced in an economy during a year, estimated at some fixed prices is regarded as _____.

- Ans**
- ☐ 1. Closed National Income
 - ☐ 2. Nominal National Income
 - ☐ 3. Open National Income
 - ☒ 4. Real National Income

Question ID : 264330183453
Option 1 ID : 264330719535
Option 2 ID : 264330719532
Option 3 ID : 264330719534
Option 4 ID : 264330719533
Status : Answered
Chosen Option : 4

Q.31 Which of the following is NOT a feature of 'Land and labour' as a factor of production?

- Ans**
- ☐ 1. Land is a gift of nature.

☐ 2.

If a worker does not find work on a particular day, the labour is lost for that day.

- ☒ 3. There is no difference in the efficiency of labour.

☐ 4.

Land cannot be moved from one place to another, unlike other factors.

Question ID : 264330183538
Option 1 ID : 264330719872
Option 2 ID : 264330719875
Option 3 ID : 264330719874
Option 4 ID : 264330719873
Status : Answered
Chosen Option : 3

Q.32 In relation to infrastructure, which of the following statements are correct?

- (i) Infrastructure is the backbone of industrial and agricultural output as well as international and domestic trade.
- (ii) The infrastructure of a country has a direct impact on its economic and social growth.
- (iii) Communication and transportation, sewage, water, education, healthcare, safe drinking water and monetary systems are all examples of the basic infrastructure in an organisation or for a country.

- Ans**
- ☐ 1. Only (ii) and (iii)
 - ☐ 2. Only (i) and (iii)
 - ☒ 3. All of (i), (ii) and (iii)
 - ☐ 4. Only (i) and (ii)

Question ID : 264330183558

Option 1 ID : 264330719953

Option 2 ID : 264330719954

Option 3 ID : 264330719955

Option 4 ID : 264330719952

Status : Answered

Chosen Option : 3

Q.33 In relation to Economic Reforms since 1991, New Industrial Policy was announced in:

- Ans**
- ☐ 1. January 1991
 - ☐ 2. March 1991
 - ☒ 3. July 1991
 - ☐ 4. January 1992

Question ID : 264330183461

Option 1 ID : 264330719565

Option 2 ID : 264330719564

Option 3 ID : 264330719567

Option 4 ID : 264330719566

Status : Answered

Chosen Option : 3

Q.34 Which of the following is regarded as a supervisory function of the Reserve Bank of India?

- Ans**
- ☐ 1. Issue of currency notes
 - ☐ 2. Banker to the government
 - ☒ 3. Implementation of the deposit insurance scheme
 - ☐ 4. Exchange rate management

Question ID : 264330183467

Option 1 ID : 264330719588

Option 2 ID : 264330719589

Option 3 ID : 264330719590

Option 4 ID : 264330719591

Status : Answered

Chosen Option : 4

Q.35 _____ explains how much change in the price of one commodity leads to how much change in the demand for another commodity.

- Ans**
- ☐ 1. Income elasticity of demand
 - ☐ 2. Price elasticity of demand
 - ☐ 3. Expense elasticity of demand
 - ☒ 4. Cross elasticity of demand

Question ID : **264330183532**
Option 1 ID : **264330719850**
Option 2 ID : **264330719848**
Option 3 ID : **264330719851**
Option 4 ID : **264330719849**
Status : **Answered**
Chosen Option : **2**

Q.36 _____ is most common in industries like agriculture, tourism, hotel, catering, etc.

- Ans**
- ☐ 1. Cyclical unemployment
 - ☒ 2. Seasonal unemployment
 - ☐ 3. Structural unemployment
 - ☐ 4. Frictional unemployment

Question ID : **264330183555**
Option 1 ID : **264330719943**
Option 2 ID : **264330719942**
Option 3 ID : **264330719940**
Option 4 ID : **264330719941**
Status : **Answered**
Chosen Option : **2**

Q.37 Which of the following are considered as development issues in the Indian economy?

- (i) Low per capita income
- (ii) Heavy population pressure
- (iii) Inequality in wealth distribution

- Ans**
- ☐ 1. Only (ii) and (iii)
 - ☐ 2. Only (i) and (ii)
 - ☐ 3. Only (i) and (iii)
 - ☒ 4. All (i), (ii) and (iii)

Question ID : **264330183449**
Option 1 ID : **264330719517**
Option 2 ID : **264330719516**
Option 3 ID : **264330719518**
Option 4 ID : **264330719519**
Status : **Answered**
Chosen Option : **4**

Q.38 India's nominal gross domestic product (GDP) at current prices was estimated to be at ₹232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India had the _____ unicorn base in the world.

- Ans**
- ☐ 1. eight-largest
 - ☐ 2. second-largest
 - ☐ 3. sixth-largest
 - ☒ 4. third-largest

Question ID : 264330183450
Option 1 ID : 264330719523
Option 2 ID : 264330719520
Option 3 ID : 264330719522
Option 4 ID : 264330719521
Status : Answered
Chosen Option : 2

Q.39 The year _____ will remain a year of notable and widespread changes in the policy for economic development in India.

- Ans**
- ☒ 1. 1991
 - ☐ 2. 1976
 - ☐ 3. 1959
 - ☐ 4. 1964

Question ID : 264330183561
Option 1 ID : 264330719967
Option 2 ID : 264330719966
Option 3 ID : 264330719964
Option 4 ID : 264330719965
Status : Answered
Chosen Option : 1

Q.40 In relation to methods of economic study, which of the following statements is INCORRECT?

- Ans**
- ☐ 1. Inductive method is also known as historical method 'or' statistical method.
 - ☒ 2. Modern economists follow deductive method.
 - ☐ 3. Deductive method is also called prior method, abstract method and analytical method.
 - ☐ 4. Deductive method is a static analysis, inductive method is dynamic.

Question ID : 264330183422
Option 1 ID : 264330719410
Option 2 ID : 264330719411
Option 3 ID : 264330719409
Option 4 ID : 264330719408
Status : Answered
Chosen Option : 4

Q.41 The Finance Commission is constituted by the _____ under Article 280 of the Indian Constitution, mainly to give its recommendations on distribution of tax revenues between the Union and the States and amongst the States themselves.

- Ans**
- ☒ 1. Finance Minister
 - ☒ 2. Chairman of RBI
 - ☒ 3. Prime Minister
 - ☒ 4.

Question ID : 264330183418
Option 1 ID : 264330719393
Option 2 ID : 264330719395
Option 3 ID : 264330719392
Option 4 ID : 264330719394
Status : Answered
Chosen Option : 4

Q.42 With respect to the law of returns to scale, which of the following is regarded as a reason for diminishing returns?

- Ans**
- ☒ 1.
 - ☒ 2.
 - ☒ 3. Dimensional economics
 - ☒ 4. Volume discounts




Question ID : 264330183540
Option 1 ID : 264330719880
Option 2 ID : 264330719881
Option 3 ID : 264330719882
Option 4 ID : 264330719883
Status : Answered
Chosen Option : 1

Q.43 The term 'Demand' refers to the _____ of goods or services that buyers are willing and able to purchase at various prices during a given period of time.

- Ans**
- ☒ 1.
 - ☒ 2.
 - ☒ 3.
 - ☒ 4.

Question ID : 264330183526
Option 1 ID : 264330719825
Option 2 ID : 264330719824
Option 3 ID : 264330719827
Option 4 ID : 264330719826
Status : Answered
Chosen Option : 2

Q.44

Ans  1.
 2.
 3.
 4.

Question ID : 264330183417
Option 1 ID : 264330719390
Option 2 ID : 264330719388
Option 3 ID : 264330719389
Option 4 ID : 264330719391
Status : Answered
Chosen Option : 4

Q.45

Ans  1.
 2.
 3.
 4.





Question ID : 264330183451
Option 1 ID : 264330719524
Option 2 ID : 264330719527
Option 3 ID : 264330719526
Option 4 ID : 264330719525
Status : Answered
Chosen Option : 2

Q.46

Ans  1.
 2.
 3.
 4.



Question ID : 264330183539
Option 1 ID : 264330719878
Option 2 ID : 264330719876
Option 3 ID : 264330719879
Option 4 ID : 264330719877
Status : Answered
Chosen Option : 3

Q.47

Ans  1.
 2.
 3.
 4.




Question ID : 264330183554
Option 1 ID : 264330719938
Option 2 ID : 264330719939
Option 3 ID : 264330719936
Option 4 ID : 264330719937
Status : Answered
Chosen Option : 2

Q.48

Ans  1.
 2.
 3.
 4.


Question ID : **264330183546**
Option 1 ID : **264330719906**
Option 2 ID : **264330719907**
Option 3 ID : **264330719904**
Option 4 ID : **264330719905**
Status : **Not Answered**
Chosen Option : --

Q.49

Ans  1.
 2.
 3.
 4.

Question ID : **264330183568**
Option 1 ID : **264330719995**
Option 2 ID : **264330719993**
Option 3 ID : **264330719994**
Option 4 ID : **264330719992**
Status : **Answered**
Chosen Option : 1

Q.50

Ans  1.
 2.
 3.
 4.

Question ID : **264330183423**
Option 1 ID : **264330719412**
Option 2 ID : **264330719414**
Option 3 ID : **264330719415**
Option 4 ID : **264330719413**
Status : **Answered**
Chosen Option : 3

Q.51

Ans  1.
 2.
 3.
 4.

Question ID : **264330183457**
Option 1 ID : **264330719550**
Option 2 ID : **264330719548**
Option 3 ID : **264330719549**
Option 4 ID : **264330719551**
Status : **Answered**
Chosen Option : 2

Q.52

Ans  1.

 2.

 3.

 4.

Question ID : 264330183470

Option 1 ID : 264330719600

Option 2 ID : 264330719602

Option 3 ID : 264330719601

Option 4 ID : 264330719603

Status : Answered

Chosen Option : 1

Q.53

Ans  1.

 2.

 3.

 4.

Question ID : 264330183471

Option 1 ID : 264330719607

Option 2 ID : 264330719604

Option 3 ID : 264330719605

Option 4 ID : 264330719606

Status : Answered

Chosen Option : 2

Q.54

Ans  1.

 2.

 3.

 4.

Question ID : 264330183444

Option 1 ID : 264330719497

Option 2 ID : 264330719498

Option 3 ID : 264330719499

Option 4 ID : 264330719496

Status : Answered

Chosen Option : 2

Q.55

Ans  1.

 2.

 3.

 4.

Question ID : 264330183556

Option 1 ID : 264330719946

Option 2 ID : 264330719947

Option 3 ID : 264330719945

Option 4 ID : 264330719944

Status : Answered

Chosen Option : 4

Q.56

Ans  1.

 2.

 3.

 4.

Question ID : 264330183573

Option 1 ID : 264330720013

Option 2 ID : 264330720015

Option 3 ID : 264330720012

Option 4 ID : 264330720014

Status : Answered

Chosen Option : 1

Q.57

Ans  1.

 2.

 3.

 4.

Question ID : 264330183447

Option 1 ID : 264330719508

Option 2 ID : 264330719511

Option 3 ID : 264330719510

Option 4 ID : 264330719509

Status : Answered

Chosen Option : 3

Q.58

Ans  1.

 2.

 3.

 4.

Question ID : 264330183534

Option 1 ID : 264330719858

Option 2 ID : 264330719856

Option 3 ID : 264330719859

Option 4 ID : 264330719857

Status : Answered

Chosen Option : 4

Q.59

Ans  1.

 2.

 3.

 4.

Question ID : 264330183424

Option 1 ID : 264330719419

Option 2 ID : 264330719418





Option 3 ID : 264330719417

Option 4 ID : 264330719416

Status : Answered

Chosen Option : 3

Q.60

Ans  1.
 2.
 3.
 4.

Question ID : **264330183433**

Option 1 ID : **264330719452**

Option 2 ID : **264330719454**

Option 3 ID : **264330719455**

Option 4 ID : **264330719453**

Status : **Answered**

Chosen Option : **4**